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IDAHO PUBLIC UTILITIES COMMISSION

BND-T-07-01

Harry Malone Katie B. Besha

Direct Phone: 202.373.6000 Direct Fax: 202.373.6001 harry.malone@bingham.com katie.besha@bingham.com

October 26, 2007

Via FedEx

Jean D. Jewell, Secretary Idaho Public Utilities Commission 472 W. Washington Street Boise, ID 83702

472 W. Washington Street Boise, ID 83702

Re: Bandwidth.com CLEC LLC - Application for a Certificate of Public Convenience and Necessity to Provide Local Exchange Services

Dear Ms. Jewell:

Please find enclosed, on behalf of Bandwidth.com CLEC, LLC ("Bandwidth.com"), an original and seven (7) copies of Bandwidth.com's Application for a Certificate of Public Convenience and Necessity to Provide Local Exchange Services. An electronic version of the Illustrative Tariff contained in this Application is also included on the enclosed disk.

Please note that the financial information attached as Exhibit C to the original copy of the application is proprietary and confidential trade secret information and thus is being submitted under seal. Bandwidth.com respectfully requests that the information be accorded confidential treatment and that it not be made a part of the public record or otherwise be made available for public disclosure. This information is provided in a sealed envelope attached only to the original copy of the application.

Additionally, please note that Bandwidth.com is currently in the process of obtaining its Authority to Transact Business as a Foreign Corporation in Idaho. Once received, we will supplement this Application with it, as Exhibit B, as soon as possible.

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Bingham McCutchen LLP 2020 K Street NW Washington, DC 20006-1806

> T 202.373.6000 F 202.373.6001 bingham.com

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Jean D. Jewell, Secretary October 26, 2007 Page 2

Please date stamp and return the enclosed extra copy of this filing in the self-addressed, postage-prepaid envelope provided. Should you have any questions concerning this matter, please do not hesitate to contact the undersigned at (202) 373-6000.

Respectfully submitted,

Lati Beon

Harry Malone

Katie B. Besha

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of)
Bandwidth.com CLEC, LLC) Docket No. <u>BND</u> -T-07-0
For a Certificate of Public Convenience)
and Necessity to Provide Local Exchange)
Services	

APPLICATION OF BANDWIDTH.COM CLEC, LLC

Bandwidth.com CLEC, LLC ("Bandwidth" or "Applicant"), by its undersigned attorneys, and pursuant to Idaho Code §§61-526-528, IDAPA 31.01.01.111, and Procedural Order No. 26665, hereby applies to the Idaho Public Utilities Commission ("Commission") for a Certificate of Public Convenience and Necessity to authorize Bandwidth to provide facilities-based and resold local exchange telecommunications service in the State of Idaho.

In support of its application, Bandwidth provides the following:

I. Proposed Services

- 1. Bandwidth seeks authority to provide facilities-based and resold local exchange telecommunications services to and from all points in the State of Idaho.
- 2. Bandwidth intends to provide facilities-based and resold local exchange telecommunications services. Bandwidth will comply with all applicable Commission rules, regulations and standards, and will provide safe, reliable and high-quality telecommunications services in Idaho. While Applicant will offer traditional voice services to customers utilizing the public switched network, Applicant will also offer services using Internet Protocol to provide voice and data applications that interact seamlessly with the traditional public switched network. Applicant will continuously monitor and maintain a high level of control over its network on a 24-hours-a-day, 7-days-a-week basis.

3. Bandwidth is currently in the process of developing its marketing strategy for the

State of Idaho. Bandwidth will utilize a professionally trained sales force to market its services

and will comply with all Commission rules and regulations in marketing its services in the State

of Idaho.

II. Form of Business

1. Bandwidth is a competitive provider of local and long distance phone services.

Bandwidth is currently authorized to provide telecommunications services in the states of

California, Florida, Illinois, New York, North Carolina, Ohio, Pennsylvania and Texas. Applicant

has applications pending in Georgia and Virginia. Bandwidth has not been denied requested

certification in any jurisdiction.

2. Bandwidth.com CLEC, LLC is a corporation organized under the laws of the

State of Delaware.

3. Bandwidth may be reached at its principal place of business:

Bandwidth.com CLEC, LLC 4001 Weston Parkway, Suite 100

Cary, NC 27513

Phone: (919) 297-1100

Fax: (919) 297-1101

Bandwidth does not have a principal business address in Idaho.

4. A copy of its Articles of Incorporation is attached hereto as **Exhibit A**.

5. Bandwidth's authority to transact business as a foreign corporation in Idaho is

attached hereto as Exhibit B.

6. Bandwidth's registered agent for service in Idaho is:

CT Corporation System 1111 W Jefferson #530

Boise ID 83702

7. Bandwidth.com CLEC, LLC is wholly owned by Bandwidth.com Inc. The five

largest shareholders are:

Henry Kaestner 3708 Saint Marks Rd Durham, NC 27707

4001 Weston Parkway Cary, NC 27513

David Morken 113 Glen Haven Drive Chapel Hill, NC 27514

4001 Weston Parkway Cary, NC 27513

James Bowen 415 Union Wheaton, IL 60187

1001 Warrenville Road, Suite 300 Lisle, IL 60532

Steve Lerner 110 Sandy Creek Trail Chapel Hill, NC 27516

400 Meadowmont Village Circle, Suite 431 Chapel Hill, NC 27517

Thomas M. Smith Jr. 4086 Penshurt Park Sarasota, FL 34235

No office address

8. The Directors of Bandwidth are:

David Morken, President & Chairman Henry Kaestner, CEO & Director Lance Condray, CFO

All directors can be reached at Applicant's principle place of business.

9. Bandwidth.com CLEC, LLC is a wholly owned subsidiary of Bandwidth.com Inc.

10. Bandwidth has no subsidiaries.

11. Correspondence pertaining to this Application should be directed to Bandwidth's

counsel:

Harry Malone Katie Besha Bingham McCutchen 2020 K St. NW Washington, DC 20006

Phone: (202) 373-6000

Fax: (202) 373-6001

harry.malone@bingham.com katie.besha@bingham.com

III. Telecommunications Service

1. Bandwidth intends to begin providing service in Idaho shortly after it obtains authorization to do so. It anticipates that it will enter into the appropriate interconnection and

service arrangements with Qwest Corporation ("Qwest") to offer such services.

2. Bandwidth proposes to provide resold and facilities-based local exchange

telecommunications services to both business and residential customers in the State of Idaho.

IV. Service Territory

1. Bandwidth intends to provide service throughout the State of Idaho. Bandwidth

intends to provide service in the areas served by Qwest and does not plan to provide service in

areas of any small or rural local exchange carriers. However, Bandwidth seeks statewide

authority so that it may expand into other service areas as market conditions warrant and as

additional service areas become open to competition.

2. Bandwidth will offer basic local exchange services to customer in the State of

Idaho. Bandwidth anticipates that it will offer facilities-based local exchange service via

commercial wholesale agreements with incumbents. Bandwidth, however, seeks the full range of resold and facilities-based local exchange authority so that it can have flexibility in provisioning its services in the future.

3. Bandwidth will compete directly with Qwest Corporation for the provision of local exchange telecommunications services.

4. Bandwidth does not currently own facilities or property in Idaho.

IV. Financial Information

The success of Bandwidth's parent company, Bandwidth.com, Inc., in developing innovative products and services and in expanding its geographic reach has translated into impressive growth in recent years and as such Bandwidth will be relying on it's parent company for full financing. Bandwidth.com, Inc, is well-qualified financially to operate and expand its business through its subsidiary. Financial information demonstrating Bandwidth's financial qualifications is provided *under seal* as **Exhibit C**. As shown in the attached information, Bandwidth is financially qualified to operate within the State of Idaho.

V. "Illustrative" Tariff Filings

Bandwidth's proposed initial local exchange is attached as **Exhibit D**.

VI. Customer Contacts

Bandwidth's toll-free number for customer inquiries is 800-808-5150. Additionally, customer inquiries and complaints may be directed to:

Email address for complaints: info@bandwidth.com

<u>Individual responsible for complaints:</u>

Joe Campbell, Vice President of Operations Bandwidth.com CLEC, LLC 4001 Weston Parkway, Suite 100 Cary, NC 27513

Phone: (919) 297-1100

Fax: (919) 297-1101

The contact for the Commission Staff for resolving matters concerning rates and price 4.

lists or tariffs are as follows:

Joe Campbell, Vice President of Operations

Bandwidth.com CLEC, LLC

4001 Weston Parkway, Suite 100

Cary, NC 27513

Phone: (919) 297-1100

Fax: (919) 297-1101

5. The contact for the Commission Staff for general business and regulatory matters of

Bandwidth following certification should be directed to:

David Morken, President

Bandwidth.com CLEC, LLC

4001 Weston Parkway, Suite 100

Carv. NC 27513

Phone: (919) 297-1100

Fax: (919) 297-1101

VIII. Interconnection Agreements

Bandwidth has not yet initiated interconnection negotiations but intends to do so upon

being granted authority by the Commission. Once Bandwidth has conducted negotiations and

reached agreements either by negotiation or arbitration, Bandwidth will file copies of them with

the Commission for its approval.

IX. **Compliance with Commission Rules**

Attached hereto is a sworn verification executed by Applicant stating that the Applicant

agrees to comply with all Idaho laws and Commission rules and regulation.

X. **Escrow Account or Security Bond**

Should Bandwidth decide to require advance deposits from its customers, it will enter

into an escrow agreement with a bonded escrow agent prior to offering telecommunications

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services in Idaho. Bandwidth will comply with all applicable Idaho laws and Commission rules and regulations regarding advance customer deposits. Should Bandwidth decide to require advance deposits, Bandwidth will file a copy of its escrow agreement upon commission's request.

XI. Conclusion

As demonstrated by this application and pursuant to Idaho Code §§61-526-528, IDAPA Procedural Order No. 26665, Bandwidth's expertise 31.01.01.111. and telecommunications sector will permit it to select the most economic and efficient services, thereby providing customers with an excellent combination of price, quality, and customer service. Accordingly, Bandwidth anticipates its proposed service will increase consumer choice of innovative, diversified, and reliable service offerings. The provision of more affordable and available local telecommunications services will promote the health, welfare and economic wellbeing of the citizens of Idaho. Bandwidth respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Application for the authority to provide all types of facilities-based and resold local telecommunications services.

WHEREFORE, Bandwidth.com CLEC, LLC, respectfully requests that the Idaho Public Utilities Commission issue a Certificate of Public Convenience and Necessity authorizing Bandwidth to provide resold and facilities-based local exchange telecommunications services within the State of Idaho.

Respectfully Submitted,

Harry Malone

Katie Besha

Bingham McCutchen

2020 K St. NW

Washington, DC 20006

Phone: (202) 373-6000

Fax: (202) 373-6001

harry.malone@bingham.com katie.besha@bingham.com

Counsel for Bandwidth.com CLEC LLC

Dated: October 26, 2007

EXHIBITS

Exhibit A Articles of Incorporation

Exhibit B Authority to Transact Business as a Foreign Corporation

Exhibit C Financial Statements

[CONFIDENTIAL - Submitted Under Seal]

Exhibit D Illustrative Local Exchange Tariff

Verification

EXHIBIT A

Articles of Incorporation

Delaware PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "BANDWIDTH.COM CLEC, LLC", FILED IN THIS OFFICE ON THE NINTH DAY OF JANUARY, A.D. 2007, AT 12:51 O'CLOCK P.M.

070024357



Varret Smith Hindson

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5339487

DATE: 01-09-07

State of Delaware Secretary of State Division of Corporations Delivered 01:21 PM 01/09/2007 FILED 12:51 PM 01/09/2007 SRV 070024357 - 4281536 FILE

STATE OF DELAWARE LIMITED LIABILITY COMPANY CERTIFICATE OF FORMATION

FIRST:

The name of the limited liability company is Bandwidth.com CLEC, LLC.

SECOND:

The address of the registered office in the State of Delaware is 2711 Centerville

Road, Suite 400 in the City of Wilmington, County of New Castle. The name of

its Registered Agent at such address is Corporation Service Company.

THIRD:

This Certificate of Formation shall be effective upon filing.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation of Bandwidth.com CLEC, LLC, this 9th day of January, 2007.

W. Christopher Matton, Authorized Person

EXHIBIT B

Authority to Transact Business as a Foreign Corporation

EXHIBIT C

Financial Statements
[CONFIDENTIAL - Submitted Under Seal]

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