NEIL PRICE DEPUTY ATTORNEY GENERAL IDAHO PUBLIC UTILITIES COMMISSION PO BOX 83720 BOISE, IDAHO 83720-0074 (208) 334-0314 IDAHO BAR NO. 6864 RECEIVED 2008 FEB 25 AM II: 04 IDAHO PUBLIC UTILITIES COMMISSION

Street Address for Express Mail: 472 W. WASHINGTON BOISE, IDAHO 83702-5983

Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF) BUDGET PREPAY, INC. DBA BUDGET PHONE) FOR A CERTIFICATE OF PUBLIC) CONVENIENCE AND NECESSITY TO) PROVIDE LOCAL EXCHANGE AND) TELECOMMUNICATIONS SERVICES)

CASE NO. BPP-T-07-1

COMMENTS OF THE COMMISSION STAFF

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Neil Price, Deputy Attorney General, and in response to the Notice of Application and Notice of Modified Procedure in Order No. 30496 issued on February 4, 2008, submits the following comments.

BACKGROUND

On November 14, 2007, Budget Prepay, Inc. dba Budget Phone ("Budget") filed an Application for a Certificate of Public Convenience and Necessity to provide basic local telephone exchange service throughout the State of Idaho pursuant to Commission Order No. 26665.

Budget will provide resold local exchange and interexchange telecommunications services within the State of Idaho. Budget will provide these services by utilizing the facilities of incumbent local exchange carriers ("ILECs") already operating within Idaho, including Qwest and Verizon.

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Budget's service territory within Idaho will include all areas within Idaho, except those areas currently being serviced by local exchange carriers ("LECs") which are eligible for a small or rural carrier exemption pursuant to Section 251 of the Federal Telecom Act of 1996.

STAFF REVIEW

Budget initially proposes to offer resold local exchange services and to purchase unbundled network elements. The Company states it has no current plans to install facilities in Idaho, but may do so in the future. Budget intends to make available all forms of intrastate local exchange and interexchange telecommunications services to business and residential customers.

The Company is headquartered in Bossier City, Louisiana and incorporated in Louisiana. Budget obtained a Certificate of Authority to transact business as a foreign corporation from the Idaho Secretary of State on August 9, 2007. The Company also provided the appropriate contact information for its registered agent for service of process within Idaho.

Budget furnished audited financial statements for 2006 and 2007 and an illustrative tariff with its Application that demonstrates an understanding of tariff requirements and processes.

STAFF RECOMMENDATION

Based upon the review of the Company Application, Staff believes Budget Prepay, Inc. understands and agrees to comply with the Commission Rules of Procedure 111, IDAPA 31.01.01.111, and Procedural Order No. 26665. Staff believes that the Company possesses the requisite financial, managerial, and technical qualifications necessary to operate as a telecommunications service provider. Staff recommends approval of the Application for Certificate of Public Convenience and Necessity.

Respectfully submitted this 25% day of February 2008.

N¢il Price Deputy Attorney General

Technical Staff: Grace Seaman i:/umisc/comments/bppt07.1npgs

STAFF COMMENTS

FEBRUARY 25, 2008

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 25TH DAY OF FEBRUARY 2008, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. BPP-T-07-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

LANCE JM STEINHART ATTORNEY AT LAW SUITE 115 1720 WINDWARD CONCOURSE ALPHARETTA GA 30005 BUDGET PREPAY INC DBA BUDGET PHONE COMPANY 1325 BARKSDALE BLVD BOSSIER CITY LA 71111

CERTIFICATE OF SERVICE