

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION OF)
COVISTA, INC. FOR A CERTIFICATE OF PUBLIC) CASE NO. GNR-T-03-19
CONVENIENCE AND NECESSITY TO PROVIDE)
LOCAL EXCHANGE TELECOMMUNICATIONS)
SERVICES.) ORDER NO. 29308
_____)**

On May 19, 2003, Covista, Inc. (Covista, Company) filed an Application for a Certificate of Public Convenience and Necessity to provide facilities-based and resold local exchange service within the State of Idaho. This Application was subsequently amended by Covista in a filing received June 12, 2003. The Company initially intends to provide resold local exchange services and local services to business customers utilizing the unbundled network elements platform (UNE-P). In the Notice of Application and Modified Procedure issued June 20, 2003, the Commission solicited comments regarding Covista's Application. Order No. 29269. No comments were received other than those submitted by Commission Staff. Based on the comments, the law and the record, the Commission grants Covista's Application.

THE APPLICATION

Covista, Inc. requests authority to operate as a competitive local exchange provider offering resold local exchange services and local services utilizing the UNE-P platform throughout the Idaho service areas that coincide with the incumbent local exchange carrier's (ILECs) local calling areas. Covista intends to provide all forms of local exchange telecommunications services, including: 1) local exchange services for business and residential customers; 2) switched local exchange services such as flat-rated, measure-rated, and vertical services; 3) non-switched local services (e.g., private line); 4) Centrex and/or Centrex-like services; and 5) digital subscriber line, ISDN, and other high capacity line services. However, Covista stated that it does not intend to service areas currently served by any local exchange carriers (LECs) that are eligible for a small or rural carrier exemption pursuant to Section 251 of the federal Telecom Act of 1996.

Covista's Application states that Covista will not require advance payments or deposits. Therefore, it does not request an escrow account. Covista stated that it has reviewed the laws and regulations of this Commission governing local exchange telecommunications

services in Idaho and will provide service in accordance with all laws, rules and regulations to the extent they are not preempted by the Federal Act.

STAFF COMMENTS

In its comments filed July 2, 2003, Staff observed that Covista, Inc. is currently incorporated in the State of New Jersey with its primary place of business in Chattanooga, Tennessee. In 2000, the Company obtained an Amended Certificate of Authority to transact business as a foreign corporation from Idaho's Secretary of State and has a registered in-state agent. Although it intends to resell local exchange services, Staff noted that the Company has not yet obtained an interconnection agreement in Idaho.

Covista, Inc. has been approved to provide telecommunications services in other states and is listed on the NASDAQ under CVST. Based upon its review of the Company's Form 10-K as well as recent Income Statements, Cash Flow Statements and Balance Sheets, Staff believes the Company is financially sound. Staff also noted that its Consumer Assistance Division found that there have been no complaints against this Covista, Inc. in the past.

Staff has reviewed the Application submitted by Covista, Inc. and believes the Company understands and agrees to comply with the Commission's rules and requirements. Based on this review of Covista's Application, Staff believes that the Company's filing has satisfied all the requirements of the Commission's Rules and Procedural Order No. 26665. Therefore, Staff recommended approval of the Application for a Certificate of Public Convenience and Necessity.

COMMISSION FINDINGS

Based on the comments, the law and the record, the Commission grants the Application. When considering an application for a Certificate, the Commission must determine if the applicant has the necessary qualifications to provide service while still fostering competition in the local telecommunications market. Based upon our review of the filing and the record in this case, the Commission finds that Covista's filing satisfies the requirements of the Commission's Rules and Procedural Order No. 26665. *Id.* Thus, we approve Covista's Application for a Certificate of Public Convenience and Necessity to allow the Company to provide telecommunications services statewide. This is consistent with our previous Orders granting statewide authority to provide telecommunications services to carriers meeting the established requirements. Because Covista will not require advance payments or deposits, the

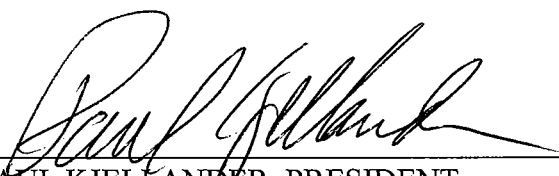
Commission finds it reasonable to waive any requirement for Covista to maintain an escrow account.

ORDER

IT IS HEREBY ORDERED that Covista, Inc. is granted a Certificate of Public Convenience and Necessity to provide basic local exchange services within the state of Idaho.

THIS IS A FINAL ORDER. Any person interested in this Order or in interlocutory Orders previously issued in this case may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 25th day of July 2003.



PAUL KJELLANDER, PRESIDENT



MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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