

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
GRANITE TELECOMMUNICATIONS, LLC FOR A) **CASE NO. GNT-T-03-1**
CERTIFICATE OF PUBLIC CONVENIENCE AND)
NECESSITY TO PROVIDE LOCAL EXCHANGE) **ORDER NO. 29424**
TELECOMMUNICATIONS SERVICES.)

On October 9, 2003, Granite Telecommunications, LLC (“Granite” or “Company”) filed an Application for a Certificate of Public Convenience and Necessity to provide facilities-based and resold competitive local exchange and interexchange services throughout the State of Idaho. Granite’s Application also seeks permission to offer intrastate toll services. In the Notice of Application and Modified Procedure issued January 2, 2004, the Commission solicited comments regarding Granite’s Application. Order No. 29409. No comments were received other than those submitted by Commission Staff. Based on the comments, the law and the record, the Commission grants Granites’s Application.

THE APPLICATION

Granite seeks to provide service to customers mainly utilizing Unbundled Network Elements Platform (UNE-P) leased or purchased from Qwest Corporation and Verizon Northwest. Granite does not presently have plans to build any facilities of its own in Idaho, but does not foreclose the possibility of constructing such facilities in the future. At the time of its Application, Granite had made a request for interconnection with Qwest Corporation, but had not entered into any interconnection agreement or other agreement to begin telecommunications services within the State of Idaho. Granite does not currently provide any services within the Idaho.

Although the Company proposes to initially offer its services in the service areas currently served by Qwest and Verizon, in the future Granite may compete with all incumbent local exchange carriers within the State of Idaho. The Application states that Granite has reviewed all of the Commission rules and agrees to comply with them. Finally, the Company argues that granting its Application is in the public interest because Granite’s entry into the local telecommunications services market will enhance competition in Idaho.

STAFF COMMENTS

Headquartered in Quincy, Massachusetts, Granite was formed as a Limited Liability Company under the laws of the State of Delaware. According to its comments filed January 23, 2004, Staff reviewed the biographies of the Company's directing members for the purpose of establishing Granite's business and telecommunications experience. The Company obtained a Certificate of Authority to transact business as a foreign corporation from Idaho's Secretary of State on August 5, 2003. Although the Company does not maintain an office in Idaho, it does have a registered in-state agent. Staff reviewed Granite's unaudited financials for the period ending June 30, 2003 and believes the Company is solvent.

With this Application, Granite proposes to provide business and residential local exchange services, operator assistance, data services, and Centrex services. The Company does not propose to collect advance payments or deposits, so no escrow account has been established. Staff also noted that the example tariff submitted by Granite includes in-state long distance services.

According to Staff, Granite has been granted authority to provide local exchange service in several other states such as Washington and Maine. Based on its review of the Application, Staff recommended approval of Granite's Application for Certificate of Public Convenience and Necessity.

COMMISSION FINDINGS

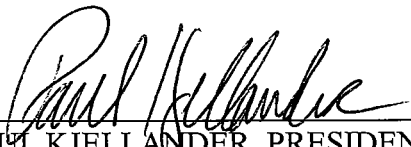
Based on the comments, the law and the record, the Commission grants the Application. When considering an application for a Certificate, the Commission must determine if the applicant has the necessary qualifications to provide service while still fostering competition in the local telecommunications market. Based upon our review of the filing and the record in this case, the Commission finds that Granite's filing satisfies the requirements of the Commission's Rules and Procedural Order No. 26665. *Id.* Thus, we approve Granite'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.

ORDER

IT IS HEREBY ORDERED that Granite Telecommunications, LLC 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 Case No. GNT-T-03-1 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.*

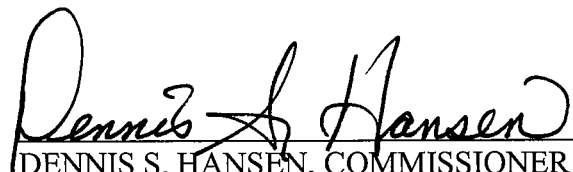
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 5th day of February 2004.



PAUL KJELLANDER, PRESIDENT

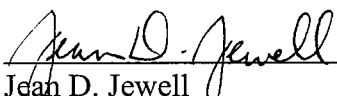


MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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