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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Lisa Nordstrom, Deputy Attorney General, in response to Order No. 29409, the Notice of Application and Notice of Modified Procedure in Case No. GNT-T-03-1 issued on January 2, 2004, submits the following comments.

BACKGROUND

On October 8, 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.

The Company states that it has no customers at this time in the state of Idaho. Headquartered in Quincy, Massachusetts, Granite was formed as a Limited Liability Company under the laws of the

state of Delaware. Biographies of the directing members accompanied the Application to demonstrate its 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. Granite has submitted its unaudited financials for the period ending June 30, 2003. Staff has reviewed these documents and believes the Company is solvent.

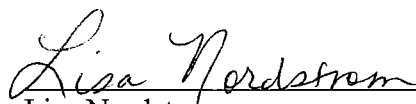
With this Application, Granite proposes to provide business and residential local exchange service, operator assistance, data services, and Centrex services. The Company does not propose to collect advance payments or deposits, so no escrow account has been established. The example tariff submitted by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

Granite has been granted authority to provide local exchange service in several other states such as Washington and Maine. The Company states that granting its Application for a Certificate is in the public interest because Granite's entry into the local telecommunications services market will enhance competition in Idaho. Granite also states that its personnel have reviewed the rules of this Commission and affirm their commitment to abide by them.

STAFF RECOMMENDATION

Staff has reviewed the Application submitted by Granite Telecommunications LLC and believes the Company understands and agrees to comply with the Commission's rules and requirements. Based on this review of Granite'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 recommends approval of the Application for Certificate of Public Convenience and Necessity.

Respectively submitted this 23rd day of January, 2004.



Lisa Nordstrom
Deputy Attorney General

Technical Staff: Doug Cooley


Umisc/Comments/gntt031Indc

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 23RD DAY OF JANUARY 2004, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. GNT-T-03-1, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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