DECISION MEMORANDUM

TO: COMMISSIONER REDFORD

COMMISSIONER SMITH COMMISSIONER KEMPTON COMMISSION SECRETARY

COMMISSION STAFF

FROM: KRIS SASSER

DEPUTY ATTORNEY GENERAL

DATE: FEBRUARY 26, 2008

SUBJECT: ICS OF IDAHO'S APPLICATION FOR A CERTIFICATE OF PUBLIC

CONVENIENCE AND NECESSITY, CASE NO. IOI-T-08-01

On February 6, 2008, ICS of Idaho filed an Application for a Certificate of Public Convenience and Necessity (CPCN) to provide facilities-based and resold competitive local exchange services to business and residential customers in the State of Idaho. The Application states that the Company will offer basic local exchange services and custom calling features as well as voice and data applications through the use of Internet Protocol (IP) technology. The Company anticipates that its proposed service will increase consumer choice for innovative and reliable services.

The Company intends to begin providing service in Idaho as soon as it obtains authorization and is in the process of negotiating interconnection and service agreements with Qwest Corporation and/or Verizon Northwest. The Company will compete directly with Qwest and Verizon for local exchange telecommunication services. Initially, ICS does not intend to provide service in areas with small or rural local exchange carriers. However, the Company seeks statewide authority so that it may expand when market conditions warrant and as additional service areas become open to competition.

ICS is a limited liability company with its principal business address in Beaverton, Oregon. The Company has filed Articles of Organization with the Secretary of State in Idaho and identified Record Search and Information Services, Inc., as its registered agent for service of process. ICS is a wholly-owned subsidiary of Intelligent Community Services, Inc., a provider of local and long distance telecommunications services in Oregon and Washington.

STAFF RECOMMENDATION

Staff recommends that the Application be processed by Modified Procedure.

COMMISSION DECISION

1. Does the Commission wish to process ICS of Idaho's Application for a Certificate of Public Convenience and Necessity by Modified Procedure?

Kris Sasser

Deputy Attorney General

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