

## DECISION MEMORANDUM

**TO:** COMMISSIONER KEMPTON  
COMMISSIONER SMITH  
COMMISSIONER REDFORD  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** NEIL PRICE  
DEPUTY ATTORNEY GENERAL

**DATE:** APRIL 10, 2009

**SUBJECT:** APPLICATION OF NET TALK.COM, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, CASE NO. NTA-T-08-01

On November 18, 2008, NET TALK.COM, INC. (“Net Talk” or “Company”) filed an Application for a Certificate of Public Convenience and Necessity pursuant to *Idaho Code* §§ 61-526 through 528, IDAPA 31.01.01.111 and Commission Order No. 26665 to provide facilities-based local exchange and resold interexchange telecommunications services throughout Idaho. On March 6, 2009, Net Talk filed a revised Application and proposed Local Exchange Telecommunications Tariffs, in accordance with Staff’s recommendations.

### THE APPLICATION

Net Talk is a Florida corporation and lists its principal place of business as North Miami Beach, Florida. Application at 2-3. Net Talk is registered with the Idaho Secretary of State as a foreign limited liability company and lists Incorp Services, Inc. 921 S. Orchard, Suite G, Boise, Idaho 83705, as its Idaho registered agent for service. *Id.* at 3. Net Talk is a newly formed company with a Class V switching facility data center located in North Miami Beach, Florida. *Id.* at 7. Net Talk states that it will compete with other VoIP providers and local incumbent local exchange carriers (ILECs) to provide facilities-based local exchange and resold interexchange services. *Id.* at 6. The Company’s service area will encompass the “geographic areas currently served by Qwest Communications.” *Id.* Net Talk intends to offer its services immediately upon certification utilizing its own and/or leased facilities and the resale of other carrier’s facilities and network elements.” *Id.*

Net Talk has not negotiated an interconnection agreement with an ILEC in Idaho “but is planning on doing so in the very near future.” *Id.* at 9. In its Application, Net Talk states that it has “reviewed all of the Commission’s Rules applicable to competitive local exchange service and interexchange service providers and agrees to comply with those rules except to the extent the rules are explicitly waived for Net Talk or for all carriers in the same class.” *Id.* Net Talk has requested a waiver of any reporting requirements “not applicable to competitive providers like Net Talk . . .” because they “(1) are not consistent with the demands of a competitive market; and (2) they constitute an undue burden on a competitive provider. . . .” *Id.* Net Talk declared that it has reserved the right to seek any regulatory waivers it deems necessary in order to “compete effectively in the Idaho local exchange services market.” *Id.* Finally, the Company requests a waiver of the escrow account requirements because it will not require advanced payments or deposits from its customers. *Id.*

#### **STAFF RECOMMENDATION**

Staff has reviewed Net Talk’s Application and other supporting documentation and recommends that the Application be processed through Modified Procedure.

#### **COMMISSION DECISION**

Should Net Talk’s Application for a Certificate of Public Convenience and Necessity be processed through Modified Procedure?



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Neil Price  
Deputy Attorney General

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