

KIRA DALE PFISTERER
DEPUTY ATTORNEY GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0314
IDAHO BAR NO. 6571

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Street Address for Express Mail:
472 W. WASHINGTON
BOISE, ID 83702-5983

Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
PACIFIC CENTREX, INC. FOR A) CASE NO. PCE-T-05-1
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO PROVIDE LOCAL)
EXCHANGE SERVICES WITHIN THE STATE) COMMENTS OF THE
OF IDAHO.) COMMISSION STAFF
_____)

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Kira Dale Pfisterer, Deputy Attorney General, in response to Order No. 29804, the Notice of Application and Notice of Modified Procedure in Case No. PCE-T-05-1 issued on June 16, 2005, and submits the following comments.

BACKGROUND

On April 19, 2005, Pacific Centrex Services, Inc. (PCSI) filed an Application for a Certificate of Public Convenience and Necessity (CPCN). PCSI seeks authority to provide resold and facilities-based local exchange service throughout the State of Idaho in the Qwest service areas.

STAFF ANALYSIS

Staff has reviewed PCSI's Application and finds that it complies with the Commission's requirements. Staff reviews all requests for a CPCN certificate pursuant to *Idaho Code* §§ 61-526 through -528, IDAPA 31.01.01.111 and 112 (Rules 111 and 112), and Procedural Order No. 26665. In order to be issued a CPCN, a public utility must provide the Commission with the following information: (1) name, address, and form of business; (2) the date on which the applicant proposes to begin construction or anticipates that it will provide service, including a written description of customer classes and services proposed to be offered; (3) the proposed service territory; (4) certain financial information; (5) maps regarding the proposed service area; (6) a proposed initial tariff and price sheets; (7) contact information; (8) interconnection agreements if any; (9) an agreement to comply with the Commission's Rules; and (10) an escrow account with a bonded escrow agent if the company requires advanced deposits from its customers. Order No. 26665.

PCSI's Application includes all of the required information. PCSI is a California corporation authorized by the Idaho Secretary of State to transact business within the State of Idaho. PCSI plans to provide (1) basic residential exchange service (e.g., local exchange flat rate, measured rate service, and operator assistance); (2) residential custom class features (e.g., call waiting, caller identification, call forwarding); (3) adjunct provider features (e.g., voice messaging), and (4) residential ancillary services (e.g., 911, directory listing, directory assistance). PCSI indicated it plans to provide these services by either using the services and facilities of other facilities-based carriers or, where economical, by obtaining access to the unbundled network elements platform (UNE-P) of the incumbent local exchange carrier.


Staff is satisfied that the Company has the technical, managerial and financial strength to provide the services identified in the Application. PCSI has been in the competitive telecommunications business (outside of Idaho) since 1999 and provided unaudited financial information that indicated gross sales of tens of millions of dollars per year and significant financial strength. PCSI specifically indicated that in its Application that it will comply with all Commission rules. In addition, PCSI has provided an illustrative tariff with its application that demonstrates an understanding of tariff requirements and processes.

The Company does not anticipate collecting deposits, and therefore requests a waiver of that portion of Commission Order No. 26665 that requires an Escrow Account be established.

STAFF RECOMMENDATION

Staff finds that the Company's filing complies with the requirements of the Idaho Code, the Commission's rules, and Procedural Order No. 26665. Therefore, Staff recommends that the Commission approve Pacific Centrex Services, Inc.'s Application for a Certificate of Public Convenience and Necessity to provide competitive local exchange service in Idaho.

Respectfully submitted this 7th day of July 2005.


Kira Dale Pfister
Deputy Attorney General

Technical Staff: Wayne Hart

i:umisc/comments/pcet05.1kdpwh

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 7TH DAY OF JULY 2005, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. PCE-T-05-1, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

PATRICK D. CROCKER
EARLY LENNON, ET AL
900 COMERICA BLDG.
KALAMAZOO, MI 49007


SECRETARY