

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
SOUTHWESTERN BELL COMMUNICATIONS)	CASE NO. SBC-T-04-1
SERVICES, INC. DBA SBC LONG DISTANCE)	
FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO)	ORDER NO. 29495
PROVIDE LOCAL EXCHANGE)	
TELECOMMUNICATIONS SERVICES.)	

On February 20, 2004, Southwestern Bell Communications Services, Inc. dba SBC Long Distance ("SBCS") filed an Application for a Certificate of Public Convenience and Necessity ("CPCN") to provide resold and facilities-based local exchange and exchange access service within the State of Idaho. SBCS is a wholly owned subsidiary of SBC Communications, Inc. SBCS operates as a separate entity from its parent corporation and does not maintain a management agreement with its parent. SBCS is organized under the laws of the State of Delaware and has filed a copy of its Certificate of Authority issued by the Idaho Secretary of State.

The Commission issued a Notice of Application and Notice of Modified Procedure in this case on March 22, 2004. Order No. 29449. The Commission Staff and Idaho Telephone Association ("ITA") filed written comments in response to this Notice. Based on the comments, the law, and the record, the Commission grants the Company's Application.

STAFF RECOMMENDATION

Staff reviewed the information provided by SBCS and believes it satisfies the requirements of Commission Rule of Procedure 111, IDAPA 31.01.01.111 and Procedural Order No. 26665 issued November 7, 1996.

Staff stated that SBCS intends to provide basic resold and facilities-based local exchange services to both residential and commercial customers and exchange access services to interconnecting carriers. The Company's Application indicated it would not initially construct facilities, but that it would provide services primarily via the unbundled network elements and resold services. The Company also stated that it would provide service in the areas currently served by Qwest and Verizon but that in the future might compete against all incumbent local

exchange carriers. Staff noted that SBCS has been granted authority to provide long-distance service nationwide, including Idaho. The Company is seeking certification to provide competitive local exchange services in all 37 states outside of its parent corporation's incumbent local exchange carrier service territory.

Staff also stated that the Application included financial information about the parent company that indicated SBCS was in a strong financial position. Thus, Staff believes that the Company has the technical, managerial and financial strength to provide the services identified in this Application.

SBCS stated in its Application that it has reviewed all Commission Rules and agrees to comply with those rules. Furthermore, it has provided an illustrative tariff with its Application that demonstrates an understanding of the tariff requirements and processes.

In conclusion, Staff recommends that the Commission grant SBCS's Application and provide it a Certificate of Public Convenience and Necessity to provide competitive local exchange service in Idaho.

ITA'S COMMENTS

ITA stated that any grant of a CPCN to SBCS should be subject to the exemption of ITA members from the obligations of incumbent local exchange carriers under Section 251(c) of the 1996 Act, until such time as the requirements for lifting such exemption contained in Section 251(f) of the 1996 Act have been met.

COMMISSION FINDINGS

Based on the comments, the law, and the record, the Commission grants the Application. The Commission further finds that this grant of a CPCN to SBCS is subject to the exemption of ITA members from the obligations of incumbent local exchange carriers under Section 251(c) of the 1996 Act, until such time as the requirements for lifting such exemption contained in Section 251(f) of the 1996 Act have been met.

ORDER

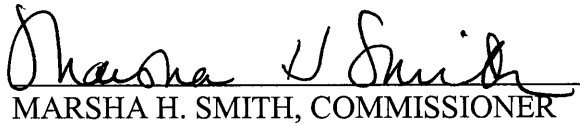
IT IS HEREBY ORDERED that SBCS's Application for a Certificate of Public Convenience and Necessity is granted. Furthermore, this grant of a CPCN to SBCS is subject to the exemption of Idaho Telephone Association members from the obligations of incumbent local exchange carriers under Section 251(c) of the 1996 Act, until such time as the requirements for lifting such exemption contained in Section 251(f) of the 1996 Act have been met.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. SBC-T-04-1 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 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 and 62-619.*

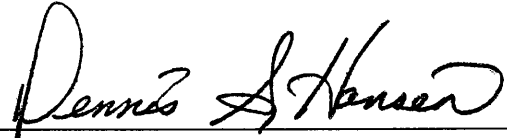
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 11th day of May 2004.



PAUL KJELLANDER, PRESIDENT

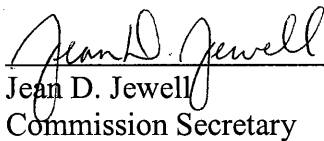


MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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