

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF AMERICAN FIBER SYSTEMS, INC. TO) CASE NO. AFS-T-07-01
TRANSFER CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY NO. 427)
FROM IDACOMM, INC. TO AMERICAN) ORDER NO. 30465
FIBER SYSTEMS, INC.)

On October 11, 2007, American Fiber Systems, Inc. filed an Application seeking the Commission's authorization for the transfer of Certificate of Public Convenience and Necessity No. 427 held by Idacomm, Inc. ("Idacomm") to American Fiber Systems, Inc. ("AFS"). On November 8, 2007, AFS filed a Revised Application containing a revised signature page and a revised Schedule of General Regulations for Exchange Services Applying to Local Exchange Services and Facilities containing price lists and customer billing information.

THE APPLICATION

AFS is a Delaware corporation and lists its principal place of business as Rochester, New York. The Company is registered with the Idaho Secretary of State as a general business corporation and lists CT Corporation System, 1111 West Jefferson, Suite 530, Boise, Idaho 83702, as its Idaho registered agent for service.

On March 15, 2004, Idacomm submitted an Application for a Certificate of Public Convenience and Necessity. Case No. IZ2-T-04-01. On May 11, 2004, the Commission issued Order No. 29494 approving Idacomm's Application. On February 23, 2007, AFS acquired Idacomm by purchasing 100% of its capital stock from Idacomm's parent company, Idacorp Inc. On January 1, 2008, AFS intends to "merge its wholly owned subsidiary Idacomm into itself with AFS to be the surviving entity." AFS states that the transfer of Idacomm's Certificate is a necessary component of this planned merger.

Currently, AFS operates as a fiber-based telecommunications provider. The Company provides "fiber connectivity for data, internet access and voice services to wire line carriers, internet service providers and large enterprise customers." It operates networks in Kansas, Ohio, Minnesota, Missouri, Tennessee and Utah and, through its affiliate, "provides facilities-based and resold local telecommunications services to enterprise and small business customers." AFS acknowledges its obligation to comply with Commission rules regarding local

exchange services in Idaho. The Company states that it will not charge customer deposits for its Idaho customers and therefore requests a waiver of Commission Rule 106, IDAPA 31.41.01.106, governing interest on deposits made by customers.

STAFF RECOMMENDATION

Staff has reviewed AFS's Application, including the Company's revised price lists and customer billing information. Staff believes that AFS is compliant with the requirements of Procedural Order No. 26665 and IDAPA 31.01.01.111 and 112 (Rules 111 and 112). Staff believes the Company possesses the requisite financial, managerial, and technical qualifications necessary to effectively operate as a telecommunications provider within the State of Idaho and recommended that the Commission approve AFS' Application.

COMMISSION FINDINGS

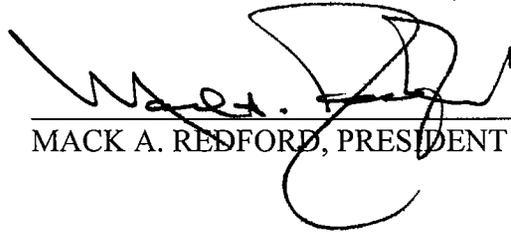
Based upon the comments and the record in this case, the Commission grants the Company's Application. When considering an Application for a Certificate, the Commission must determine if the applicant has the necessary qualifications to provide service while still fostering competition in the local telecommunications market. The Commission finds that the request to transfer Idacomm's Certificate is essentially a corporate structure name change, that this change does not appear to effect individual customer service in any way, and that the Application satisfies the requirements of the Commission's Rules and Procedural Order No. 26665. Thus, we approve the Company's Application to transfer the Certificate of Public Convenience and Necessity. This is consistent with our previous Orders granting authority to provide telecommunications services to carriers meeting the established requirements.

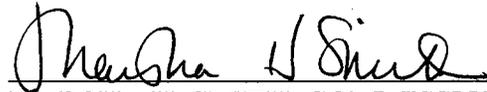
ORDER

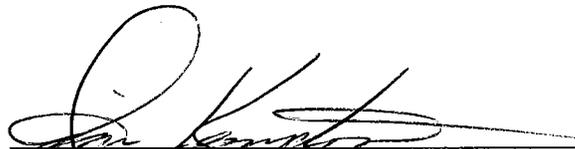
IT IS HEREBY ORDERED that Certificate of Public Convenience and Necessity No. 427 previously issued to Idacomm, Inc. to provide telecommunications services within the State of Idaho is transferred to American Fiber Systems, Inc.

THIS IS A FINAL ORDER. Any person interested in the Order 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. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

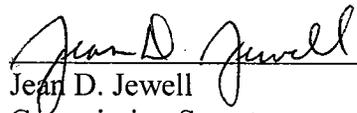
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 21st
day of November 2007.


MACK A. REDFORD, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


JIM KEMPTON, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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