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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
EDNETICS, INC. FOR A CERTIFICATE OF)	CASE NO. EDN-T-12-01
PUBLIC CONVENIENCE AND NECESSITY.)	
)	
)	COMMENTS OF THE
)	COMMISSION STAFF

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its attorney of record, Neil Price, Deputy Attorney General, and in response to the Notice of Application and Notice of Modified Procedure issued in Order No. 32693 on December 11, 2012, in Case No. EDN-T-12-01, submits the following comments.

BACKGROUND

On September 10, 2012, Ednetics, Inc. ("Ednetics" or "Company") filed an Application, pursuant to *Idaho Code* §§ 61-526 through 528 and IDAPA 31.01.01.111 (Rules 111 and 112) as clarified in Procedural Order No. 26665 in Case No. GNR-T-96-4, seeking a Certificate of Public Convenience and Necessity ("CPCN") to provide local exchange telecommunications services and interexchange telecommunications services in Idaho.

Ednetics will provide services by establishing interconnection and resale agreements with incumbent and rural telephone companies throughout Idaho. Application at 1-2. The Company

will act as both a reseller of third-party services and as a facilities-based provider purchasing loops and transport. *Id.* at 2. The Company will also “acquire and/or build its own facilities where necessary and when it makes financial sense to do so.” *Id.* Ednetics intends to provide integrated voice services over advanced IP networks primarily to schools and libraries. *Id.*

STAFF ANALYSIS

Ednetics is an Idaho corporation and lists its principal place of business as Post Falls, Idaho. *Id.* The Company states that it has operated in Idaho, Oregon, and Washington for over 15 years. *Id.* at 1. Ednetics explains that it uses an IP data network to deliver integrated data services, bell control, paging, video distribution, video surveillance, and emergency alert services. The Company wishes to introduce voice services using a platform that will allow integration with their existing services. *Id.*

Ednetics believes that it is likely to compete with CenturyLink, Frontier Communications, other incumbent local exchange carriers (“ILECs”), and other competitive local exchange carriers (“CLECs”) as well as some Internet service providers (“ISPs”). *Id.* at 4. Currently, the Company’s equipment consists of Network Equipment Building System (NEBS) 3 compliant telecommunications termination, transport, remote management, and support hardware and software.

With its Application, Ednetics submitted financial information that included income statements for December 2011 and July 2012. *Id.* Exh. C. The Company also included an illustrative tariff with its Application. *Id.* Exh. D. Ednetics states it has “reviewed all of the Commission rules and agrees to comply with them.” *Id.* at 5.

STAFF RECOMMENDATION

Staff has reviewed the Application submitted by Ednetics and believes the Company understands and agrees to comply with the Commission rules and requirements. Based on this review, the Company’s filing fulfills the requirements of the Commission Rules and Procedural Order No. 26665. Staff believes that Ednetics possesses the requisite financial, managerial, and technical qualifications necessary to operate as a provider of telecommunications services. Staff, therefore, recommends approval of the Application for a Certificate of Public Convenience and Necessity subject to the following conditions:

1. The Company complies with number pooling and reporting requirements of the North American Numbering Plan Administrator, as set forth in Commission Order No. 30425;
2. Ednetics provides necessary reports and contributes as appropriate to the Idaho Universal Service Fund (USF), Idaho Telecommunications Relay System (TRS), Idaho Telecommunications Service Assistance Program (ITSAP), and complies with all future reporting requirements deemed appropriate by the Commission for competitive telecommunications providers;
3. Prior to issuance of the Certificate, Ednetics files a final price list with all rates, terms, and conditions with the Commission; and,
4. Ednetics will relinquish its Certificate and all telephone numbers if, within one year of issuance of a CPCN, the Company is not providing local exchange telecommunications services in Idaho as defined by *Idaho Code* § 62-03(1).¹

Respectfully submitted this 2nd day of January 2013.



Neil Price
Deputy Attorney General

Technical Staff: Grace Seaman

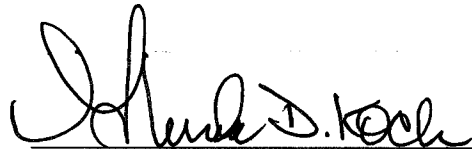
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¹ "Basic local exchange service" means the provision of access lines to residential and small business customers with the associated transmission of two-way interactive switched voice communications within a local exchange calling area.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 2ND DAY OF JANUARY 2013, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. EDN-T-12-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

SHAWN SWANBY PRES/ DIR
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SECRETARY