

DONALD L. HOWELL, II
DEPUTY ATTORNEY GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0312
IDAHO BAR NO. 3366

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

Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
ESODUS COMMUNICATIONS, INC. DBA) **CASE NO. ESO-T-04-1**
INSTATONE FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY TO)
PROVIDE LOCAL EXCHANGE) **COMMENTS OF THE**
TELECOMMUNICATIONS SERVICES.) **COMMISSION STAFF**
)

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Donald L. Howell, II, Deputy Attorney General, in response to Order No. 29551, the Notice of Application and Notice of Modified Procedure in Case No. ESO-T-04-1 issued on July 29, 2004, and submits the following comments.

BACKGROUND

On February 26, 2004, Esodus Communications, Inc. dba INSTATONE filed an Application for a Certificate of Public Convenience and Necessity to provide resold local exchange services within the State of Idaho. Esodus is located in Belleair Beach, Florida and is incorporated in the State of Florida. Esodus intends to provide resold local exchange services within the service territories of Qwest Corporation and Verizon. The Company has no plans to build facilities within the State of Idaho. The Company proposes to provide resold local exchange services primarily to residential customers.

Esodus has obtained a Certificate of Authority to transact business as a foreign corporation from Idaho's Secretary of State. Although the Company does not maintain an office in Idaho, it does have a registered in-state agent. Esodus has submitted its financials for the period ending December 31, 2003. Staff has reviewed these documents and believes the Company is solvent.

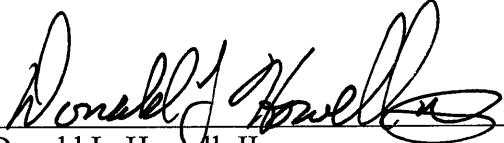
With this Application, Esodus proposes to provide resold local exchange service (including flat and measured service), operator services, and optional services such as Caller ID and Call Waiting in Idaho's Qwest and Verizon service areas. At this time, the Company does not propose to collect separate deposits and has obtained an interconnection agreement in Idaho.

Esodus has been granted authority to provide local exchange service in several other states such as Colorado and Kentucky and has an active long distance price list on file with this Commission. Esodus also states that it has reviewed the rules of this Commission and affirms its commitment to abide by them.

STAFF RECOMMENDATION

Staff has reviewed the Application submitted by Esodus Communications, Inc. d/b/a/ Instatone and believes the Company understands and agrees to comply with the Commission's rules and requirements. Based on this review of Esodus' Application, Staff believes that the Company's filing has satisfied all the requirements of the Commission's Rules and Procedural Order No. 26665. Therefore, Staff recommends approval of the Application for Certificate of Public Convenience and Necessity.

Respectfully submitted this 5th day of August 2004.


Donald L. Howell, II
Deputy Attorney General

Technical Staff: Doug Cooley

umisc/comments/esot04.1dhdc

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 5TH DAY OF AUGUST 2004, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. ESO-T-04-1, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

MICHAEL SERVOS
PRESIDENT
ESODUS COMMUNICATIONS
1020 SPRUCE DR
BELLEAIR BEACH, FL 33786



SECRETARY