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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
GLOBAL CAPACITY GROUP, INC. FOR A) **CASE NO. GCG-T-07-1**
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO PROVIDE LOCAL)
EXCHANGE AND TELECOMMUNICATIONS) **COMMENTS OF THE**
SERVICES) **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 Order No. 30428, the Notice of Application and Notice of Modified Procedure issued in Case No. GCG-T-07-01 on September 13, 2007, and submits the following comments.

BACKGROUND

On July 13, 2007, Global Capacity Group, Inc. ("Global") filed an Application for a Certificate of Public Convenience and Necessity (CPCN) to provide resold and facilities-based local exchange telecommunications services in State of Idaho pursuant to Commission Order No. 26665.

Global will provide all forms of intrastate local exchange and interexchange telecommunications services within Idaho.

Global will provide these services by utilizing the facilities of incumbent local exchange carriers (“ILECs”) already operating within Idaho, including Qwest and Verizon.

Global’s service territory within Idaho will include all areas within Idaho, except those areas currently being serviced by local exchange carriers (“LECs”) that are eligible for a small or rural carrier exemption pursuant to Section 251 of the federal Telecom Act of 1996.

STAFF REVIEW

Staff has reviewed Global’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.

Global’s Application includes all of the required information. Global is a Texas corporation with its principal office in Houston, Texas. Global is authorized by the Idaho Secretary of State to transact business within the State of Idaho and has a registered agent for service in Idaho. Global is wholly owned by Capital Growth Systems, Inc.

Global plans to offer resold local and interexchange telecommunications services to both business and residential customers in Idaho. The Company will provide these services using unbundled network elements of the Incumbent Local Exchange Carrier (ILEC) except for those rural ILECs where competitive entry may be prohibited.


Staff believes the Company possesses the requisite financial, managerial, and technical qualifications necessary to operate as a provider of telecommunications services. In addition, Global agrees to comply with the Commission’s Rules. Staff reviewed the Company’s illustrative price list and it appears to comport with the Commission’s guidelines.

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 Application and price list meets the requirements of the Commissions Rules and Order No. 26665. Therefore, Staff recommends that the Commission approve the CPCN Application and waive the escrow account requirement until the Company begins to collect deposits.

Respectfully submitted this 4th day of October 2007.



Neil Price
Deputy Attorney General

Technical Staff: Carolee Hall


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 4TH DAY OF OCTOBER 2007, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. GCG-T-07-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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