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Attorney for the Commission Staff

## **BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

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IN THE MATTER OF THE APPLICATION OF BIG SKY TELECOM, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES.

CASE NO. GNR-T-02-14

COMMENTS OF THE COMMISSION STAFF

**COMES NOW** the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Lisa D. Nordstrom, Deputy Attorney General, submits the following comments in response to Order No. 29105 issued on August 30, 2002.

On August 15, 2002, Big Sky Telecom, Inc. ("Big Sky") filed an Application for a Certificate of Public Convenience and Necessity to provide facilities-based and resold local exchange service within the State of Idaho. Headquartered in Emmett, Idaho, Big Sky is an Internet service provider (ISP) that has served Gem County since 1997. Big Sky currently offers high-speed wireless digital subscriber line (DSL) services to over 100 customers in Gem, Payette, Canyon and Ada Counties where no other cable or high speed Internet services exist.

Staff has reviewed the information provided by Big Sky in its Application and believes it satisfies the requirements of the Commission's Rule of Procedure 111 (IDAPA 31.01.01.111) and Procedural Order No. 26665, which set out the necessary information to be included with an application for a certificate.

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If their Application is approved, Big Sky intends to provide traditional wireline DSL services to Emmett residential and business customers. The Application also indicated Big Sky would be providing basic local exchange services as an adjunct to their wireless DSL services, primarily in remote areas that currently do not have basic local exchange service. Their initial target service area is Pearl, Idaho, which currently has limited telephone service due to the costs of extending wireline facilities to this location. The Commission Staff, Qwest and other wireline companies have spent many hours trying to find an economical way to provide service to this area with no success to date. Big Sky's wireless solution may be a means to achieve that goal.

The Company's Application indicates that it is technically simple to add basic local exchange service for the small number of customers it anticipates serving and will require only a minimal incremental investment. Staff believes the Company has adequate technical skills to provide the services identified in the Application. While the financial capabilities of such a new company are unknown, the requirements in this case appear to be minimal. Therefore, Staff finds that the benefits of a bond or other financial security instrument would be outweighed by the cost of distributing the proceeds and other administrative functions. Consequently, Staff does not recommend imposing a financial security requirement.

Big Sky specifically indicated in its Application it will comply with all Commission rules. It has also provided an illustrative tariff that demonstrates an understanding of tariffing requirements and processes.

## **STAFF RECOMMENDATION**

Staff recommends that a Certificate of Public Convenience and Necessity to provide competitive local exchange service in Idaho be provided to Big Sky Telecom, Inc.

Respectively submitted this  $19^{46}$  day of September 2002.

Mordotrom Nordstrom

Deputy Attorney General

Technical Staff: Wayne Hart

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## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY THAT I HAVE THIS 19TH DAY OF SEPTEMBER 2002, SERVED THE FOREGOING COMMENTS OF THE COMMISSION STAFF, IN CASE NO. GNR-T-02-14, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

GERALD LAMBERT PRESIDENT BIG SKY TELECOM, INC. 128 E. MAIN ST. EMMETT, ID 83617

SECRETARY