

## DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER  
COMMISSIONER SMITH  
COMMISSIONER HANSEN  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL**

**FROM: LISA NORDSTROM**

**DATE: AUGUST 23, 2004**

**RE: IN THE MATTER OF THE APPLICATION OF VCI COMPANY f/k/a STAN  
EFFERDING d/b/a VILAIRE FOR A CERTIFICATE OF PUBLIC  
CONVENIENCE AND NECESSITY TO PROVIDE LOCAL EXCHANGE  
TELECOMMUNICATIONS SERVICES. CASE NO. GNR-T-03-21.**

On June 3, 2003, VCI Company ("VCI" or "Company"), filed an Application for a Certificate of Public Convenience and Necessity as a sole proprietorship, Stan Efferding d/b/a/ Vilaire. To reflect the fact that VCI organized itself as a corporation under the laws of the State of Washington in November 2003, the Company filed an Amended Application with this Commission on July 15, 2004. VCI requests authority to provide facilities-based and resold local exchange, intraLATA interexchange and exchange access services primarily to residential customers throughout the State of Idaho under the corporate name VCI Company.

In the Notice of Application and Modified Procedure issued July 29, 2004, the Commission solicited comments regarding VCI's Application. Order No. 29550. No comments were received other than those submitted by Commission Staff.

### THE APPLICATION

VCI proposes to provide service to primarily residential customers mainly utilizing unbundled network elements platform (UNE-P) leased or purchased from Qwest Corporation and Verizon. VCI proposes to offer all forms of end-user local exchange service and intraLATA toll service, including but not limited to the following services: 1) local exchange services for residential customers that will enable customers to originate and terminate local calls in the local calling area served by the incumbent local exchange carriers (ILECs); 2) switched local exchange services,

including basic service, trunks, carrier access, and any other switched local services that currently exist or will exist in the future; and 3) operator assistance and directory assistance (via its underlying carriers). VCI also proposes to provide exchange access services to interconnection carriers.

VCI plans to offer its services in the service areas currently served by Qwest Corporation and Verizon. In the future, VCI may compete with all ILECs within the State of Idaho – specifically ATC Communications; Cambridge Telephone Company; CenturyTel of Idaho, Inc.; Frontier Communications of Idaho; Direct Communications Rockland, Inc.; Fremont Telcom, Inc.; Inland Telephone Company; Midvale Telephone Exchange, Inc.; Oregon-Idaho Utilities, Inc.; Pine Telephone System, Inc.; Potlatch Telephone Company; Rural Telephone Company; Silver Star Communications and Teton Telecom. VCI does not own any tangible property or premises in Idaho.

VCI has reviewed the Commission's rules applicable to local exchange service providers and agrees to comply with those rules. VCI will not collect deposits or advance payments from its customers. Therefore, the Company asserts no escrow account or bonded escrow agent is necessary. VCI seeks Commission approval of certification without bond or deposit, based upon its financial ability.

#### **STAFF COMMENTS**

Headquartered in Lakewood, Washington, VCI 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. VCI has submitted its management profiles and financials for the period ending June 15, 2004. Staff has reviewed these documents and, based on those documents, believes the Company is solvent.

With this Application, VCI proposes to provide resold local exchange services, operator services, and directory assistance in Idaho's Qwest and Verizon service areas. At this time, the Company does not propose to collect separate deposits and has not obtained an interconnection agreement in Idaho. VCI has been granted authority to provide local exchange service in several other states such as Oregon, Washington, and Wyoming.

Staff has reviewed the Application submitted by VCI and believes the Company understands and agrees to comply with the Commission's rules and requirements. Based on this review of VCI's 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.

**COMMISSION DECISION**

Does the Commission wish to approve VCI Company's Application for a Certificate of Public Convenience and Necessity?

  
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Lisa Nordstrom

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