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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
REGAL DIVERSIFIED, INC. DBA REGAL)	CASE NO. GNR-T-03-24
TELEPHONE COMPANY FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	COMMENTS OF THE
AND NECESSITY TO PROVIDE LOCAL)	COMMISSION STAFF
EXCHANGE TELECOMMUNICATIONS)	
SERVICES.)	

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Weldon B. Stutzman, Deputy Attorney General, in response to Order No. 29335, the Notice of Application and Notice of Modified Procedure in Case No. GNR-T-03-24 issued on September 23, 2003, and submits the following comments.

BACKGROUND

On June 26, 2003, Regal Diversified, Inc. dba Regal Telephone Company filed an Application for a Certificate of Public Convenience and Necessity (CPCN) to provide resold services within the State of Idaho. Regal is a reseller of local telephone service and is incorporated in the State of Montana. Regal is currently doing business in the States of Montana, Arizona, Wyoming and Oregon.

Regal intends to provide local service that must be prepaid for 30-day periods and will be discontinued when the customer fails to prepay pursuant to a Company reminder. Regal also intends to provide optional Call Waiting, Caller ID, Non-published Directory Number, Directory Assistance, National Directory Assistance, Last Call Return, Continuous Redial, Voice Messaging, Three-Way Dialing and Call Trace.

Regal has initiated negotiations for an interconnection or resale agreement with Qwest Corporation and intends to begin operations as soon as it obtains an interconnection agreement and CPCN.

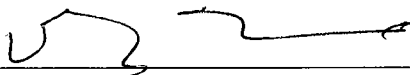
The Application states Regal has reviewed the laws and regulations of this Commission governing local exchange telecommunications services in Idaho and will provide service in accordance with all laws, rules and regulations to the extent they are not preempted by the federal Act.

Regal maintains its corporate offices in Montana, where it was incorporated in 1998. The Company is privately held, with two persons holding 100% of the stock. The Company does not hold ownership or management interest in any other company, nor does any corporation or association hold management interest in Regal. Regal has submitted its un-audited Balance Sheet as of December 31, 2002 and a Profit Statement for the period ending December 31, 2002. These financial statements show the Company to be solvent with a 78% debt to equity ratio.

STAFF RECOMMENDATION

Regal Diversified, Inc. dba Regal Telephone Company has met the Commission's prerequisites for obtaining a Certificate of Public Convenience and Necessity to provide local service in Idaho. Staff recommends approval of Regal's Application.

Respectfully submitted this 14th day of October 2003.



Weldon B. Stutzman
Deputy Attorney General

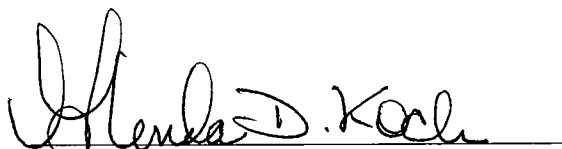
Technical Staff: Birdelle Brown

WS:bb:uumisc/comments/gnrt03.24wsbb

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 14TH DAY OF OCTOBER 2003,
SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE
NO. GNR-T-03-24, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE
FOLLOWING:

KENNETH W BROWN PRESIDENT
REGAL DIVERSIFIED INC
DBA REGAL TELEPHONE CO
PO BOX 1240
MISSOULA MT 59806


SECRETARY

CERTIFICATE OF SERVICE