

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )**  
**OF KMC TELECOM V, INC. FOR A )** **CASE NO. KMC-T-03-1**  
**CERTIFICATE OF PUBLIC CONVENIENCE )**  
**AND NECESSITY TO PROVIDE LOCAL )**  
**EXCHANGE TELECOMMUNICATIONS )** **ORDER NO. 29426**  
**SERVICES. )**  
**)**

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On October 28, 2003, KMC Telecom V, Inc. ("KMC V" or "Company") filed an Application for a Certificate of Public Convenience and Necessity to provide facilities-based and resold competitive local exchange and interexchange services throughout the State of Idaho. In the Notice of Application and Modified Procedure issued January 12, 2004, the Commission solicited comments regarding KMC V's Application. Order No. 29415. No comments were received other than those submitted by Commission Staff. Based on the comments, the law and the record, the Commission grants KMC V's Application.

**THE APPLICATION**

KMC V seeks authority to provide all forms of switched, dedicated, and interexchange telecommunications services throughout the State of Idaho. KMC V also intends to provide its Idaho customers with access to directory assistance, operator services, emergency 911 services, and telephone relay services independently or through arrangements with other carriers. As such, KMC V intends to compete with incumbent local exchange corporations in Idaho, including, but not limited to Qwest Corporation, as well as other competitive local exchange carriers and MTS/WATS long distance service providers. At this time, however, the Company would not enter into competition with a rural local exchange carrier until the Commission has found such competition to be in the public interest as set out in Section 251(f)(1) of the Telecommunications Act of 1996.

According to its Application, the Company does not intend to collect end user deposits and/or advance payments from its customers. In the event KMC V decides in the future to require deposits and/or advance payments, the Company states that it will comply with all applicable federal and state laws, rules, and regulations, including modifying its existing tariffs.

## STAFF COMMENTS

Staff described KMC V as a full-service competitive communications company offering all forms of switched, dedicated and interexchange telecommunications services. Its parent company, KMC Telecom Holdings, Inc., is a Delaware corporation with its principal offices located in Bedminster, New Jersey. The Company has filed copies of its Articles of Incorporation and Certificate of Authority issued by the Idaho Secretary of State.

Staff reviewed the information provided by KMC V 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 issued November 7, 1996, which sets out the necessary information to be included with an application for a certificate. The Application included a list of corporate officers and a description of their many years of management and technical expertise with telecommunications companies. Staff believes the Company appears to have adequate technical and managerial skills to provide the services identified in the Application.

The Application also included unaudited and confidential KMC V financial information that indicated a relatively strong position for a young competitive telecommunications company. Therefore, Staff did not recommend imposing a financial security requirement. KMC V specifically indicated in its Application it will comply with all Commission Rules. It also provided an illustrative tariff with its Application that demonstrates an understanding of tariff requirements and processes.

In light of the foregoing, Staff recommended that a Certificate of Public Convenience and Necessity to provide competitive local exchange service in Idaho be issued to KMC V.

## COMMISSION FINDINGS

Based on the comments, the law and the record, the Commission grants the Application. When considering an application for a Certificate, the Commission must determine if the applicant has the necessary qualifications to provide service while still fostering competition in the local telecommunications market. Based upon our review of the filing and the record in this case, the Commission finds that KMC V's filing satisfies the requirements of the Commission's Rules and Procedural Order No. 26665. *Id.* Thus, we approve KMC V's Application for a Certificate of Public Convenience and Necessity to allow the Company to provide telecommunications services statewide. This is consistent with our previous Orders

granting statewide authority to provide telecommunications services to carriers meeting the established requirements.

**ORDER**

IT IS HEREBY ORDERED that KMC Telecom V, Inc. is granted a Certificate of Public Convenience and Necessity to provide basic local exchange services within the state of Idaho.

THIS IS A FINAL ORDER. Any person interested in this Order or in interlocutory Orders previously issued in this case may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

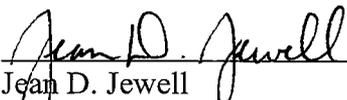
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 11<sup>th</sup> day of February 2004.

  
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PAUL KJELLANDER, PRESIDENT

  
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MARSHA H. SMITH, COMMISSIONER

  
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DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
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Jean D. Jewell  
Commission Secretary

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