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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
LXI-CLEC, LLC FOR A CERTIFICATE OF)	CASE NO. LXI-T-10-01
PUBLIC CONVENIENCE AND NECESSITY)	
TO PROVIDE LOCAL EXCHANGE)	COMMENTS OF THE
TELECOMMUNICATIONS SERVICES.)	COMMISSION STAFF
)	

The Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Kristine A. Sasser, Deputy Attorney General, in response to the Notice of Application and Notice of Modified Procedure (Order No. 32041) submits the following comments.

BACKGROUND

On June 21, 2010, LXI-CLEC, LLC (LXI) filed a replacement Application for a Certificate of Public Convenience and Necessity (CPCN) to replace the original Application that was filed on February 19, 2010. The Application states that the Company intends to provide basic local exchange services to residential and business customers in the Qwest Communications (Qwest) service area. LXI intends to provide services as a switchless reseller of unbundled network elements obtained through an interconnection agreement with the incumbent local exchange carrier.

LXI is a limited liability company organized under the laws of Idaho and located in Twin Falls. The Company states that it is a new entity being supported by the owners of Tek-Hut, Inc., an Idaho company since 2001. LXI has submitted financial statements from Tek-Hut as proof of financial stability.

STAFF ANALYSIS

LXI states that it intends to provide local exchange and long distance services to residential and business customers initially in Qwest's Twin Falls exchange area. The Company states that it will not require advanced payments or deposits and, therefore, no escrow has been or will be established by the Company.

LXI provided a copy of its Certificate of Good Standing issued by the Idaho Secretary of State's Office. The Company further affirms that it has reviewed all of the Commission rules and agrees to comply with these rules.


STAFF RECOMMENDATION

Staff has reviewed the Application of LXI for compliance with applicable legal requirements for acquiring a CPCN, including the Commission's Procedural Order No. 26665 that sets forth the information that must be included in an application.¹ Staff believes that the Company possesses the requisite financial, managerial, and technical qualifications necessary to operate as a provider of telecommunications services. Staff, therefore, recommends Commission approval of the Application for a Certificate of Public Convenience and Necessity subject to the following conditions:

1. The Company complies with number pooling and reporting requirements of the North American Numbering Plan Administrator, as set forth in Commission Order No 30425;
2. LXI provides necessary reports and contributes as appropriate to the Idaho Universal Service Fund, Idaho Telecommunications Relay System, Idaho Telecommunications Service Assistance Program, and complies with all future reporting requirements deemed appropriate by the Commission for competitive telecommunication providers;
3. Prior to issuance of the Certificate, LXI files a final price list with all its rates, terms, and conditions with the Commission; and
4. LXI will relinquish its Certificate and all telephone numbers if, within one year of issuance of a CPCN, the Company is not providing local exchange telecommunications services in Idaho.

¹ The application requirements are now contained in Commission Rule of Procedure 114, IDAPA 31.01.01.114.

Respectfully submitted this 19TH day of August 2010.


Kristine A. Sasser
Deputy Attorney General

Technical Staff: Grace Seaman

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 19TH DAY OF AUGUST 2010, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. LXI-T-10-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

NATE BONDELID
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SECRETARY

CERTIFICATE OF SERVICE