

LISA NORDSTROM
DEPUTY ATTORNEY GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0357
BAR NO. 5733

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Street Address for Express Mail:
472 W WASHINGTON
BOISE ID 83702-5983

Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
LIGHTYEAR NETWORK SOLUTIONS, LLC)	CASE NO. LYC-T-04-1
FOR A CERTIFICATE OF PUBLIC CONVENI-)	
ENCE AND NECESSITY TO PROVIDE LOCAL)	
EXCHANGE.)	COMMENTS OF THE
)	COMMISSION STAFF
)	

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Lisa Nordstrom, Deputy Attorney General, in response to Order No.29545, the Notice of Application and Notice of Modified Procedure in Case No. LYC-T-04-1 issued on July 8, 2004, submits the following comments.

BACKGROUND

On April 12, 2004, Lightyear Network Solutions, LLC ("Lightyear" or "Company") filed an Application for a Certificate of Public Convenience and Necessity to provide facilities-based local exchange service to residential and business customers throughout Idaho in all exchanges which are not exempt from competition. The Company primarily will focus its competitive entry within the Qwest region. Principally located in Louisville, Kentucky, Lightyear is a nationwide interexchange

telecommunications carrier in all states but Alaska. Lightyear also provides local exchange services in 36 states.

Lightyear currently has an interconnection agreement with Qwest on file with this Commission per Commission Order No. 29425. On July 15, 2004 the Company filed an Agreement to adopt Qwest's Statement of Generally Available Terms (SGAT). Case No. QWE-T-04-19.

In its evaluation of the Company's CPCN Application, Staff discovered that there were two open slamming complaints on file with the Commission. These complaints were filed against the interexchange carrier arm of the Company. Upon notification of these complaints, Lightyear promptly resolved the complaints, which have subsequently been closed.

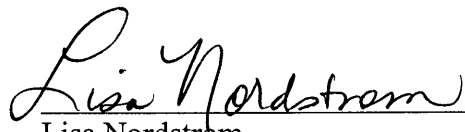
The Company has reorganized and was recently discharged from bankruptcy. Consequently, it has little debt. With its customer base, national presence and low debt ratio, it will most likely be financially viable and able to compete with Qwest.

The Company is requesting a waiver of certain Commission rules. They are: 1) Telephone Customer Information Rule 102.03 (31.41.02.102.03) – Press Release; 2) Telephone Customer Relations Rule 601 (31.41.01.601) – Directories and Customer Listing; and 3) any reporting requirements that are not applicable to competitive providers such as Lightyear. Finally, the Company will not be collecting deposits; therefore, it will not need an escrow account as required in Commission Order No. 26665.

STAFF RECOMMENDATION

Staff believes that Lightyear has met all the requirements of the Commission's Rules and Procedural Order No. 26665 and recommends approval of its Application for a certificate along with the requested waivers.

Respectively submitted this 30th day of July, 2004.



Lisa Nordstrom
Deputy Attorney General

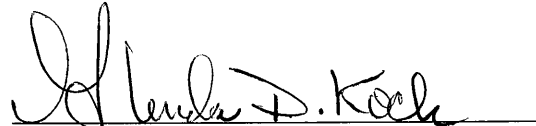
Technical Staff: Carolee Hall
u/chall/comments/LYC-T-04-1

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 30TH DAY OF JULY 2004,
SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN
CASE NO. LYC-T-04-1, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO
THE FOLLOWING:

ROBIN NORTON
TECHNOLOGIES MANAGEMENT INC
PO BOX 200
WINTER PARK FL 32789

JOHN J GRIEVE VICE PRESIDENT
REGULATORY AFFAIRS/GENERAL COUNSEL
LIGHTYEAR NETWORK SOLUTIONS LLC
1901 EASTPOINT PARKWAY
LOUISVILLE KY 40223


SECRETARY