

May 6, 2004

RECEIVED  
FILED



2004 MAY -7 AM 9:49

IDAHO PUBLIC  
UTILITIES COMMISSION



Joe Cusick  
Telecom Supervisor  
Idaho Public Utilities Commission  
P.O. Box 83720  
Boise, Idaho 83720-0074

**RE: QCC CLEC APPLICATION --QCC-T-04-1**

Dear Joe,

In our conversation on May 4th I committed to provide additional information regarding QCC's CLEC application in Idaho. QCC is seeking a CLEC certificate because, in part, it is possible to read the statutes and orders in this area as requiring a CLEC certificate for provision of "local exchange service" as well as the more narrowly defined category, "basic local exchange service." Furthermore, as will be explained below, even if this interpretation is overly cautious (meaning a certificate is not required if QCC's services do not include basic local exchange service) it is prudent for QCC to obtain a certificate at this time.

QCC's answers to Staff discovery indicate that QCC's focus initially will be on the provision of local exchange service to Title 62 business customers, i.e. those who subscribe to six or more lines billed to a single billing location. Nevertheless, QCC is concerned with having the flexibility to manage its business into the future.

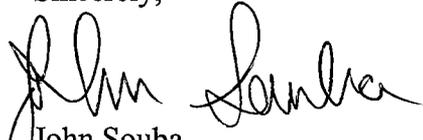
First, in responding to RFPs for business customers seeking service on a multi-location basis, QCC would like to avoid missing out on the opportunity to serve. Should even one of the customers' billing locations require five or fewer lines, a CLEC certificate would technically be required for QCC to serve that location. While under such circumstances provision of service to a single location with five or fewer lines would fall within the "basic local exchange" definition, it would nonetheless be consistent with the overall thrust of QCC's business plans as described in its responses to Staff's discovery requests.

Second, the public interest is served by granting QCC permission without restrictions to compete as a CLEC, because QCC will gain the ability its competitors like Sprint, MCI, AT&T, and regionally-based CLEC's already have: the ability to provide both local and nationwide services through a single, simple, unconfusing entity.

Adding QCC to the competitive marketplace for both local and interexchange telecommunications services with the structural advantages other CLECs enjoy benefits consumers and serves the public interest by stimulating more competition in the market for telecommunications, which generally results in better service, lower prices, greater availability, and improved innovation.

I hope this sheds additional light on the QCC CLEC Application before you. The Company looks forward to moving the Application forward and, ultimately, providing service to Idaho customers. Should you have additional questions, please feel free to contact me on 208-385-8666.

Sincerely,



John Souba  
Director Regulatory Affairs