(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF SPRINT COMMUNICATIONS COMPANY LP  FOR A CERTIFICATE OF PUBLIC CONVEN­IENCE AND NECESSITY TO PROVIDE LOCAL EXCHANGE SERVICE AS A COMPETITIVE LOCAL CARRIER.                                                                                         | ))))))) | CASE NO.  SPR-T-97-2ORDER NO.  27046 |

On April 25, 1997, the Commission received an Application from Sprint Communications Company, L.P. (Sprint) for a Certificate of Public Convenience and Necessity (Certificate) to provide local exchange service as a competitive local carrier.  On November 7, 1996, the Commission issued Procedural Order No. 26665 that set out the necessary information to be included with an application for a Certificate by a new local telecommunications provider.  On May 13, 1997, the Commission issued a Notice of Application and Notice of Modified Procedure seeking comments on  Sprint’s Application.  Upon reviewing the record before us, including the Application, the written comments and the requirements outlined in Order No. 26665, we approve Sprint’s Application for a Certificate to provide local service in U S WEST’s and GTE’s service territories.

DISCUSSION

Currently, Sprint is authorized to provide telecommunications services pursuant to Title 62 of the Idaho Code.  The Application indicates that Sprint is seeking to obtain a Certificate to provide Title 61 regulated telecommunications services, including basic local exchange service.  The Application states that Sprint plans to provide residential and business services and other services to all classes of customers in Idaho throughout the service area of U S WEST and GTE.

On May 13, 1997, the Commission issued a Notice of Application and Notice of Modified Procedure seeking comments on the Application.  On June 3, 1997, the Commission Staff filed comments in this case.  Staff indicates that it reviewed the information provided by Sprint with its Application and finds that overall it meets the requirements of Commission Order No. 26665, however, Staff notes Sprint has requested a waiver of the escrow account requirements for customer deposits.

 Procedural Order No. 26665 Rule 11 requires that an escrow account for advanced deposits must be established.  A signed copy of an escrow account with a bonded escrow agent must be created if a company requires advanced deposits by its customers.  The purpose of an escrow account is to assure good faith and the financial ability of the applicant as required in Idaho Code § 61-528.  Individual requirements pertaining to escrow accounts will be evaluated and considered by the Commission upon good showing by the company for a period of two years.

Sprint has requested that in lieu of establishing an escrow account, the Commission authorize it to post a surety bond in the amount of $10,000 as a guarantee of customer deposits, prior to Sprint’s actual entry into the local exchange market.  Sprint believes a surety bond would provide its customers with the comparable assurance that customer deposits are financially protected but would be much less expensive to initiate and maintain. Commission Staff believes that its waiver request for the escrow account is reasonable and recommended approval.

Commission Findings

Based on our review of the record, we find that Sprint’s Application and supplemental filings comply with Procedural Order No. 26665 and the Commission’s Rules to obtain a Certificate to be a local service provider in Idaho.  We further find that Sprint’s request for a waiver of the escrow account is reasonable upon the condition of the posting of a surety bond in the amount of $10,000 as a guarantee of customer deposits prior to Sprint’s actual entry into the local exchange market.

We approve Sprint’s Application for a Certificate of Public Convenience and Necessity to provide local exchange service in U S WEST’s service area and GTE’s service area as well as a waiver from the escrow account in lieu of posting of a surety bond.

O R D E R

IT IS HEREBY ORDERED that Sprint Communications Company, L.P. is granted a Certificate of Public Convenience and Necessity to provide local telecommunications services in U S WEST’s and GTE’s service area.

IT IS FURTHER ORDERED that Sprint’s request for a waiver from the escrow account requirement contained in Order No. 26665 be granted upon the condition of the posting of a surety bond in the amount of $10,000 as a guarantee of customer deposits prior to Sprint’s actual entry into the local exchange market.

THIS IS A FINAL ORDER.  Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. SPR-T-97-2  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 No. SPR-T-97-2 .  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                  day of July 1997.

                                                                                                                                       DENNIS S. HANSEN, PRESIDENT

                                                                                            RALPH NELSON, COMMISSIONER

MARSHA H. SMITH, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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**COMMENTS AND ANNOTATIONS**

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**TEXT BOXES**

Office of the Secretary

Service Date

July 15, 1997