DECISION MEMORANDUM

TO:COMMISSIONER HANSEN

COMMISSIONER NELSON

COMMISSIONER SMITH

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WORKING FILE

FROM:CHERI C. COPSEY

DATE:MARCH 9, 1998

RE:APPLICATION OF U.S. TELCO, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AND FOR APPROVAL OF AN INTERCONNECTION AGREEMENT WITH U S WEST COMMUNICATIONS, INC. PURSUANT TO 47 U.S.C. § 252(e).  CASE NO. UST-T-98-1.

On January 7, 1998, the Commission received an Application from U.S. Telco, Inc.for a Certificate of Public Convenience and Necessity to provide resold residential local exchange service as a competitive local carrier in those areas currently served by U S WEST Communications, Inc., GTE Northwest Incorporated and Citizens Telecommunications Company of Idaho.  Application at 1 and 4.  As part of its Application, Telco filed its proposed initial tariff with the Commission for information purposes pursuant to Idaho Code § 62-606.

Telco is a Texas corporation qualified to do business in Idaho.

Telco proposes to provide pre-paid monthly recurring local exchange flat rate residential exchange services “including tone dialing, custom calling features, and any other services available on a resale basis from the underlying incumbent local exchange carriers.”  It states it currently has no facilities and “will not construct, own or lease any facilities for the provision of its local services.”

Telco claims it is technically and financially qualified to provide resold telecommunications services in Idaho.  It claims that it has access to the financing and capital necessary to conduct its telecommunication operations as described in the Application.

On February 12, 1998, Telco filed a copy of a negotiated Interconnection Agreement with U S WEST and asked for Commission approval in accordance with the Telecommunications Act of 1996.  47 U.S.C. § 252 (e)(1). No other interconnection agreement has been filed.  The Interconnection Agreement was reached through voluntary negotiations without resort to mediation or arbitration and was submitted for approval pursuant to Section 252(e) of the Telecommunications Act of 1996.

Under the terms of the Telecommunications Act of 1996, interconnection agreements must be submitted to the Commission for approval.  47 U.S.C. § 252 (e)(1).  The Commission may reject an agreement adopted by negotiation only if it finds that the agreement discriminates against a telecommunication carrier not a party to the agreement or implementation of the agreement is not consistent with the public interest, convenience and necessity.  47 U.S.C. § 252 (e)(2)(A).  If the Commission does not act to approve or reject the agreement within 90 days after its submission, the agreement is deemed approved.  47 U.S.C. § 252 (e)(4).  The Commission’s decision is not reviewable by the state courts.  Id.

STAFF RECOMMENDATION

These matters do not require formal hearings and, therefore, Staff recommends that this Application for a Certificate of Public Convenience and Necessity and consideration of the U S WEST Telco Interconnection Agreement be handled under Modified Procedure with a 21 day comment period.

Commission Decision

Does the Commission want to process this Application under Modified Procedure and solicit comments and response to Telco’s Application for a Certificate of Public Convenience and Necessity and for approval of its interconnection agreement with U S WEST?

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Cheri C. Copsey

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