

McDevitt & Miller LLP

Lawyers

420 W. Bannock Street
P.O. Box 2564-83701
Boise, Idaho 83702

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2008 APR 14 PM 2:38

IDAHO PUBLIC
UTILITIES COMMISSION

Chas. F. McDevitt
Dean J. (Joe) Miller

(208) 343-7500
(208) 336-6912 (Fax)

April 14, 2008

ZIA-T-08-01

Via Hand Delivery

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 W. Washington St.
Boise, Idaho 83720

Re: Zial Networks

Dear Ms. Jewell:

Enclosed please find the original and seven copies of the Application of Zial Networks for a certificate of public convenience and necessity.

Exhibit B, consisting of the company's financial information, is being submitted under seal because the information is proprietary and a confidential trade secret. Zial respectfully requests that Exhibit B not be made available for public inspection.

Kindly return a file stamped copy of the Application to me.

Very Truly Yours,

McDevitt & Miller LLP



Dean J. Miller

DJM/hh
Enclosures

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IDAHO PUBLIC UTILITIES COMMISSION

Dean J. Miller (ISB No. 1968)
MCDEVITT & MILLER LLP
420 West Bannock Street
P.O. Box 2564-83701
Boise, Idaho 83702
Tel: 208-343-7500
Fax: 208-336-6912
joe@mcdevitt-miller.com

Attorneys for Applicant

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	Case No. <i>ZIA-T-0801</i>
OF ZIAL NETWORKS INC. FOR A)	
CERTIFICATE OF PUBLIC)	APPLICATION and REQUEST
CONVENIENCE AND NECESSITY TO)	FOR MODIFIED PROCEDURE
PROVIDE LOCAL EXCHANGE SERVICES)	
)	
)	

APPLICATION OF ZIAL NETWORKS, INC.

ZIAL NETWORKS, INC., (“Zial” or “Applicant”) by its undersigned attorneys, and pursuant to *Idaho Code* Sections 61-526 through –528 and IDAPA 31.01.01.111 and 112, and Procedural Order No. 26665, hereby applies to the Idaho Public Utilities Commission (“Commission”) for a Certificate of Public Convenience and Necessity to authorize Zial to provide facilities-based and resold competitive local exchange service in the State of Idaho. In support of its Application, Zial provides the following:

I. PROPOSED SERVICES.

1. Zial seeks authority to provide facilities-based and resold local exchange telecommunications services to and from all points in the State of Idaho.

2. Zial intends to provide facilities-based and resold local exchange telecommunications services to business and residential customers. ZIAL will comply with all applicable Commission rules, regulations and standards, and will provide safe, reliable and high quality telecommunications services in Idaho. Offering traditional voice services to customer utilizing the public switched network, Applicant will use Internet Protocol (IP) technology to provide voice and data applications that interact with the traditional public switched network. All service features identified in the Applicant's proposed price list can be accessed by a customer's standard telephone equipment; however, customers have the option of accessing additional IP functionalities through an IP "smart phone." Applicant will continuously monitor and maintain a high level of control over its network on a, 24-hours-a-day, 7-days-a-week basis.
3. Zial will comply with all Commission rules and regulations in marketing its services in the State of Idaho.

II. FORM OF BUSINESS.

1. Zial is a Corporation organized under the laws of the State of Idaho.
2. Applicant maintains its principal place of business at:

6055 Corporal Lane
Boise, Idaho 83704
3. A certified copy of Zial's Articles of Organization is attached hereto as Exhibit A.
4. The name and address of Zial's registered agent for service in Idaho is:

Chris Adams
4762 S. Skyridge Way
Boise, Idaho 83709
5. Zial has no subsidiaries.

6. The names of the Company's shareholders and respective ownerships are:

L. Chris Adams	4,000,000
Rewabhai K. Patel	857,143
Karshan K. Patel	857,143

7. The names and addresses of the Company's officers and directors are:

L. Chris Adams, President
4762 S. Skyridge Way
Boise, ID 83709

Ray Patel, Secretary
2868 E. Lake Hazel Road
Meridian, ID 83642

Kay Patel
21721 NW 5th Ave
Ridgefield, WA 98642

8. Correspondence pertaining to this application should be directed to Zial's counsel:

Dean J. Miller
MCDEVITT & MILLER LLP
420 W. Bannock
P.O. Box 2564-83701
Boise, Idaho 83702
P: 208.343.7500
joe@mcdevitt-miller.com

with a copy to

Chris Adams
6055 Corporal Lane
Boise, Idaho 83705

III. TELECOMMUNICATION SERVICE.

1. Zial intends to begin providing service in Idaho shortly after it obtains authorization to do so and has entered into the appropriate interconnection and services arrangements with Qwest Corporation ("Qwest").

2. ZIAL proposes to provide resold and facilities-based local exchange telecommunications services to both business and residential customers in the State of Idaho.

IV. SERVICE TERRITORY.

1. Zial intends to provide service in the areas served by Qwest and does not plan to provide service in areas of any small or rural local exchange carriers; however, Zial seeks statewide authority so that it may expand into other service areas as market conditions warrant and as additional service areas become open to competition.

2. Zial will offer basic local exchange services and custom calling features to business and residential customers. Zial anticipates that it will offer facilities-based local exchange service via commercial wholesale agreements with incumbents. Zial, however, seeks the full range of resold and facilities-based local exchange authority so that it can have the flexibility in provisioning its services in the future.

3. Zial will compete directly with Qwest for the provision of local exchange telecommunications services.

4. Zial does not currently own property in Idaho.

V. FINANCIAL INFORMATION.

The previous fiscal year's detailed balance sheets and income statements are provided for *under seal* as Exhibit B.

The Applicant has available sufficient capital to fulfill any obligations it may undertake with respect to its operations and the services it proposes to offer.

VI. "ILLUSTRATIVE" TARIFF FILINGS.

Zial's proposed Tariff is attached as Exhibit C.

VII. CUSTOMER CONTACTS.

1. Zial's toll free number for customer inquires is (800)-519-2468. Additionally customer inquiries and complaint may be directed to:

Email: support@zial.com

Individual responsible for complaints:

Allen Bates
6055 Corporal Lane
Boise, Idaho 83705
(800)-519-2468

2. The contact for Commission Staff for resolving matters concerning rates and price lists or tariffs, as well as general business and regulatory matters of ZIAL following certification, is as follows:

Chris Adams
6055 Corporal Lane
Boise, Idaho 83704

VIII. INTERCONNECTION AGREEMENTS.

Zial is in the process of negotiating an interconnection agreement Qwest, which agreement when finalized, will be filed with the Commission for its approval.

IX. COMPLIANCE WITH COMMISSION RULES.

Attached hereto is a sworn verification executed by Applicant stating that the Applicant agrees to comply with all applicable Idaho laws and Commission rules and regulations.

X. ESCROW ACCOUNT OR SECURITY BOND.

Applicant does not intend to collect advanced deposits from customers. Should Zial decide to require advance deposits from its customers, it will promptly arrange for an escrow account with a bonded escrow agent in accordance with the commission rules. Zial will comply with all applicable Idaho laws and Commission rules and regulations regarding advance customer deposits. Should Zial decide to require advance deposits, Zial will file a copy of its escrow agreement upon the Commission's request.

XI. CONCLUSION

As demonstrated by this Application and pursuant to Idaho Code §§61-526-528, **IDAPA** 31.01.01.111 and 112, and Procedural Order No. 26665, Zial's expertise in the telecommunications sector will permit it to provide customers with an excellent combination of price, quality and customer services. Accordingly, Zial anticipates that its proposed service will increase consumer choice of innovative and reliable service offerings. The provision of more affordable and available local telecommunications services will promote the health, welfare and economic well-being of the citizens of Idaho. Zial respectfully submits that the public interest, convenience and necessity would be furthered by a grant of this Application for the authority to provide all types of facilities-based and resold local telecommunications services.

Applicant does not believe that the public interest requires a hearing on the issues presented hereby and requests that the matter be processed by Modified Procedure.

WHEREFORE, Zial, respectfully requests of the Commission:

1. That the Commission determine that a hearing is not required herein and process the matter by Modified Procedure.

2. That the Commission issue a Certificate of Public Convenience and Necessity authorizing Zial to provide resold and facilities-based local exchange telecommunications services within the State of Idaho;

3. That the Commission grant such other and further relief as the Commission may determine proper herein.

Dated this 14 day of April, 2008.

Respectfully Submitted,

ZIAL NETWORKS, INC.

By: 

Dean J. Miller
McDevitt & Miller LLP
420 West Bannock Street
P.O. Box 2564-83701
Boise, Idaho 83702
P: 208.343.7500
Attorneys for Zial Networks.

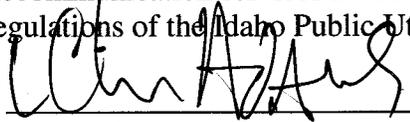
VERIFICATION

STATE OF IDAHO)
) ss
County of Ada)

CHRIS ADAMS, being first duly sworn on oath, deposes and says:

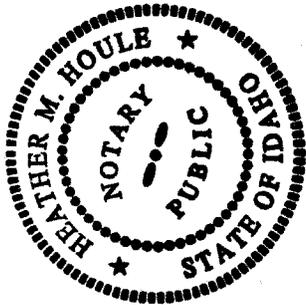
That I am President of Zial Networks Inc., the Applicant herein, that I have read the foregoing Application, and upon personal knowledge and reasonable investigation, know the facts stated therein are accurate to the best of my knowledge.

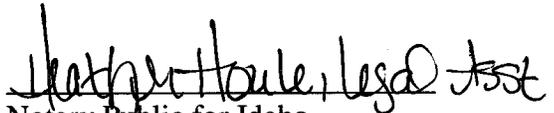
Zial Networks, in the provision of telecommunication services in Idaho, will comply with all applicable Idaho laws and the rules and regulations of the Idaho Public Utilities Commission.



Chris Adams

SUBSCRIBED AND SWORN to before me this 14th day of April, 2008.




Notary Public for Idaho
Residing at: Boise, ID
Commission Exp.: 6/20/2012

LIST OF EXHIBITS

- Exhibit A Articles of Incorporation
- Exhibit B Financial Statements
 [CONFIDENTIAL-submitted under seal]
- Exhibit C Model Tariff

EXHIBIT A
ARTICLES OF INCORPORATION

FILED EFFECTIVE

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STATE OF IDAHO

ARTICLES OF INCORPORATION

OF

Solstice Network Group, Inc.

THE UNDERSIGNED, acting as incorporator of a corporation under the Idaho Business Corporation Act, adopts the following Articles of Incorporation for such corporation:

FIRST ARTICLE

The name of the corporation is Solstice Network Group, Inc.

SECOND ARTICLE

The period of its duration is perpetual.

THIRD ARTICLE

The corporation is organized is for the purpose of transacting any and all other lawful business for which a corporation may be incorporated under the Idaho Business Corporation Act.

FOURTH ARTICLE

This corporation is authorized to issue a total of ten million (10,000,000) shares (without par value) all of which shall be common voting stock.

Unless a resolution of the board of directors provides that reacquired shares shall constitute authorized but unissued shares, any shares reacquired by the corporation shall be treasury shares and may be held, used, resold, or disposed of free of any restrictions that would be imposed on the original issuance of shares of the corporation.

FIFTH ARTICLE

Shareholders shall have no preemptive right to acquire unissued or treasury shares or securities convertible into such shares or carrying a right to subscribe to or acquire shares.

SIXTH ARTICLE

The location of the initial registered office of the corporation is 5300 W. Boone Ct., Boise, Idaho 83705. The name of its initial registered agent at such address is Chris Adams.

IDAHO SECRETARY OF STATE
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SEVENTH ARTICLE

The number of directors constituting the initial Board of Directors is one; and the name and address of the person who is to serve until the first annual meeting of the shareholders and until his successor is elected and qualified is:

<u>NAME</u>	<u>ADDRESS</u>
Chris Adams	5300 W. Boone Ct. Boise, ID 83705

EIGHTH ARTICLE

The name and address of the incorporator is as follows:

Chris Adams
5300 W. Boone Ct.
Boise, ID 83705

NINTH ARTICLE

The corporation reserves the right to amend, alter, change or repeal any provisions contained in its Articles of Incorporation in any manner now or hereafter prescribed or permitted by statute. All rights of stockholders of the corporation are granted subject to this reservation.

The Board of Directors is expressly authorized to alter, amend or repeal the Bylaws of the corporation and to adopt new Bylaws, subject to repeal or change by vote of holders of a majority of shares of the corporation's Common Stock.

TENTH ARTICLE

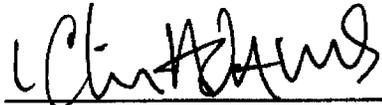
At each election of directors, every shareholder entitled to vote at such election shall have the right to vote, in person or by proxy, one vote for each share owned by him. Shareholders have no right to vote their shares cumulatively in the election of directors.

ELEVENTH ARTICLE

A director of this corporation shall not be personally liable to this corporation or its shareholders for money damages, and the corporation shall indemnify such director against liability (as defined in Idaho Code § 30-1-850(5)) to any person, for any action taken, or any failure to take action, as a director except for liability for (a) the amount of a financial benefit received by a director to which he is not entitled, (b) an intentional infliction of harm on the corporation or the shareholders, (c) a violation of Idaho Code § 30-1-833, or (d) an intentional violation of criminal law. If the Idaho Business Corporation Act is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of this corporation shall be eliminated or limited to the fullest extent permitted by the

Idaho Business Corporation Act, as so amended. Any repeal or modification of this Eleventh Article by the shareholders of the corporation shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

DATED this 19th day of February 2003.


_____, Incorporator



ARTICLES OF AMENDMENT (General Business)

FILED EFFECTIVE

To the Secretary of State of the State of Idaho
Pursuant to Title 30, Chapter 1, Idaho Code, the undersigned
corporation amends its articles of incorporation as follows:

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SECRETARY OF STATE
STATE OF IDAHO

1. The name of the corporation is:

Solstice Network Group, Inc.

If the corporation has been administratively dissolved and the corporate name is no longer available for use, the amendment(s) below must include a change of corporate name

2. The text of each amendment is as follows:

The First Article of the Articles of Incorporation shall be amended to read as follows:

The name of the corporation is Zial Networks, Inc

3. The date of adoption of the amendment(s) was: _____

4. Manner of adoption (check one):

- The amendment consists exclusively of matters which do not require shareholder action pursuant to section 30-1-1002, 30-1-1005 and 30-1-1006, Idaho Code, and was, therefore, adopted by the board of directors
- None of the corporation's shares have been issued and was, therefore, adopted by the
 incorporator board of directors.
- Approval by the shareholders is required and the shareholders duly approved the amendment(s) as required by either Title 30, Idaho Code or by the Articles of Incorporation

Customer Acct #:

(if using pre-paid account)

Secretary of State use only

Dated: 3-30-07

Signed: *Chris Adams*

Typed Name: Chris Adams

Capacity: President

Idaho Secretary of State
Business Unit Revised 11/2004
Web Form

IDAHO SECRETARY OF STATE
04/30/2007 05:00
CK: 3253/CASH CT: 212758 BH: 1058349
1 @ 30.00 = 30.00 AMEND PROF # 3

C147804

EXHIBIT B
FINANCIAL STATEMENTS
[CONFIDENTIAL-SUBMITTED UNDER SEAL]