

January 25, 2006

**VIA E-FILING AND UPS**

Ms. Lois Meerdink  
Competitive Provider Analyst  
Public Utility Commission of Oregon  
550 Capitol Street, N.E., Suite 215  
Salem, OR 97301-2551

Re: Application of LMDS Holdings, Inc.

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Dear Ms. Meerdink:

Enclosed for filing with the Public Utility Commission of Oregon, please find an original and one copy of LMDS Holdings, Inc.'s Application to provide facilities based and resold local and interexchange telecommunications services within the State of Oregon. A copy of this filing has been filed via the Commission's E-Filing System on January 24, 2006.

Enclosed please also find a duplicate copy of this filing and a self-addressed postage-paid envelope. Please date stamp this copy and return in the envelope provided. Please do not hesitate to call me if you have any questions and thank you for your assistance in this matter.

Respectfully submitted,

Katherine E. Barker Marshall

Enclosures

**APPLICATION FOR CERTIFICATE OF AUTHORITY  
TO PROVIDE TELECOMMUNICATIONS SERVICE IN OREGON**

INSTRUCTIONS: Complete every applicable section of this application. Attach additional documents and/or sheets to complete responses (if needed). You will be notified when the Commission receives your application, and again when it has been processed. Upon acceptance of this application, the Commission will publish notice pursuant to ORS 759.020(2). After submitting this application electronically, mail one copy with original signature and all attachments.

**Classification for which application is made. Check one.**

- Competitive Telecommunications Provider (local, long-distance, shared telecommunications service).  
 Telecommunications Utility

**1. Exact Legal Name of Applicant:**

**LMDS Holdings, Inc.**

Applicant's Assumed Business Name(s) (if any) (e.g., dba, aka)  
*Must be registered with the Corporation Division.*

**N/A**

Applicant's Type of Legal Entity (e.g., corporation, limited partnership)

**Corporation**

Business Address

**11111 Sunset Hills Road  
Reston VA 20190**

Phone **703-547-2000**

Fax **703-547-2881**

Email **cr-snaops@xo.com**

**2. Name and Address of Person to be Contacted for Further Information Regarding This Application:**

**Katherine E. Barker Marshall  
Kelley Drye and Warren, LLP  
1200 19th Street NW, Suite 500  
Washington DC 20036**

Phone **202-955-9669**

Fax **202-955-9792**

Email **kbarker@kelleydrye.com**

**3. Name and Address of Person to be Contacted for Regulatory Information. (Commission will send requests for information to this person):**

**David LaFrance  
11111 Sunset Hills Road  
Reston VA 20190**

Phone **703-547-2682**

Fax **703-547-2881**

Email **david.lafrance@xo.com**

**4. Affiliated Interests:**

Are you now or have you ever been affiliated with any provider of telecommunications service that serves Oregon? If so, who? When? Describe affiliation. Affiliated interest is defined in OAR 860-032-0001.

LMDS Holdings, Inc. is today a wholly owned subsidiary of XO Communications, Inc. ("XO"), a publicly traded Delaware corporation in which Carl C. Icahn holds a majority interest. Pursuant to an impending pro forma restructuring of XO Communications, Inc., notice of which dated December 8, 2005 was provided Commission staff, LMDS Holdings, Inc. will become a wholly owned subsidiary of XO Holdings, Inc.

**5. Previous Certificates of Authority:**

List each certificate of authority previously granted by the Oregon PUC to Applicant and to each affiliated entity, under a legal name, an assumed business name, or any other name. Include all certificates whether or not canceled. For each certificate include: name of entity, docket number, and order number.

	Name of Entity	Docket Number	Order Number
a.	XO Communications Services, Inc.	CP1251	04-556
b.			
c.			
d.			

**AUTHORITY REQUESTED**

**6. Does applicant request authority to provide the following services?**

- a. Shared telecommunications service (STS). STS includes resale of long-distance service to the STS provider's user group, but not to customers outside the user group. If yes, applicant must complete items 10 and 11.  Yes  No
- b. Local exchange (intraexchange) switched service (i.e., local dial tone). If yes, applicant must complete item 10.  Yes  No
- c. Local exchange (intraexchange) nonswitched, private line service (i.e., dedicated transmission service).  Yes  No
- d. Interexchange, switched service (i.e., long-distance toll). If yes, applicant must complete item 10.  Yes  No
- e. Interexchange, nonswitched, private line service (i.e., dedicated transmission service).  Yes  No

**7. How Services Will Initially Be Provided**

*The following is required for public notice and information purposes and does not request authority.*

- a. Will Applicant resell finished services of other Oregon certified carriers? (Resell means resale of finished services, not unbundled network elements.)  Yes  No
- b. Will applicant construct lines, loops, wires, fiber, or other transport facilities?  Yes  No
- c. Will Applicant have its own switching equipment?  Yes  No
- d. Will Applicant purchase (lease) unbundled network elements from other Oregon certified carriers?  Yes  No
- e. Will Applicant purchase or lease network components which are not unbundled network elements?  Yes  No

**8. Areas for which Applicant seeks authority:**

**a. Intraexchange Authority:**

Alternative I: List every local exchange in which Applicant seeks to provide local exchange (intraexchange) service.

Alternative II: List every incumbent local exchange carrier in whose exchanges Applicant seeks authority to provide local exchange (intraexchange) service.

Alternative III: If Applicant seeks authority to provide local exchange (intraexchange) service within every telephone exchange in Oregon, then specify "Statewide."

Statewide

**b. Interexchange Authority:**

Alternative I: List every local exchange in which Applicant seeks to provide interexchange service.

Alternative II: List every incumbent local exchange carrier in whose exchanges Applicant seeks authority to provide interexchange service.

Alternative III: If Applicant seeks authority to provide interexchange service in every telephone exchange in Oregon, then specify "Statewide."

Statewide

**9. Describe special characteristics, limitations, or restrictions that will be part of Applicant's services:**

LMDS Holdings intially will provide data and transport services only.

**10. Operator Services:**

- a. Operator service includes, but is not limited to, billing or completion of third-party billing calls, person-to-person calls, collect calls, and credit card calls. See OAR 860-032-0001.  
Will Applicant directly offer operator services?  Yes  No
- b. ORS 759.690(1)(d) defines "operator service provider" as a person who furnishes operator service under contract with a call aggregator. ORS 759.690(1)(a) defines a call aggregator as a person who furnishes a telephone for use by the public, i.e., transient use.  
Will Applicant be an "operator service provider" as defined in ORS 759.690(1)(d)?  Yes  No

**11. Shared Telecommunications Service:**

Shared Telecommunications Service (STS) service is defined in OAR 860-032-0001. STS includes resale of long-distance service to the STS provider's user group, but not to customers outside the user group.

- a. Provide the address of the building where shared service will be provided through privately owned customer premises equipment. If Applicant intends to serve a user group located in two or more buildings, include an electronic copy of a map clearly showing the locations to be served by the Applicant. The information on the map must be precise and legible and include street names and the city where the building(s) is(are) located.

Not Applicable

- b. An STS site or location consists of one building, or it consists of a complex of buildings or a campus on contiguous property. An STS provider may interconnect separate sites in order to aggregate toll traffic. An STS provider may not interconnect separate sites in order to provide local exchange service between those sites.

If serving buildings at separate sites, will applicant interconnect the buildings in order to aggregate toll traffic?  Yes  No

- c. Describe the user group or association at the STS location.

Not Applicable

**NOTE: Applicant must apply to PUC for another certificate of authority in order to add subsequent STS sites.**

**Conditions of a certificate of authority:**

As a condition of a certificate of authority, applicant must comply with all applicable Commission rules and state law, as well as conditions listed in the certificate.

For your convenience, following is a summary of some conditions from OAR 860-032-0001 et seq. (Division 32). Additional conditions may be specified in the certificate.

- a. Certificate holder shall provide only telecommunications services authorized by the certificate.
- b. Certificate holder shall, at a minimum, meet the standard level of service specified in OAR 860-032-0012. The standard level of service is 99 percent probability that a call will not be blocked during the certificate holder's busy hour of the day.
- c. Certificate holder's books and records shall be open to inspection by the Commission to the extent necessary to verify information required by the Commission's rules.
- d. Certificate holder shall maintain its books and records according to generally accepted accounting principles and the applicable rules of the Commission.
- e. Certificate holder shall pay all access charges and subsidies imposed pursuant to the Commission's rules.
- f. Certificate holder shall pay an annual fee to the Commission pursuant to the Commission's rules. This fee will be based on the certificate holder's annual gross retail intrastate revenues and will be no less than \$100 per calendar year. The certificate holder shall collect the fee by charging an equitable amount to each retail customer and describe the amount of the apportioned charge on each retail customer's bill, pursuant to the Commission's rules.
- g. The certificate holder shall pay a quarterly amount to the Oregon Universal Service Fund based on a Commission-approved surcharge percentage assessed on all retail telecommunications services sold in Oregon pursuant to ORS 759.425(4).
- h. Certificate holder shall respond in a timely manner to Commission inquiries.

Pursuant to Residential Service Protection statutes, Chapter 290, Oregon Laws 1987, and Division 22, certificate holder shall be responsible to ensure that the Residential Service Protection Fund surcharge is remitted to the Commission. This surcharge is assessed against each paying retail subscriber at a rate that is set annually by the Commission.

Applicant understands that all services provided by Applicant must comply with all applicable Commission rules and state law, and with conditions of the certificate (check box at left).

*Signature of Person Authorized to Represent Applicant*

**Title**

Corporate Counsel and Asst. Secretary

**Date**

1/25/06

Typewritten Name

Benjamin R. Preston