

**MILLER
ISAR** INC.
REGULATORY CONSULTANTS

STACEY A. KLINZMAN

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GIG HARBOR, WA 98335
TELEPHONE: 253.851.6700
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RECEIVED

APR 11 2003

PUBLIC
COM.

Via Overnight Delivery
April 10, 2003

Mr. Thomas M. Dorman, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

05167800
(0570)

Re: Threshold Communications, Inc. - Application for Authority

Dear Mr. Dorman:

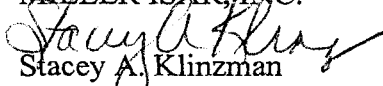
Pursuant to the Kentucky Public Service Commission's ("Commission") Order in Administrative Case No. 359 and 807 KAR 5:011, enclosed for filing please find one (1) original and four (4) copies of Threshold's Application for Authority to provide resale interexchange service in Kentucky and proposed tariff. Threshold Communications, Inc. ("Threshold") respectfully requests the Commission to deem its tariff effective thirty days from the date of receipt.

Please note that Threshold recently became aware that it has been providing de minimis, private line, data only, service to two Kentucky customers. Threshold files this application and tariff to bring itself into compliance with the laws of the Commonwealth of Kentucky and the rules and regulations of the Commission. The nature of Threshold's service provision is discussed more particularly in paragraph 4 of the attached application.

Please acknowledge receipt of this filing by date-stamping and returning the additional copy of this transmittal letter in the self-addressed, postage-paid envelope provided for this purpose. Questions regarding this filing may be directed to me.

Sincerely,

MILLER ISAR, INC.


Stacey A. Klinzman
Director - Regulatory Compliance

Enclosures

cc: Jeff Matson, Threshold Communications, Inc.

**Before the
PUBLIC SERVICE COMMISSION OF KENTUCKY**

IN THE MATTER OF THE INFORMATIONAL FILING)
OF THRESHOLD COMMUNICATIONS, INC.)
FOR AUTHORITY TO OPERATE AS A)
RESELLER OF INTEREXCHANGE TELEPHONE)
SERVICE THROUGHOUT KENTUCKY)

No. _____

Threshold Communications, Inc. ("Applicant") hereby submits the following information, in accordance with the provisions of Administrative Case No. 359, and its proposed tariffs, in accordance with 807 KAR 5:011, in support of its filing for authority to operate as a reseller of interexchange service throughout the Commonwealth of Kentucky:

1. The name, address, telephone and fax number of the Applicant are:

Threshold Communications, Inc.
16541 Redmond Way, #245C
Redmond, WA. 98052-4482
Telephone: 206.686.7800
Facsimile: 206.686.7800

2. A copy of the Applicant's Articles of Incorporation is attached as **Exhibit**

A. Applicant was registered with the Kentucky Secretary of State on
November 25, 2002, Organization No. 0548755.

3. The name, street address, telephone and fax numbers of the responsible
contact person for customer complaints and regulatory issues is:

Jeff Matson
Threshold Communications, Inc.
16541 Redmond Way, #245C
Redmond, WA. 98052-4482
Telephone: 206.686.7800
Facsimile: 206.686.7800

4. Applicant recently became aware that it is providing a regulated service within the State of Kentucky and files this application to bring itself into compliance with Commission rules and regulations. Applicant has been providing private line interexchange service to two customers and collected a total of \$7,276.61 in Kentucky intrastate revenues between January 21, 2002 and March 31, 2003.
5. The Applicant does not seek authority to provide operator assisted services to traffic aggregators as defined in Administrative Case No. 330.
6. Applicant seeks authority to provide switched and dedicated interexchange voice and data services, including long distance voice service, interexchange private line service, interexchange frame relay service and dedicated Internet access. Applicant will offer its services primarily to high volume commercial customers. Applicant's proposed tariff is attached as **Exhibit C**.
7. A sample company bill is attached as **Exhibit B**.


(Signature Next Page)

WHEREFORE, Threshold Communications, Inc. requests that the Public Service Commission of the Commonwealth of Kentucky ("Commission") grant it authority to engage in the resale of interexchange telecommunications services to the public in accordance with applicable laws currently in effect or hereinafter enacted by the Commission.

Respectfully submitted this 1st day of April, 2003.

Threshold Communications, Inc.

By:


Jeff Matson, President
Threshold Communications, Inc.
16541 Redmond Way, #245C
Redmond, WA. 98052-4482
Telephone: 206.686.7800
Facsimile: 206.686.7800

VERIFICATION OF APPLICANT

STATE OF WASHINGTON)
)
) SS:
COUNTY OF KING)

I, Jeff Matson, being first duly sworn, state that I am President of Threshold Communications, Inc., Applicant herein; that I have reviewed the matters set forth in the Application and Exhibits, and the statements contained therein are true to the best of my knowledge, except as to those matters which are stated on information or belief, and as to those matters I believe them to be true.

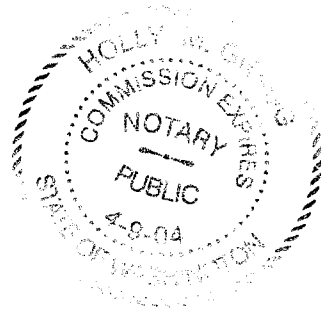
Threshold Communications, Inc.

By: [Signature]
Jeff Matson, President
16541 Redmond Way, #245C
Redmond, WA. 98052-4482
Telephone: 206.686.7800
Facsimile: 206.686.7800

Sworn to and subscribed before me this 15th day of April, 2003.

[Signature]
Notary Public in and for the County of King

My Commission Expires: April 9, 2004



**Before the
PUBLIC SERVICE COMMISSION OF KENTUCKY**

IN THE MATTER OF THE INFORMATIONAL FILING)
OF THRESHOLD COMMUNICATIONS, INC.)
FOR AUTHORITY TO OPERATE AS A)
RESELLER OF INTEREXCHANGE TELEPHONE)
SERVICE THROUGHOUT KENTUCKY)

No. _____

LIST OF EXHIBITS

EXHIBIT A	ARTICLES OF INCORPORATION
EXHIBIT B	SAMPLE COMPANY BILL
EXHIBIT C	PROPOSED TARIFF

EXHIBIT A
ARTICLES OF INCORPORATION
(Attached)

STATE of WASHINGTON



SECRETARY of STATE

I, *SAM REED*, Secretary of State of the State of Washington and custodian of its seal,

hereby issue this

CERTIFICATE OF INCORPORATION

to

THRESHOLD COMMUNICATIONS, INC.

A Washington Profit Corporation. Articles of Incorporation were filed for record in this office on the date indicated below

UBI Number: 602 167 046

Date: December 12, 2001



Given under my hand and the Seal of the State of Washington at Olympia, the State Capital

Sam Reed, Secretary of State

632 167 046

ARTICLES OF INCORPORATION
OF
THRESHOLD COMMUNICATIONS, INC.

FILED
SECRETARY OF STATE
DEC 12 2001
STATE OF WASHINGTON

ARTICLE I

NAME

The name of the corporation is Threshold Communications, Inc.

ARTICLE II

PURPOSES

This corporation is organized for the following purposes:

- A. To engage in the sale of communications/data products.
- B. To engage in any business, trade or activity which may be conducted lawfully by

a corporation organized under the Washington Business Corporation Act.

ARTICLE III

SHARES

This corporation is authorized to issue 10,000 shares of common stock.

ARTICLE IV

NO PREEMPTIVE RIGHTS

Except as may otherwise be provided by the Board of Directors, no preemptive rights shall exist with respect to shares of stock or securities convertible into shares of stock of this corporation.

ARTICLE V

NO CUMULATIVE VOTING

At each election for directors, every shareholder entitled to vote at such election has the right to vote in person or by proxy the number of shares held by such shareholder for as many persons as there are directors to be elected. No cumulative voting for directors shall be permitted.

ARTICLE VI

BYLAWS

The Board of Directors shall have the power to adopt, amend, or repeal the Bylaws or adopt new Bylaws. Nothing herein shall deny the concurrent power of the shareholders to adopt, alter, amend or repeal the Bylaws.

ARTICLE VII

REGISTERED OFFICE AND AGENT

The name of the initial registered agent of this corporation and the address of its initial registered office are as follows:

Neil A. Cable
Cable, Langenbach, Kinerk & Bauer, LLP
1000 Second Avenue, Suite 3500
Seattle, Washington 98104-1048

ARTICLE VIII

DIRECTORS

A. The number of directors of this corporation shall be determined in the manner specified by the Bylaws and may be increased or decreased from time to time in the manner

provided therein. The initial Board of Directors shall consist of one director and his name and address is as follows:

<u>Name</u>	<u>Address</u>
Jeff Matson	9806 - 173rd Court NE Redmond, Washington 98052

B. The term of the initial director shall be until the first annual meeting of the shareholders or until their successors are elected and qualified, unless removed in accordance with the provisions of the Bylaws.

ARTICLE IX

INCORPORATOR

The name and address of the incorporator is as follows:

<u>Name</u>	<u>Address</u>
Neil A. Cable	Cable, Langenbach, Kinerk & Bauer, LLP 1000 Second Avenue, Suite 3500 Seattle, Washington 98104-1048

ARTICLE X

LIMITATION ON DIRECTORS' LIABILITY

A director shall have no liability to the corporation or its shareholders for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by the director, or a knowing violation of law by the director, or for conduct violating RCW 23B.08.310, or for any transactions from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. If the Washington Business Corporation Act is hereafter amended to authorize corporate action further

eliminating or limiting the personal liability of directors, then the liability of a director shall be eliminated or limited to the full extent permitted by the Washington Business Corporation Act, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification for or with respect to an act or omission of such director occurring prior to such repeal or modification.

ARTICLE XI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right to Indemnification. Each person who was, or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the corporation or, while a director or officer, he or she is or was serving at the request of the corporation as a director, trustee, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, trustee, officer, employee or agent or in any other capacity while serving as a director, trustee, officer, employee or agent, shall be indemnified and held harmless by the corporation, to the full extent permitted by applicable law as then in effect, against all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director, trustee, officer,

employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in Section 2 of this Article with respect to proceedings seeking to enforce rights to indemnification, the corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the board of directors of the corporation. The right to indemnification conferred in this Section 1 shall be a contract right and shall include the right to be paid by the corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the corporation of an unconditional, general undertaking, by or on behalf of such director or officer to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section 1 or otherwise.

Section 2. Right of Claimant to Bring Suit. If a claim under Section 1 of this Article is not paid in full by the corporation within sixty (60) days after a written claim has been received by the corporation, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such suit. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the

corporation), and thereafter the corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the corporation (including its board of directors, independent legal counsel or its shareholders) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances nor an actual determination by the corporation (including its board of directors, independent legal counsel or its shareholders) that the claimant is not entitled to indemnification or to the reimbursement or advancement of a expenses shall be a defense to the act or create a presumption that the claimant is not so entitled.

Section 3. Nonexclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of shareholders or disinterested directors or otherwise.


Section 4. Insurance, Contracts and Funding. The corporation may maintain insurance, at its expense, to protect itself and any director, trustee, officer, employee or agent of the corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Washington Business Corporation Act. The corporation may, without further shareholder action, enter into contracts with any director or officer of the corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest or use other means (including, without limitation, a

letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

Section 5. Indemnification of Employees and Agents of the Corporation. The corporation may, by action of its board of directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the corporation with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the corporation or pursuant to rights granted pursuant to, or provided by, the Washington Business Corporation Act or otherwise.

The undersigned person, of the age of eighteen (18) years or more, as incorporator of this corporation under the Washington Business Corporation Act, adopts these Articles of Incorporation.

DATED this 10th day of December, 2001.



Neil A. Cable, Incorporator

CONSENT TO SERVE AS REGISTERED AGENT
OF THRESHOLD COMMUNICATIONS, INC.

I, Neil A. Cable, hereby consent to serve as Registered Agent, in the State of Washington,
for the following corporation:

THRESHOLD COMMUNICATIONS, INC.

I understand that as agent for the corporation, it will be my responsibility to receive service of
process in the name of the corporation; to forward all mail to the corporation; and to immediately
notify the office of the Secretary of State in the event of my resignation, or of any changes in
the registered office address of the corporation for which I am agent.

Date December 10, 2001

Neil A. Cable

Neil A. Cable

Cable, Langenbach, Kinerk & Bauer, LLP
1000 Second Avenue, Suite 3500
Seattle, Washington 98104-1048