

Michael C. Creamer (ISB # 4030)
 Melodie A. McQuade (ISB # 9433)
 GIVENS PURSLEY LLP
 277 North 6th Street, Suite 200
 P.O. Box 2720
 Boise, ID 83701
 (208) 388-1200
 (208) 388-1201 (fax)
 3078139_1 / 1534-62

RECEIVED
 2015 OCT 29 PM 4:29
 IDAHO PUBLIC
 UTILITIES COMMISSION

Attorneys for Silver Star Telephone Company, Inc. and Columbine Telephone Company, Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

| | | |
|---|---|---------------------------|
| In the Matter of the Application of Silver Star |) | Case Nos. COL-T-15-01 |
| Telephone Company, Inc. and Columbine |) | SIL-T-15-01 |
| Telephone Company, Inc. for Approval of |) | |
| Transfer of Idaho Assets, Operations and |) | APPLICATION AND NOTICE OF |
| Certificate |) | SILVER STAR TELEPHONE |
| |) | COMPANY AND COLUMBINE |
| |) | TELEPHONE COMPANY AND |
| |) | REQUEST FOR MODIFIED |
| |) | PROCEDURE |

Silver Star Telephone Company, Inc. ("Silver Star") and Columbine Telephone Company, Inc. ("Columbine") (collectively "Applicants"), by and through their attorneys Givens Pursley LLP, make this Application pursuant to Idaho Code § 62-612 and IDAPA §§ 31.01.01.20, 31.01.01.52, 31.01.01.112 and 31.01.01.201 for Commission approval of the transfer of Silver Star's Idaho local exchange assets, operations and certificated service area under certificate no. 207 to its sister company, Columbine. The Applicants request this Application be processed by modified procedure. By this Application the Applicants request an order of the Commission approving the following:

- The transfer of Silver Star's Idaho Title 61 assets and certificated service area for the Irwin and Wayan exchanges to its sister company, Columbine;
- Silver Star's discontinuance of local exchange service to the Irwin and Wayan exchanges;

- Waiver of the ninety-day advance filing requirements of Rule 20 (IDAPA 31.01.01.020); and
- Amendment of Columbine's Certificate No. 329 to incorporate the Irwin and Wayan Exchanges into the certificated service area boundary within which it is entitled to provide Title 61 services.

In support of this Application, Applicants state as follows:

1. Silver Star is a certificated telephone corporation organized under the laws of the State of Wyoming providing telecommunication services, including regulated Title 61 local exchange services, within the states of Idaho and Wyoming. Silver Star is the incumbent local exchange carrier ("ILEC") in Idaho's Irwin and Wayan exchanges under Certificate No. 207. Silver Star serves approximately 500 local exchange customers in the Irwin and Wayan exchanges.
2. Columbine is a certificated telephone corporation organized under the laws of the State of Wyoming providing telecommunication services, including regulated Title 61 local exchange services, within the State of Idaho. Columbine is the ILEC in Idaho's Driggs, Tetonia and Victor exchanges under Certificate No. 329. Columbine serves approximately 4200 local exchange customers in the Teton Valley area.
3. Copies of certificates of good standing of Columbine and Silver Star issued by the Wyoming and Idaho Secretaries of State are attached hereto as **Exhibit A and Exhibit B** respectively.
4. Copies of Columbine's and Silver Star's articles of incorporation and bylaws and all amendments thereto are on file with the Commission.
5. Silver Star and Columbine are wholly-owned subsidiaries of Horizon Communications, Inc., a Wyoming corporation ("Horizon").
6. Columbine acquired the Driggs, Tetonia and Victor exchanges from US WEST Communications ("US WEST") in 1997 when US WEST sold numerous of its rural telephone exchanges in southern Idaho. Columbine was specifically incorporated to serve these exchanges in lieu of Silver Star so as to be able to facilitate a rate freeze in the acquired exchanges for a period of years following the acquisition and to accommodate the then-existing IRS 1031 exchange restrictions, the vehicle under which Columbine acquired the exchanges, and including

certain restrictions to the Applicants' study area boundaries. Since the 1997 acquisition, Columbine has upgraded its local exchange switching and transmission facilities to provide state-of-the-art digital telecommunications service to all of its customers.

7. Silver Star has served the Irwin and Wayan exchanges for over 50 years in association with its larger local exchange operations immediately across the state border in its Freedom and Alpine exchanges. Like the Driggs, Tetonia and Victor exchanges, Silver Star's Irwin and Wayan exchanges currently are served by state-of-the-art digital telecommunications facilities.

8. Management, operations and accounting for both Silver Star and Columbine are handled primarily through Silver Star's main offices in Freedom, Wyoming, although their Idaho exchanges do have local customer service and technician staff.

9. Because Silver Star serves the exchanges as the designated ETC in both Idaho and Wyoming, it is subject to regulatory oversight by both the Idaho Public Utilities Commission and the Wyoming Public Service Commission, is required to submit annual reports to both Commissions and must maintain and document appropriate cost separations for its Idaho and Wyoming operations, in addition to filing annual reports for each ETC exchange area by company. Accounting for the cost separations complicates the annual reporting and review process for both the Applicants and the staffs of the state Commissions.

10. To simplify management, operations and accounting for the Irwin, Wayan, Driggs, Tetonia and Victor exchanges, Silver Star intends to transfer all of its Idaho local exchange assets, including facilities, licenses, equipment, customers and Certificate, to Columbine, which will thereafter be the sole ILEC for all Idaho exchanges. This is intended to be accomplished via agreements by which Silver Star will distribute its Idaho local exchange assets to its parent company, Horizon, which will in turn contribute those assets to Columbine.

11. The above asset transfer is part of a larger consolidation of business operations and structure by Horizon, which has required significant business planning and coordination with Horizon's, Silver Star's and Columbine's other affiliated companies and their lenders. For business, accounting and tax purposes, it is desirable that the above transactions occur prior to November 30, 2015.

12. Columbine does not propose to increase, decrease or otherwise change the rates, charges or services that customers in the Irwin and Wayan exchanges are currently subject to

under Silver Star's tariff. Rather, Columbine will modify its existing tariff to incorporate the current Silver Star rates and terms for customers in the Irwin and Wayan exchanges.

13. Silver Star and Columbine submit that no costs associated with the above-described asset transfer will be assigned as costs to their Title 61 customers.

14. Silver Star and Columbine currently maintain separate cost accounting for purposes of Title 61 operations in their respective exchanges and Columbine intends to maintain that exchange separation. The Silver Star and Columbine exchanges are encompassed within a single study area (472295).

15. Silver Star will notify its customers of the intended transfer of service responsibility to Columbine pursuant to Commission Rules via the Customer Notice attached hereto as **Exhibit C**, which will be placed in each customer's next billing statement and posted on the Company's website. A legal notice of the filing of this Application substantially in the form attached hereto as **Exhibit D** will be published in the Post Register, a legal newspaper circulated within the local exchange areas, within seven days of the filing of this Application.

16. Silver Star proposes to also transfer all of its customer information and accounts, including any customer deposits, to Columbine, which will maintain them in a business as usual manner. Disposition of customer deposits will be handled by Columbine consistent with Commission Rules and Columbine's revised tariff. Irwin and Wayan exchange customers will see no change in their billing format as both Columbine and Silver Star customers currently receive billing statements under a single brand of "Silver Star Communications."¹

17. Silver Star proposes to surrender Certificate No. 207 contingent upon approval of the above-described transactions and amendment of Columbine's Certificate No. 329 to include the Irwin and Wayan exchanges. Legal descriptions describing the boundaries of the Irwin and Wayan exchanges to be added to Certificate 329, together with a map showing the locations of the various exchanges are attached hereto as **Exhibit E**.

18. The Applicants submit that the proposed transactions are consistent with the public interest. The transfer of assets and services from Silver Star to its sister company will be seamless and transparent to the customers in all the affected exchanges—they will experience no

¹ "Silver Star Communications" is an assumed business name filed in the State of Idaho for Silver Star Telephone Company, Inc., Columbine Telephone Company, Inc., Gold Star Communications, LLC and Millennium Networks, LLC, all of which are subsidiary companies of Horizon Communications, Inc.

change in quality of service or rates. The proposed asset transfer also will simplify management, operations and accounting for both companies and oversight by the Commission.

19. Because the transfer of ownership, management and operations for the Irwin and Wayan exchanges to Columbine amounts in essence to a corporate structure name change that will not affect individual customer service, the Applicants respectfully request that the Commission waive the requirement under Commission Rule 20 (IDAPA 31.01.01.020) that notice of discontinuance of service be filed with the Commission at least ninety (90) days in advance of the date that it intends to cease operations. Applicants request that Silver Star's discontinuance of service be effective on November 30, 2015.

20. Applicants submit that the public interest does not require a hearing on this matter, and they request that the Commission process this Application and determine this matter by Modified Procedure, pursuant to Rule 201 through 204 of the Commission's Rules of Practice and Procedure. In the event the Commission determines that formal proceedings on this Application are necessary, Applicant stands ready for immediate hearing.

21. All notices and communications with regard to this Application should be served upon:

Michael C. Creamer
Melodie A. McQuade
Givens Pursley LLP
601 W. Bannock Street
P. O. Box 2720
Boise, ID 83701

Michelle Motzkus, Secretary
Silver Star Telephone Company, Inc.
P.O. Box 226
Freedom, Wyoming 83120
(307) 883-6671

WHEREFORE, Applicants respectfully request that the Commission enter its order:

1. Approving the proposed asset transfer from Silver Star to Columbine;
2. Approving amendment of Columbine's Certificate of Public Convenience and Necessity No. 329 to incorporate the Irwin and Wayan exchanges;
3. Waiving the requirements under Commission Rule 20 that notice of discontinuance of service be filed with the Commission at least ninety days in advance of the date Silver Star intends to cease operations; and

4. Granting such other relief as the Commission deems just and reasonable in this matter.

DATED this 29th day of October, 2015.



Michael C. Creamer
GIVENS PURSLEY LLP
Attorneys for Applicants Silver Star Telephone
Company, Inc. and Columbine Telephone
Company, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 29th day of October, 2015 I caused a true and correct original and seven (7) copies of the foregoing to be served upon:

Ms. Jean Jewell, Secretary
Idaho Public Utilities Commission
472 W. Washington Street
Boise, ID 83702

by hand delivering the same to the above-named at the last known address(s) as set forth above.



Michael C. Creamer

EXHIBIT A

**Columbine Certificates of Good Standing
In the States of Wyoming and Idaho**

STATE OF WYOMING
Office of the Secretary of State

I, EDWARD F. MURRAY, III, SECRETARY OF STATE of the STATE OF WYOMING, do hereby certify that according to the records of this office,

Columbine Telephone Company, Inc.

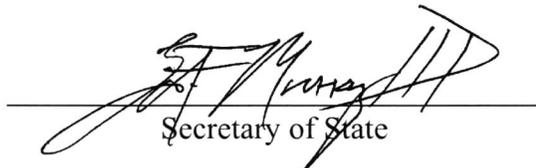
is a
Profit Corporation

formed or qualified under the laws of Wyoming did on **December 23, 2004**, comply with all applicable requirements of this office. Its period of duration is Perpetual. This entity has been assigned entity identification number **2004-000479630**.

This entity is in existence and in good standing in this office and has filed all annual reports and paid all annual license taxes to date, or is not yet required to file such annual reports; and has not filed Articles of Dissolution.

I have affixed hereto the Great Seal of the State of Wyoming and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Cheyenne, Wyoming on this 29th day of October, 2015 at 9:11 AM. This certificate is assigned 018794537.




Secretary of State

State of Idaho

Office of the Secretary of State

CERTIFICATE OF EXISTENCE

OF

COLUMBINE TELEPHONE COMPANY, INC.

File Number C-116008

I, LAWRENCE DENNEY, Secretary of State of the State of Idaho, hereby certify that I am the custodian of the corporation records of this State.

I FURTHER CERTIFY That the records of this office show that the above-named corporation was incorporated under the laws of WYOMING and filed to transact business in Idaho on 8/07/1996.

I FURTHER CERTIFY That the corporation is in goodstanding on the records of this office.

Dated: 10/29/2015 9:25 AM



A handwritten signature in black ink, appearing to read "Lawrence Denney".

SECRETARY OF STATE

Authentic Access Idaho Document (<http://www.accessidaho.org/public/portal/authenticate.html>)
Tag: b5ae5f5ff8d740870b20fc28b69144a1edade9b4e1754a03f5ef8982e258f37b7e456677367f6631

EXHIBIT B

**Silver Star Certificates of Good Standing
In the States of Wyoming and Idaho**

STATE OF WYOMING
Office of the Secretary of State

I, EDWARD F. MURRAY, III, SECRETARY OF STATE of the STATE OF WYOMING, do hereby certify that according to the records of this office,

Silver Star Telephone Company, Inc.

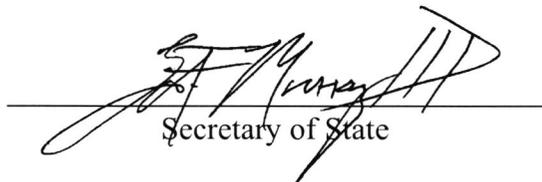
is a
Profit Corporation

formed or qualified under the laws of Wyoming did on **September 4, 1948**, comply with all applicable requirements of this office. Its period of duration is Perpetual. This entity has been assigned entity identification number **1980-000053541**.

This entity is in existence and in good standing in this office and has filed all annual reports and paid all annual license taxes to date, or is not yet required to file such annual reports; and has not filed Articles of Dissolution.

I have affixed hereto the Great Seal of the State of Wyoming and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Cheyenne, Wyoming on this 29th day of October, 2015 at 9:10 AM. This certificate is assigned 018794436.




Secretary of State

State of Idaho

Office of the Secretary of State

CERTIFICATE OF EXISTENCE

OF

SILVER STAR TELEPHONE COMPANY, INC.

File Number C-188898

I, LAWRENCE DENNEY, Secretary of State of the State of Idaho, hereby certify that I am the custodian of the corporation records of this State.

I FURTHER CERTIFY That the records of this office show that the above-named corporation was incorporated under the laws of WYOMING and filed to transact business in Idaho on 10/28/2010.

I FURTHER CERTIFY That the corporation is in goodstanding on the records of this office.

Dated: 10/29/2015 9:21 AM



A handwritten signature in black ink, appearing to read "Lawrence Denney".

SECRETARY OF STATE

Authentic Access Idaho Document (<http://www.accessidaho.org/public/portal/authenticate.html>)
Tag: b5ae5f5ff8d74087852b370bcb6ed667edade9b4e1754a03f5ef8982e258f37b87e41ff06546c0e9

EXHIBIT C

Silver Star Proposed Notice to Customers

NOTICE OF TRANSFER OF LOCAL TELEPHONE EXCHANGE
OWNERSHIP, MANAGEMENT AND OPERATIONS
FOR OUR IDAHO CUSTOMERS

Dear Customer:

We are notifying you that Silver Star Telephone Company has submitted an Application to the Idaho Public Utilities Commission requesting approval to transfer ownership, management and operations of local exchange telephone services in our Wayan and Irwin, Idaho exchanges to Silver Star's sister company, Columbine Telephone Company, Inc. Columbine Telephone has provided the same high-quality local exchange and other telecommunications services you currently receive to customers in the Driggs, Victor and Tetonia exchanges since 1997. This change in your local telephone service provider will not affect your rates, current service options or service quality.

A copy of the Application, Case Nos. COL-T-15-01 and SIL-T-15-01, may be obtained from the Commission at 427 W. Washington, Boise, Idaho 83702-5918 (208-334-0300) or the offices of Silver Star Telephone Company and Columbine Telephone Company, or may be viewed on the Commission's homepage at:

<http://www.puc.idaho.gov/fileroom/cases/summary/tele.html>

If you have any questions concerning the Application, please contact our business office at 104101 Highway 89, Freedom, WY 83120 or 1-877-883-2411 during normal business hours.

EXHIBIT D

Legal Notice of Silver Star Telephone Company

**LEGAL NOTICE OF SILVER STAR TELEPHONE COMPANY, INC.'S
DISCONTINUANCE OF SERVICE AND APPLICATION FOR TRANSFER
OF LOCAL TELEPHONE SERVICE IN THE WAYAN AND IRWIN IDAHO
EXCHANGES TO COLUMBINE TELEPHONE COMPANY, INC.
CASE NOS. COL-T-15-01 and SIL-T-15-01**

NOTICE IS HEREBY GIVEN that on October 29, 2015 Silver Star Telephone Company, Inc and Columbine Telephone Company, Inc. filed with the Idaho Public Utilities Commission an Application for an order approving the transfer of ownership, management and operations of local exchange telephone services in the Wayan and Irwin, Idaho exchanges from Silver Star Telephone to its affiliated company Columbine Telephone effective November 30, 2015. Silver Star Telephone and Columbine Telephone are wholly-owned subsidiaries of Horizon Communications, Inc. The proposed transfer will not result in any changes to current rates or services available to customers in the Wayan or Irwin exchanges or to customers in Columbine Telephone's Driggs, Tetonia and Victor exchanges.

The Application is on file with, and may be obtained from, the Commission, whose offices are located at 427 W. Washington, Boise, Idaho 83702-5918 (208-334-0300), or may be viewed on the Commission's homepage at: <http://www.puc.idaho.gov/fileroom/cases/summary/tele.html>. Any person desiring to comment on said Application must file comments, petitions or protests with the Idaho Public Utilities Commission within fourteen (14) days of the filing date. If no protests are received within this time limit, the Commission may consider the Application and enter its Order without setting the matter for hearing. If written protests are filed with the Commission within the time limit set, the Commission will consider the same, and in its discretion, may set a hearing. Petitions or protests must be filed with: Jean Jewell, Secretary, Idaho Public Utilities Commission, 427 W. Washington, Boise, Idaho 83720.

Jean Jewell, Secretary
Idaho Public Utilities Commission

EXHIBIT E

Legal Descriptions

**Irwin and Wayan Exchanges to be added
To Amended Columbine Certificate No. 329**

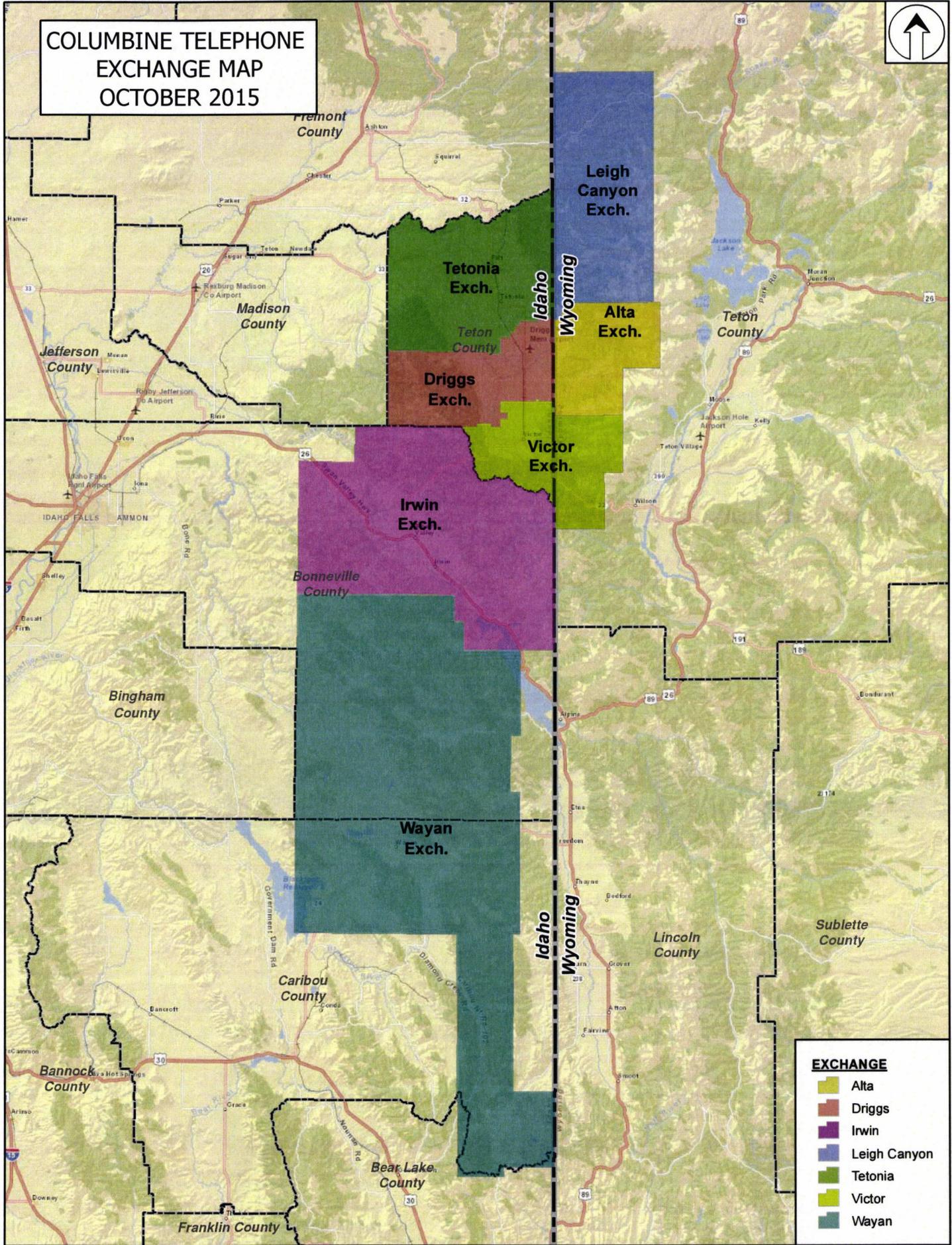
IRWIN EXCHANGE

Beginning at the SE corner of Section 34, T1S, R46E, thence west to the SW corner of Section 31, T1S, R45E, thence north to the NE corner of section 24, T1S, R44E, thence west to the NE corner of section 23, T1s, R44E, thence north to the NW corner of section 1, T1S, R44E, thence west to the SW corner of Section 36, T1N, R41E, thence north to the NW corner of Section 25, T3N, R41E, thence east to the NE corner of Section 25, T3N, R41E, thence north to the NW corner of Section 6, T3N, R42E, thence east along the township line between townships 3N and 4N to a point where the said line bisects the top or comb of the Big Hole mountain range, thence following along the top or comb of the said mountains in a southeasterly direction to the west line of the state of Wyoming, thence south along said west line of the state of Wyoming to the SE corner of Section 34, T1S, R46E and to the Point of Beginning.

WAYAN EXCHANGE

Beginning at the NE corner of Section 1, T2S, R45E, thence west to the SE corner of Section 36, T1S, R44E, thence north to the NE corner of section 24, T1S, R44E, thence west to the NE corner of Section 23, T1S, R42E, thence north to the NE corner of section 2, T1S, R44E, thence west to the NW corner of section 6, T1S, R42E, thence south to the SW corner of Section 31, T6S, R42E, thence east to the NW corner of Section 5, T7S, R42E, thence west to the SW corner of Section 20, T7S, R42E, thence east to the SW corner of Section 24, T7S, R43E, thence south to the SW corner of Section 24, T8S, R43E, thence east to the SW corner of Section 21, T8S, R44E, thence south to the SW corner of Section 9, T9S, R44E, thence east to the SW corner of Section 11, T9S, R44E, thence south to the SW corner of Section 2, T10S, R44E, thence east to the SW corner of Section 1, T10S, R44E, thence south to the SW corner of Section 13, T11S, R44E, thence east to the SE corner of Section 14, T11S, R45E, thence north to the NE corner of Section 11, T11S, R45E, thence east to the SW corner of Section 2, T11S, R46E, thence north to the NE corner of Section 35, T9S, R46E, thence west to the SW corner of Section 30, T9S, R46E, thence north to the NE corner of Section 1, T7S, R45E, thence east to the SW corner of Section 36, T6S, R45E, thence north to the NE corner of Section 24, T4S, R45E, thence west to the NE corner of Section 23, T4S, R45E, thence north to the NE corner of Section 23, T3S, R45E, thence east to the SE corner of Section 13, T3S, R45E, thence north to the NE corner of Section 1, T2S, R45E and to the Point of Beginning.

**COLUMBINE TELEPHONE
EXCHANGE MAP
OCTOBER 2015**



EXCHANGE

| | |
|--|--------------|
| | Alta |
| | Driggs |
| | Irwin |
| | Leigh Canyon |
| | Tonia |
| | Victor |
| | Wayan |