BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT APPLICA­-)CASE NOS.USW-S-95-5

TION OF U S WEST COMMUNICATIONS, INC.)FMT-T-95-1

AND FARMERS MUTUAL TELEPHONE COM-)

PANY, INC. FOR TRANSFER OF A CERTIFI-)NOTICE OF JOINT

CATE OF AUTHORITY.)    APPLICATION

)NOTICE OF MODIFIED

                                                                    )    PROCEDURE

YOU ARE HEREBY NOTIFIED that on August 1, 1995, U S WEST Communications, Inc. and Farmers Mutual Telephone Company of Fruitland (Farmers), filed a Joint Application with the Commission asking for approval of the sale of U S WEST’s NuAcres telephone exchange to Farmers.  The NuAcres exchange is the Idaho portion of the Nyssa, Oregon exchange and serves approximately 185 customers.  Farmers currently serves approximately 2,500 customers in its Fruitland, Idaho exchange.

NuAcres customers currently pay a basic monthly rate of $11.04 for residential service and $28.56 for business service.  Additionally, because all of the NuAcres customers are outside of the base rate area, they also are subject to a $3.19 monthly zone charge and currently receive a $1.60 credit against the zone charge as part of U S WEST’s Revenue Sharing Plan.  As proposed, these customers will lose that credit when the sale is completed, but otherwise will be charged the same rates they currently pay to U S WEST.  Farmers’ current customers pay a monthly rate of $6.75 for either residence or business service.  NuAcres customers will be asked to purchase a share of stock for each access line at a cost of $25.00 per share.  Farmers proposes to increase NuAcres’ EAS calling area by including Payette and New Plymouth in its current EAS calling area.

The Application states that Farmers will install a remote switch in NuAcres, which will be connected by a fiber optic line to Farmers’ host switch in Fruitland.  NuAcres customers then will have the capability of higher transmission speeds as well as access to CLASS features.

The proposed sale price for the NuAcres exchange is $396,000.  With a current net book value of $268,000, all of it outside plant, the sale price represents a ratio of price to net book value of 1.37:1.  Farmers intends to pay for the purchase with current operating reserve funds so no borrowing will be required by Farmers.

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01201 through -204.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission within forty-five (45) days from the date of this Notice.  The comment must contain a statement of reasons supporting the comment.  Persons desiring a hearing must specifically request a hearing in their written comments.  Written comments concerning this application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission SecretaryMary S. Hobson

IDAHO PUBLIC UTILITIES COMMISSIONELAM & BURKE

PO Box 83720Key Financial Center

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Boise , Idaho 83701

Street Address for Express Mail:

Barbara Wilson

472 W. Washington St.Idaho Vice President and CEO

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999 Main Street, 11th Floor

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Conley E. Ward

Michael C. Creamer

GIVENS PURSLEY & HUNTLEY

277 North Sixth Street, Suite 200

Boise, Idaho 83701

Jay Garrett

FARMERS MUTUAL TELEPHONE

COMPANY, LTD.

209 Iowa Avenue

PO Box 346

Fruitland, Idaho 83619

These comments should contain the case caption and case number shown on the first page of this document.

YOU ARE FURTHER NOTIFIED that if no written comments are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing.  If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application together with supporting workpapers, testimonies and exhibits, have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01000 et seq.

DATED at Boise, Idaho this              day of August 1995.

RALPH NELSON, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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