DECISION MEMORANDUM

TO:COMMISSIONER HANSEN

COMMISSIONER NELSON

COMMISSIONER SMITH

MYRNA WALTERS

TONYA CLARK

STEPHANIE MILLER

DAVE SCHUNKE

JOE CUSICK

WAYNE HART

DON HOWELL

BEV BARKER

DAVID SCOTT

WORKING FILE

FROM:CHERI C. COPSEY

DATE:DECEMBER 9, 1997

RE:JOINT APPLICATION OF U S WEST AND FREMONT TELCOM COMPANYFOR AN ORIGINAL AND AN AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, RESPECTIVELY.  CASE NOS. USW-T-97-17/FRE-T-97-1

On September 4, 1997, Fremont Telcom Companyand U S WEST Communications, Inc. filed a joint Application to amend U S WEST’s Certificate of Public Convenience and Necessity and for Fremont to receive a new Certificate of Public Convenience and Necessity to reflect Fremont’s acquisition of certain exchanges and to allow it to service areas previously unserved.  In Order No. 27168 issued October 20, 1997, the Commission found that this matter could be processed under Modified Procedure.  On October 20, 1997, the Commission granted that portion of this Application to amend U S WEST’s Certificate of Public Convenience and Necessity.  Order No. 27166.  The Commission requested that interested persons file written comments regarding this Application no later than November 17, 1997.  The Commission Staff filed written comments recommending the joint Application be granted.  Fremont filed a response.

BACKGROUND

This Application was filed as part of a series of joint Applications with U S WEST and various other pur­chasers including:  Fremont Telcom Co.; Silver Star Telephone Company;  Columbine Telephone Company, Inc; Cambridge Telephone Company; Council Telephone Company;  Direct Communications Lakeside, Inc.;  Farmers Mutual Telephone Cooperative;  Project Mutual Telephone Cooperative Association, Inc.; Midvale Telephone Ex­change, Inc.; and Sawtooth Telephone, Inc.  The parties jointly filed to amend their respective Certificates of Public Convenience and Necessity or be issued new Certificates of Public Convenience and Necessity in compliance with CommissionOrder Nos. 26198, 26242 and 26353.   See Order Nos. 27166 and 27168.

This Application was filed in compliance with Commission Order No. 26353 which approved the sale by U S WEST of ten (10) exchanges in southern Idaho to six (6) purchasers, including Fremont. Order No. 26353, p. 22.  All of the applicant utilities, except Fremont and Westel, limited their applications to the service areas of the purchased exchanges as indicated in U S WEST’s Certificate of Public Convenience and Necessity.  However, Fremont and Westel requested the addition of currently unserved and uncertificated areas.  On October 17, 1997, the Commission issued a Notice of Modified Procedure to consider the Application of Fremont for the additional area.  Order No. 27168. On October 20, 1997, the Commission granted that portion of this Application to amend U S WEST’s Certificate of Public Convenience and Necessity.  Order No. 27166.

Fremont purchased the Ashton, Island Park, and St. Anthony, Idaho exchanges from U S WEST. This joint Application also requested inclusion of the balance of Fremont County.  Fremont is currently the only local exchange telecommunications company providing service in Fremont County.  All of the area requested is contiguous to the exchanges purchased from U S WEST.

STAFF RECOMMENDATION

Staff reviewed the additional areas requested in this Application and finds Fremont’s description of these areas as unserved and uncertificated is accurate.  Staff Recommendation at 2.  The areas include, for the most part, federal or state owned lands, with minimal private property and few, if any, residences.  The areas are generally separated from exchanges operated by other companies by either mountain ranges or miles of unserved area.  The primary exception to this would be the western border of the area requested by Fremont, which is contiguous with Mud Lake Mutual Telephone Cooperative’s service area in Jefferson and Clark Counties.  However, the Mud Lake Coop has few, if any, customers or facilities near this border.  Staff is not aware of any requests for service from the additional areas.  Staff found Fremont is qualified, both technically and financially, to provide local exchange telecommunications service in the proposed areas.  Staff Comments at 2.  Although it had some reservations, Staff recommended this joint Application be granted.  Id.   Fremont responded to those reservations and urged the certificate be issued as it had stated in its Application.

Commission Decision

Does the Commission want to grant Fremont a new Certificate of Public Convenience and Necessity to reflect the acquisition of these exchanges from U S WEST and the addition of all Fremont County that is currently unserved?

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Cheri C. Copsey

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