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, ALBION TELEPHONE COMPANY AND WESTEL, INC. FOR AN ORIGINAL AND AN AMENDED CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, RESPECTIVELY. - CASE NOS. USW-T-97-17/WTL-T-97-1

On September 4, 1997,Albion Telephone Company and Westel, Inc., and U S WEST Communications, Inc. filed a joint Application to amend U S WEST’s Certificate of Public Convenience and Necessity and for Westel to receive a new Certificate of Public Convenience and Necessity to reflect Westel’s acquisition of certain exchanges and to allow it to service areas previously unserved.  In Order No. 27169 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.  Westel 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 that approved the sale by U S WEST of ten (10) exchanges in southern Idaho to six (6) purchasers, including Westel. 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 Westel 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.

Westel purchased the Arco, Mackay, and Malad, Idaho exchanges from U S WEST. This joint Application also requested inclusion of additional areas located contiguous to the Arco and Mackay exchanges.

STAFF RECOMMENDATION

Staff reviewed the additional areas requested in this Application and found Westel’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.  Staff was not aware of any requests for service from the additional areas.  The areas are generally separated from exchanges operated by other companies by either mountain ranges or miles of unserved area.  Staff found Westel is qualified, both technically and financially, to provide local exchange telecommunications service in the proposed areas.  Staff Comments at 2.  No other companies have expressed an interest in serving these areas, and competition from other land-based telecommunication companies is not expected.  Although it had some reservations, Staff recommended this joint Application be granted.  Id.  Westel 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 Westel a new Certificate of Public Convenience and Necessity to reflect the acquisition of these exchanges from U S WEST and the addition of areas located contiguous to the Arco and Mackay exchanges that are currently unserved?

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Cheri C. Copsey

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