

ORDER NO. 15 397

ENTERED DEC 14 2015

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

CP 1585
CP 418

In the Matter of

LEMONS INVESTMENTS, LP and

KRUSE MERCANTILE PROFESSIONAL
SUITES

Application to Transfer a Certificate of
Authority to Provide Telecommunications
Service in Oregon as a Competitive Provider.

ORDER

DISPOSITION: CP 1585, APPLICATION GRANTED; and
DOCKET CP 418, ORDER NO. 98-073,
CERTIFICATE OF AUTHORITY TRANSFERRED.

Note: By issuing this certificate, the Commission makes no endorsement or certification regarding the certificate holder's rates or service.

The Application

On November 3, 2015, Lemons Investments, LP (Lemons) and Kruse Mercantile Professional Suites (Kruse) filed a joint application to transfer authority to provide telecommunications service in Oregon as a competitive provider. The application requests to transfer the authority of Kruse, granted by Order No. 98-073, Docket CP 418, to Lemons. The application was filed pursuant to OAR 860-032-0005. Kruse is the transferor. Lemons is the transferee. Both entities together will be referred to as Joint Applicants.

The transfer is necessitated by Lemons' purchase of the building owned by Kruse. Lemons does not currently hold a certificate of authority in Oregon. Kruse's certificate of authority will be canceled upon transfer to Lemons. Kruse is reminded that because it had a certificate of authority for one or more days in 2015, it is required to file a revenue statement and pay a minimum of \$100 for that year.

Kruse is currently authorized to provide shared telecommunications service (STS) to tenants of a 30-unit office building at 4248 Galewood in Lake Oswego, Oregon. STS includes resale of local exchange and interexchange service to user groups at specified locations.

Applicant will not directly provide operator services, but may resell operator services of other Oregon carriers.

The Commission served notice of the application on November 4, 2015. No protests or requests to be made parties of the proceeding were filed.

Based on the record in this matter, the Commission makes the following:

FINDINGS AND CONCLUSIONS

Applicable Law

ORS 759.020 governs Applicant's request to provide telecommunications as a competitive provider. Under ORS 759.020(5), the Commission shall classify Applicant as a competitive provider if Applicant demonstrates that its services are subject to competition, or that its customers or those proposed to become customers have reasonably available alternatives. In making this determination, the Commission must consider the extent to which services are available from alternative providers that are functionally equivalent or substitutable at comparable rates, terms and conditions, existing economic or regulatory barriers to entry, and any other factors deemed relevant.

OAR 860-032-0015 authorizes the Commission to suspend or cancel the certificate if the Commission finds that (a) the holder made misrepresentations when it filed the application, or (b) the certificate holder fails to comply with the terms and conditions of the certificate.

Designation as a Competitive Provider

Applicant has met the requirements for classification as a competitive telecommunications service provider. Applicant's customers or those proposed to become customers have reasonably available alternatives. Subscribers to Applicant's services can buy comparable services at comparable rates from other vendors. Economic and regulatory barriers to entry are relatively low.

Conditions of the Certificate

There are several conditions listed in the transfer application form submitted by the Joint Applicants. Oregon Administrative Rules relating to certificates of authority are generally included in OAR chapter 860, division 032. A condition of this certificate of

authority is that the transferee, as a competitive provider, shall comply with all applicable laws, Commission rules, and orders related to provision of telecommunications service in Oregon.

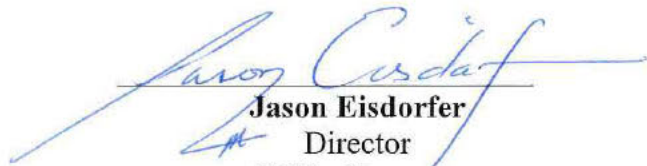
ORDER

IT IS ORDERED that:

1. The joint application of Lemons Investments, LP and Kruse Mercantile Professional Suites to transfer the authority granted by Order No. 98-073, Docket CP 418, from Kruse to Lemons, is granted. Applicant, Lemons Investments, LP, is granted authority to provide shared telecommunications service to tenants of a 30-unit office building at 4248 Galewood in Lake Oswego, Oregon.
2. Applicant is designated as a competitive telecommunications provider.
3. Applicant may provide authorized services at the location specified in the application.
4. Applicant shall comply with the conditions of the certificate.
5. The authority granted to Kruse Mercantile Professional Suites by Order No. 98-073 in Docket CP 418 is canceled. Kruse Mercantile Professional Suites no longer has authority to operate in Oregon as a competitive telecommunications provider.

Made, entered, and effective DEC 14 2015.




Jason Eisdorfer
Director
Utility Program

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.