

ORDER NO. 16 502

ENTERED

DEC 28 2016

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1803

UM 192

UM 66

In the Matter of

CANBY TELEPHONE ASSOCIATION and

MT. ANGEL TELEPHONE CO.

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

ORDER

DISPOSITION: UM 1803, APPLICATION GRANTED;
DOCKET UM 192, ORDER NO. 88-583,
CERTIFICATE OF AUTHORITY CANCELED; and
DOCKET UM 66, ORDER NO. 86-1191,
CERTIFICATE OF AUTHORITY TRANSFERRED.

I. INTRODUCTION

On November 17, 2016, Canby Telephone Association dba DirectLink (Canby) and Mt. Angel Telephone Co. dba DirectLink (Mt. Angel) filed a joint application to transfer authority to provide telecommunications service in Oregon as a telecommunications utility. The application requests to transfer the authority of Mt. Angel, granted by Order No. 86-1191, Docket UM 66, to Canby. The application was filed pursuant to OAR 860-032-0005. Mt. Angel is the transferor. Canby is the transferee. Both entities together will be referred to as Joint Applicants.

The Commission served notice of the application on November 30, 2016. No protests or requests to be made parties of the proceeding were filed.

II. DISCUSSION

A. Summary of Transfer

The transfer of Mt. Angel's utility certificate is necessary to effectuate a consolidation in which Mt. Angel's assets, including its customer base, will be transferred to Canby. The consolidation is scheduled to occur on January 1, 2017. Although Mt. Angel was acquired by Canby as a wholly-owned subsidiary in October of 2007, Mt. Angel continued to operate as a separate utility. However, on January 1, 2017, Mt. Angel will be fully absorbed into the Canby cooperative and only one utility (the expanded Canby cooperative) will remain. Canby has indicated that there will be no change in the services or rates of customers in the Mt. Angel exchange immediately after the consolidation.

Canby was granted a certificate of authority to provide telecommunications service as a public utility on May 31, 1988, in Docket UM 192, Order No. 88-583. The certificate authorized Canby to provide intrastate telecommunications services within the boundaries of the Canby and Needy exchange areas. Mt. Angel was granted a certificate of authority to provide telecommunications service as a public utility on November 24, 1986, in Docket UM 66, Order No. 86-1191. The certificate authorized Mt. Angel to provide intrastate telecommunications service within the boundaries of the Mt. Angel exchange area.

The transfer of Mt. Angel's certificate to Canby will effectively amend Canby's current certificate and enable the consolidated Canby cooperative to provide intrastate telecommunications service as a public utility in not only the Canby and Needy exchange areas, but the Mt. Angel exchange area as well. As the new certificate of authority will replace the authority granted to Canby in the current certificate, the Commission will cancel the authority granted in Docket UM 192, Order No. 88-583, as well as the authority granted to Mt. Angel in Docket UM 66, Order No. 86-1191.

B. Transfer of Allocated Territory

The request to transfer Mt. Angel's certificate of authority parallels the joint application filed by Mt. Angel and Canby in Docket UA 170 to transfer Mt. Angel's allocated territory to Canby. The allocated territory corresponds to the area in which a carrier is certificated to operate as a utility. Therefore, in order to be certificated as a public utility in the Mt. Angel exchange, Canby must also be allocated the Mt. Angel exchange territory.

C. Commission Resolution

We find that the proposed transfer is not contrary to the public interest and grant the application. Following the transfer, Canby will continue to operate as a telecommunications public utility serving its existing customers, as well as customers in

the Mt. Angel exchange area. The consolidation of the Joint Applicants' operations will result in efficiencies that will benefit customers of both companies. The Commission will continue to have the same oversight we currently have with Canby as a telecommunications cooperative. Canby must continue to comply with all applicable Commission rules, state law, and conditions of the certificate.

III. ORDER

IT IS ORDERED that:

1. The joint application of Canby Telephone Association and Mt. Angel Telephone Co. to transfer the authority granted by Order No. 86-1191, Docket UM 66, from Mt. Angel to Canby, is granted.
2. Canby Telephone Association is authorized to provide telecommunications services as a public utility in the Canby, Needy and Mt. Angel exchanges.
3. The authority granted to Mt. Angel Telephone Co. by Order No. 86-1191 in Docket UM 66 is canceled and transferred to Canby Telephone Association. Thereafter, Mt. Angel Telephone Co. will no longer have authority to operate in Oregon as a telecommunications utility.
4. The authority granted to Canby Telephone Association by Order No. 88-583, Docket UM 192, is canceled.
5. The provisions of this order will become effective on January 1, 2017.

Made, entered, and effective DEC 28 2016.



A blue ink signature of Jason Eisdorfer, written in a cursive style.

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.