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June 25, 2004

### VIA EMAIL AND FIRST CLASS MAIL

Lindsey Nunes Administrative Hearings Division Oregon Public Utility Commission 550 Capitol Street NE, Suite 215 PO Box 2148 Salem OR 97308-2148

RE: <u>Clear Creek Mutual Telephone Company ("Clear Creek") v. Beaver Creek Cooperative Telephone Company ("Beaver Creek")</u> – UM 1142

Dear Ms. Nunes:

Enclosed please find Clear Creek's Opposition to Petitions to Intervene. Also enclosed are five copies pursuant to Commission rules. Thank you in advance for your attention to this matter. Please do not hesitate to contact me if you have any questions or desire further information.

Very truly yours,

Jennifer L. Niegel

cc: UM 1142 Service List

Michelle Lipka

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4	BEFORE THE PUBLIC UTILITY COMMISSION
5	OF OREGON
6	UM 1142
7 8 9	CLEAR CREEK MUTUAL TELEPHONE ) COMPANY, ) Complainant, )
10 11	v. ) OPPOSITION TO PETITIONS TO ) INTERVENE BEAVER CREEK COOPERATIVE ) TELEPHONE COMPANY, )
12	Defendant. )
13	Clear Creek Mutual Telephone Company ("Clear Creek") respectfully requests that the
14	Commission deny the Petitions to Intervene of Michelle Lipka and lipka.com, inc. because
15 16	granting the Petitions to Intervene would unreasonably broaden the issues and unreasonably
17	delay this proceeding in violation of OAR 860-013-0021(2).
18	I.
19	THE PETITIONERS' PARTICIPATION IN THIS DOCKET WOULD
20	UNREASONABLY BROADEN THE ISSUES
21	The Petitions to Intervene should be denied because granting the Petitions to Intervene
22	would unreasonably broaden the issues in this proceeding contrary to the requirements of OAR
	860-013-0021(2). The only relevant issue in this docket is whether Beaver Creek is providing
	Page 1, Opposition to Petitions to Intervene  Duncan, Tiger & Niegel, P.C.  582 E. Washington St. PO Box 248 Stayton, OR 97383-0248 Telephone: (503) 769-7741 Facsimile: (503) 769-2461

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intrastate telecommunications service in the Redland exchange without a certificate of authority in violation of ORS 759.020(1). At the prehearing conference held on June 4, 2004, Beaver Creek stipulated that it is in fact providing intrastate telecommunications service in the Redland exchange without a certificate of authority in violation of ORS 759.020(1). The only matter left for the Commission to decide, therefore, is the extent of sanctions to impose on Beaver Creek.

The Petitions to Intervene essentially ask the Commission to allow Beaver Creek to continue providing service to Ms. Lipka and lipka.com, inc. without a certificate of authority. The Commission does not have authority to do so. ORS 759,020(1) prohibits Beaver Creek from providing intrastate telecommunications service on a for-hire basis without first obtaining a certificate of authority from the Commission. The statute provides no exception and no authority to the Commission to carve out any exceptions. The Commission must enforce the statute. Petitioners' request, therefore, is beyond the scope of this proceeding.

A separate process exists for Beaver Creek to obtain a certificate of authority to serve in Clear Creek's territory. Beaver Creek filed such an application in docket CP 1181, but voluntarily withdrew its application when faced with the possibility of a Staff audit. Despite withdrawing its application in CP 1181, Beaver Creek chose to continue illegally providing service to customers in the Redland exchange.

Including the issues raised by Ms. Lipka and lipka.com, inc. would inappropriately shift the narrow focus of this docket from appropriate sanctions for Beaver Creek's illegal conduct to an examination of whether Beaver Creek should be granted a certificate of authority. This is not the docket for such an inquiry. While it is unfortunate that the consumers that Beaver Creek has

deceived may be inconvenienced by the Order in this docket,<sup>1</sup> the Commission cannot make exceptions for providers who are intentionally violating the law. The Petitions to Intervene raise issues outside the scope of this case and beyond the scope of the Commission's authority and must, therefore, be denied.

П.

## THE PETITIONERS' PARTICIPATION IN THIS DOCKET WOULD UNREASONABLY DELAY THIS PROCEEDING

The Petitions to Intervene should also be denied because granting the Petitions to Intervene would unreasonably delay this proceeding in contravention of OAR 860-013-0021(2). At the prehearing conference, the parties agreed to settle the dispute by having the Commission issue a Final Order requiring Beaver Creek to cease and desist from providing intraexchange switched telecommunications service in the Redland Exchange. The Stipulated Motion and Proposed Cease and Desist Order have been circulated among the parties and agreement is imminent. If the Petitions to Intervene are granted and further proceedings become necessary, settlement and issuance of an Order will be unreasonably delayed or impeded and further proceedings will be necessary. Therefore, the Petitions to Intervene should be denied.

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# CLEAR CREEK DENIES THE ALLEGATIONS CONTAINED IN THE PETITIONS TO INTERVENE

<sup>&</sup>lt;sup>1</sup> The Proposed Cease and Desist Order requires Beaver Creek to "cease and desist from providing intraexchange switched (dial tone) telecommunications service to the customers currently being served within the Redland exchange, within 30 days of this Order." By its terms, the Proposed Cease and Desist Order provides Ms. Lipka and lipka.com, inc. time to arrange for alternate service.

Since this docket is not the appropriate place to address the issues raised by the Petitions to Intervene, Clear Creek will not burden the record rebutting each and every allegation in this response. However, for the record, Clear Creek wholly denies all of the allegations and, if necessary, will present evidence to disprove each of the claims contained therein.

#### IV.

#### CONCLUSION

The only relevant issue in this docket is whether Beaver Creek is providing intrastate telecommunications service in the Redland exchange without a certificate of authority in violation of ORS 759.020(1). Beaver Creek has admitted doing so. It is not appropriate to include the issues raised in the Petitions to Intervene because they unreasonably broaden the issues and unreasonably delay this proceeding under OAR 860-013-0021(2). In addition, the Petitions request relief that the relevant statutory provisions do not authorize the Commission to provide. Therefore, Clear Creek respectfully requests that the Petitions to Intervene be denied.

DATED: June 25, 2004.

Jennifer L. Niegel, OSB#99089 Of Attorneys for Clear Creek

#### Clear Creek

Clear Creek Mutual Telephone Company

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### CERTIFICATE OF SERVICE

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I hereby certify that on June 25, 2004, I served the foregoing letter by causing a full, true and correct copy thereof to be sent by email and by mail in a sealed, first-class postage-prepaid envelope deposited with the United States Postal Service at Stayton, Oregon to the UM 1142 Service List and to Michelle Lipka as follows:

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LIPKA.COM, INC. 23732 S. LEISURE LANE BEAVERCREEK, OR 97004 michelle@lipka.com

MICHELLE LIPKA

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DATED: June 25, 2004.

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