

**APPLICATION FOR TRANSFER OF CERTIFICATE OF AUTHORITY TO  
PROVIDE COMPETITIVE TELECOMMUNICATIONS SERVICES IN OREGON**

**INSTRUCTIONS:** Complete every applicable section of this application. Attach additional documents and/or sheets to complete responses (if needed). You will be notified when the Commission receives your application, and again when it has been processed. Upon acceptance of this application, the Commission will publish notice pursuant to ORS 759.020(2). After submitting this application electronically, mail one copy with original signature and all attachments.

**Desired Effective Date:**

To guarantee processing by the effective date, the Commission must receive an application at least 60 days prior to the desired effective date unless Commission Staff and Applicant have agreed to an earlier effective date. The Commission allows filing and notice prior to effective date of transaction. The Commission will issue an order on the desired effective date unless Applicant files a notice of extension or withdraws the application.

**SECTION I -- Transferee/Surviving Entity Information**

**1. Exact Legal Name of Surviving Entity or Transferee:**

Nehalem Telecommunications, Inc.

**Applicant's Assumed Business Name(s) (if any) (e.g., dba, aka)**

*Must be registered with the Corporation Division.*

"Nehalem Tel & Tel" and "NTT"

**Applicant's Type of Legal Entity (e.g., corporation, limited partnership)**

Oregon corporation

**Business Address Prior to 01/01/2004:**

892 W. Madison Avenue  
Glenns Ferry, ID 83623

**After 01/01/2004:**

Transferee will use transferor's address, phone and fax

**Phone** (208) 366-2614      **Fax** (208) 366-2615      **Email** susanc@ruraltelphone.com

**2. Name and Address of Person to be Contacted for Further Information Regarding This Application:**

Jim Tiger  
Duncan, Tiger & Niegel, P.C.  
PO Box 248  
Stayton, OR 97383

**Phone** (503) 769-7741      **Fax** (503) 769-2461      **Email** jim@staytonlaw.com

**3. Name and Address of Person to be Contacted for Regulatory Information (Commission will send requests for information to this person).**

Mark R. Martell  
892 W. Madison Avenue  
Glenns Ferry, ID 83623

**Phone** (208) 366-2614 ext. 15      **Fax** (208) 366-2615      **Email** mark@ruraltelphone.com

**4. Affiliated Interests:**

As of the date of the transfer, will you be, or are you now, or have you ever been affiliated with any provider of telecommunications service that serves Oregon? If so, who? When? Describe affiliation. Affiliated interest is defined in OAR 860-032-0001.

**5. Previous Certificates of Authority:**

List each certificate of authority previously granted by the Oregon PUC to Applicant and to each affiliated entity, under a legal name, an assumed business name, or any other name. Include all certificates whether or not canceled. For each certificate include: name of entity, docket number, and order number.

	Name of Entity	Docket Number	Order Number
a.			
b.			
c.			
d.			

**SECTION II -- Transferring Entity (Transferor) Information**

***By completing this information the Transferor acknowledges that it will no longer have authority and cannot provide the telecommunications services that are transferred.***

**1. Exact Legal Name of Transferring or Merging Entity (Transferor):**

Nehalem Telephone & Telegraph Co.

**Applicant's Assumed Business Name(s) (if any) (e.g., dba, aka)**

*Must be registered with the Corporation Division.*

**Applicant's Type of Legal Entity (e.g., corporation, limited partnership)**

Oregon corporation

**Business Address**

35790 7th Street/PO Box 100

Nehalem, OR 97131

**Phone** (503) 368-5116

**Fax** (503) 368-1236

**Email** nttboss@nehalem.tel.net

**2. Name and Address of Person to be Contacted for Further Information Regarding the Application:**

Wm. Lee Dillard, President

35790 7th Street/PO Box 100

Nehalem, OR 97131

**Phone** (503) 812-1344

**Fax** (503) 368-1235

**Email** nttboss@nehalem.tel.net

**3. Name and Address of Person to be Contacted for Regulatory Information (Commission will send requests for information to this person). Please provide the email address:**

Wm. Lee Dillard, President

35790 7th Street/PO Box 100

Nehalem, OR 97131

**Phone** (503) 812-1344

**Fax** (503) 368-1235

**Email** nttboss@nehalem.tel.net

**4. Certificates of Authority to be Transferred:**

a. List each certificate of authority previously granted by the Oregon PUC to Transferor, under its legal name, an assumed business name, or any other name. Include all certificates whether or not canceled. For each certificate provide the name of entity, docket number, and order number.

	Name of Entity	Docket Number	Order Number
1)	Nehalem Telephone & Telegraph Co.	UM 67	86-1192
2)	Nehalem Telephone & Telegraph Co.	CP 982	01-1099
3)			
4)			

b. Do you request that ALL authority to provide telecommunications service be transferred?  Yes  No

c. If response to 4.b. is No, describe what authority is to be transferred and what authority is to be retained by the Transferor.

**Note: The transferring entity (Transferor) will no longer be authorized to provide the telecommunications services that are transferred.**

**SECTION III – Nature of Transaction between Transferee and Transferor (describe in detail)**

See attached.

Please use additional sheets if necessary to fully answer any item.

**SECTION IV – Conditions of a Certificate of Authority**

As a condition of a certificate of authority, certificate holder must comply with all applicable Commission rules and state law, as well as conditions listed in the certificate.

For your convenience, following is a summary of some conditions from OAR 860-032-0001 et seq. (Division 32). Additional conditions will be specified in the certificate.

- a. Certificate holder shall provide only telecommunications services authorized by the certificate.
- b. Certificate holder's books and records shall be open to inspection by the Commission to the extent necessary to verify information required by the Commission's rules.
- c. Certificate holder shall pay all access charges and subsidies imposed pursuant to the Commission's rules.
- d. Certificate holder shall pay an annual fee to the Commission pursuant to the Commission's rules. This fee will be based on the certificate holder's annual gross retail intrastate revenues and will be no less than \$100 per calendar year. The certificate holder shall collect the fee by charging an equitable amount to each retail customer and describe the amount of the apportioned charge on each retail customer's bill, pursuant to the Commission's rules.
- e. The surviving entity (Transferee) is responsible for the annual PUC fee and all other fees incurred by the transferring entity (Transferor) as of the date the Commission approves the transfer.
- f. Certificate holder shall respond in a timely manner to Commission inquiries.

Pursuant to Residential Service Protection statutes, Chapter 290, Oregon Laws 1987, and Division 033, certificate holder shall be responsible to ensure that the Residential Service Protection Fund surcharge is remitted to the Commission. This surcharge is assessed against each paying retail subscriber at a rate that is set annually by the Commission.

Applicant understands that all services provided by Applicant must comply with all applicable Commission rules and state law, and with conditions of the certificate (check box at left).

<b>Signature of Person Authorized to Represent Transferee/Surviving Entity</b> <hr/> <b>Typewritten Name</b> James R. Martell	<b>Title</b> President <b>Date</b>
<b>Person Authorized to Represent Transferring Entity (Transferor)</b> <hr/> <b>Typewritten Signature</b> Wm. Lee Dillard	<b>Title</b> President <b>Date</b>
<b>By signing this document I certify that I am a legal representative of this entity and that by transferring the authority to provide telecommunications to the above noted surviving entity, the transferring entity no longer has authority to provide telecommunications services that are transferred.</b>	

### **SECTION III – Nature of Transaction between Transferee and Transferor**

Pursuant to an Agreement for the Sale and Purchase of Business Assets dated July 23, 2003, by and between Transferor and Transferee, Transferee is acquiring substantially all the assets used or useful, or intended to be used, in the operation of Transferor's business, including, but not limited to, all of Transferor's authority to provide telecommunications service under Order No. 86-1192, Docket UM 67 and Order No. 01-1099, Docket CP 982, and Transferor's entire membership interest in Nehalem Broadband, LLC, an Oregon limited liability company, which presently holds a certificate of authority to provide competitive telecommunications services in Oregon under Order No. 03-547, Docket CP 1173.

It is the intention of Transferor and Transferee that the effective date of the transfer of the Certificate of Authority shall be the closing date of the sale transaction, which is tentatively scheduled for January 1, 2004. The parties agree to promptly notify the Commission if the effective date should change.

To facilitate this transaction, in addition to filing this application, Transferee intends to:

- Notify the Commission following transfer of the membership interest in Nehalem Broadband, LLC;
- File with the Commission an Application to Transfer Rights to Allocated Territory to obtain an order approving the transfer of the territory allocated to Transferor in Order No. 88-405, Docket UA 24;
- File with the Commission documentation adopting the existing tariff of Transferor.

The parties request that the Transferee be designated as an Eligible Telecommunications Carrier effective upon the transfer of the Certificate of Authority.

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BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON

Application of NEHALEM )  
TELECOMMUNICATIONS, INC. for an )  
Order Transferring Exclusively Served Local ) APPLICATION TO TRANSFER RIGHTS  
Exchange Telecommunications Utility Service ) TO ALLOCATED TERRITORY  
Territory under ORS 759.560. )

Pursuant to ORS 759.560 and OAR 860-034-0490, Nehalem Telecommunications, Inc.  
(Applicant) respectfully requests an order of the Commission approving the transfer of rights to  
the allocated territory described below.

1. Applicant is an Oregon corporation in good standing. Its principal office and  
place of business is:

Nehalem Telecommunications, Inc.  
582 E. Washington St.  
PO Box 248  
Stayton, OR 97383

2. Persons authorized to receive notices and services service in connection with this  
application are:

James R. Martell, President  
Nehalem Telecommunications, Inc.  
892 W. Madison Avenue  
Glenns Ferry, ID 83623  
Telephone: (208) 366-2614  
Fax: (208) 366-2615  
Email: [jamesm@ruraltelphone.com](mailto:jamesm@ruraltelphone.com)

1 James D. Tiger, OSB #71172  
2 582 E. Washington St.  
3 PO Box 248  
4 Telephone: (503) 769-7741  
5 Fax: (503) 769-2461  
6 Email: [jim@staytonlaw.com](mailto:jim@staytonlaw.com)

7 3. The purpose of this transfer is to effectuate the purchase of assets. Applicant and  
8 Nehalem Telephone & Telegraph Co. entered into an Agreement for the Sale and Purchase of  
9 Business Assets dated as of July 23, 2003, wherein Applicant agreed to purchase substantially all  
10 the assets used or useful, or intended to be used, in the operation of the business of Nehalem  
11 Telephone & Telegraph Co. As part of the agreement, Nehalem Telephone & Telegraph has  
12 agreed to transfer its rights to the territory that was allocated to it in Order No. 88-405, Docket  
13 No. UA 24, dated April 11, 1988.

14 4. Attached hereto as Exhibit A and hereby made a part hereof is a legal description  
15 comparable to that required in OAR 860-034-0470(4) of the boundaries of the territory sought to  
16 be transferred.

17 5. Applicant will lawfully and in good faith provide continuous and exclusive high  
18 quality local exchange telecommunications service in the territory sought to be transferred. No  
19 other local exchange telecommunications utility or any other person or entity offers or provides  
20 local exchange telecommunications service in any part of the territory sought to be transferred.  
21 Applicant intends to maintain the investment in plant and facilities in the territory. Applicant  
22 intends to maintain all services currently offered in the territory. The transfer therefore will not  
be contrary to the public interest.

6. A map drawn to the appropriate scale and showing those items required under  
OAR 860-034-0490 will be provided to the Commission at a later date.





EXHIBIT A  
LEGAL DESCRIPTION

Beginning at the Southwest corner of Government Lot 2 of Section 1, Township 3 North, Range 11 West of the Willamette Meridian;

Thence East 0.6 miles along the South line of said Government Lot 2 and the South line of Government Lot 5 of Section 6, Township 3 North, Range 10 West of the Willamette Meridian;

Thence North one-quarter mile along the East line of said Government Lot 5 to the Southwest corner of Government Lot 3 of said Section 6;

Thence East one and three-quarter miles along the South lines of Government Lots 3, 2, and 1 of said Section 6, and the South lines of Government Lots 4, 3, 2 and 1 of Section 5, of said Township, to a point on the East line of said Section 5;

Thence North one-quarter mile along the East line of said Section 5 to the North line of Township 3 North, Range 10 West of the Willamette Meridian;

Thence East along said Township line 350 feet to the Southwest corner of Section 33, Township 4 North, Range 10 West of the Willamette Meridian;

Thence North one mile along the West line of said Section 33 to the Northwest corner thereof;

Thence East 4 miles along the North lines of Sections 33, 34, 35 and 36, Township 4 North, Range 10 West to the West line of Township 4 North, Range 9 West of the Willamette Meridian;

Thence North 5 miles along the North line of said Township to the Northwest corner of Section 1, of said Township;

Thence South one mile, more or less, along the West line of said Section 1 to the Southwest corner thereof;

Thence East one mile along the South line of said Section 1 to the Southeast corner thereof;

Thence South five and one-half miles, more or less, along the West line of Township 4 North, Range 8 West of the Willamette Meridian to the Southwest corner of said Township;

Thence East 12 miles along the North lines of Township 3 North, Ranges 8 and 7 West of the Willamette Meridian to a point of the West line of Township 3 North, Range 6 West of the Willamette Meridian;

Thence North one-quarter mile, more or less, along said West line to the Northwest corner of Township 3 North, Range 6 West of the Willamette Meridian;

Thence East 6 miles along the North line of said Township to the Northeast corner thereof;

Thence South 5 miles along the East line of said Township to the Southeast corner of Section 25, Township 3 North, Range 6 west of the Willamette Meridian;

Thence West 6 miles along the South lines of Section 25, 26, 27, 28, 29 and 30, of said Township to the Southwest corner of said Section 30;

Thence South 2 miles along the West lines of Section 31, Township 3 North, Range 6 West, and Section 6 Township 2 North, Range 6 West to the Southwest corner of said Section 6;

Thence East one mile along the South line of said Section 6 to the Southeast corner thereof;

Thence South one mile along the West line of Section 8, Township 2 North, Range 6 West of the Willamette Meridian to the Southwest corner thereof;

Thence East one mile along the South line of said Section 8 to the Southeast corner thereof;

Thence South one mile along the West line of Section 16, of said Township to the Southwest corner thereof;

Thence East one mile along the South line of said Section 16 to the Southeast corner thereof;

Thence South one mile along the West line of Section 22, of said Township to the Southwest corner thereof;

Thence East 2 miles along the South lines of Sections 22 and 23, of said Township to the Southeast corner of said Section 23;

Thence East 2 miles along the South line of said Section 25 and the South line of Section 30, Township 2 North, Range 5 West of the Willamette Meridian to the Southeast corner of said Section 30;

Thence South one mile along the West line of Section 32, Township 2 North, Range 5 West of the Willamette Meridian, to the Southwest corner thereof;

Thence East 2 miles along the South lines of Section 32 and 33, of said Township to the Southeast corner of said Section 33;

Thence South one mile along the East line of Section 4, Township 1 North, Range 5 West of the Willamette Meridian to the Southeast corner thereof;

Thence West 9 miles along the South lines of the most Northerly tier of Sections in Township 1 North, Ranges 5 and 6 West of the Willamette Meridian to the East line of Township 1 North, Range 7 West of the Willamette Meridian;

Thence North one mile along said East line to the Northeast corner of Township 1 North, Range 7 west of the Willamette Meridian;

Thence West 7 miles along the North lines of Township 1 North, Ranges 7 and 8 West of the Willamette Meridian to the Northeast corner of Section 2, Township 1 North, Range 8 West of the Willamette Meridian;

Thence South one mile along the East line of said Section 2 to the Southeast corner thereof;

Thence West 11 miles along the South lines of the most Northerly tier of Sections in Township 1 North, Ranges 8 and 9 West of the Willamette Meridian to the Southwest corner of Section 6, Township 1 North, Range 9 West of the Willamette Meridian;

Thence North four and one-quarter miles along the West line of said Section 6 and the West line of Township 2 North, Range 9 West of the Willamette Meridian to the Southeast corner of the Northeast one-quarter of the Southeast one-quarter of Section 13, Township 2 North, Range 10 West of the Willamette Meridian;

Thence West 3 miles along the South lines of the North half of the South half of Sections 13, 14 and 15, Township 2 North, Range 10 West of the Willamette Meridian to a point on the East line of Section 16 of said Township;

Thence South one-quarter mile along the East line of said Section 16 to the Southeast corner thereof;

Thence West one mile along the South line of said Section 16 to the Southwest corner thereof;

Thence North 1600 feet, more or less, along the West line of said Section 16 to a point which is 200 feet Northeasterly of the center of Jetty Creek;

Thence Northwesterly one-quarter mile along a line which is 200 feet Northeasterly of the center of Jetty Creek to a point on the East bank of the Nehalem Bay;

Thence due West 700 feet, more or less, to the center of the Nehalem River channel;

Thence Southwesterly along the center of the Nehalem River channel 3000 feet, more or less, to a point midway between the Westerly ends of the Nehalem River jetties;

Thence due West two and three-quarter miles to a point which is 3 miles West of the ordinary high tide line of the Pacific Ocean;

Thence Northerly along a line which is 3 miles West of the ordinary high tide line of the Pacific Ocean, 9 miles, more or less, to a point which bears due West from the point of beginning;

Thence due East 3 miles to the point of beginning.