

**BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON**

**DOCKET UA \_\_**

In the Matter of the Application of Qwest Corporation for an Order Unallocating and Transferring Rights To Allocated Territory to Pine Telephone Systems, Inc. and to Abandon such Territory

**APPLICATION OF QWEST CORPORATION FOR AN ORDER UNALLOCATING AND TRANSFERRING RIGHTS TO ALLOCATED TERRITORY TO PINE TELEPHONE SYSTEMS, INC. AND TO ABANDON SUCH TERRITORY**

Pursuant to ORS 759.560 and OAR 860-025-0027, Qwest Corporation (“Qwest”) hereby applies for an order unallocating and transferring rights to an allocated territory, commonly known as the “Three Rivers area,” that is currently in Qwest’s Culver Exchange, to Pine Telephone Systems, Inc. (“Pine”), as well as the authority to abandon such territory. Because Qwest seeks to unallocate and transfer such territory to Pine Telephone, and to abandon such territory, Qwest hereby also seeks approval of its revised Culver Exchange service area.

In support thereof, and pursuant to the requirements of OAR 860-025-0027,<sup>1</sup> Qwest states and submits the following information:

**Statement of Purposes for the Transfer**<sup>2</sup>

The purpose of this Application to transfer and abandonment of this territory is to permit Pine to provide telecommunications service to residents of an area locally known

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<sup>1</sup> It appears that some of the requirements of OAR 860-025-0027 may no longer be applicable as a result of changes created by Laws of 2005, Chapter 232. An example is the metes and bounds legal descriptions referenced in OAR 860-025-0027(1)(e) and (f). Qwest respectfully requests waiver of such requirements. Further, since this process contemplates the “unallocation” of the Three Rivers area as unserved area and the subsequent allocation of the territory to Pine, OAR 860-025-0027 is applied by analogy to be sure that any remaining rights of Qwest are transferred to Pine.

<sup>2</sup> See e.g., OAR 860-025-0027(1)(a), and fn. 1.

as the Three Rivers area who require telecommunications service. According to Pine, which is concurrently filing an application for allocation of allocated territory for the requested transfer of territory from Qwest to Pine, the Three Rivers service area lays to the west of the Deschutes River around 50 miles north of Bend and is bordered on the north by the Metolius River and Lake Billy Chinook. (See Pine Application, p. 2.)<sup>3</sup> According to Pine, the area gets its name from the confluence of three rivers in its northeastern corner; the Metolius River, the Deschutes River, and the Crooked River. (*Id.*) Pine states that the main roads are paved, and all regularly traveled roads are kept in good shape to approximately 132 homes and businesses. (*Id.*)

**Supporting Reasons for the Transfer**<sup>4</sup>

The reason for the requested transfer of allocated territory is that Qwest currently has no facilities and no customers in the Three Rivers area. Because the Three Rivers area is not near enough to existing Qwest facilities to permit Qwest to serve Three Rivers residents economically, without charging large line extension charges, Pine requests that the territory be transferred and allocated to it so that it can provide telephone service to the citizens of Three Rivers. Pine has represented to Qwest that it is willing to provide telephone service to the citizens of Three Rivers without charging them for construction of facilities. Accordingly, an order pursuant to the current request is the most efficient method for Pine to serve these residents.

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<sup>3</sup> See Application of Pine Telephone System, Inc. for an Order Transferring Rights to Allocated Territory from Qwest Corporation (“Pine Application”), p. 2. The Pine Application is filed contemporaneously with this Application.

<sup>4</sup> See e.g., OAR 860-025-0027(1)(a), and fn. 1.

**Explanation Justifying why the Transfer will Not be Contrary to the Public Interest**<sup>5</sup>

The transfer will not be contrary to the public interest. In fact, Qwest believes that this transfer is in the public interest because it will allow a single incumbent local exchange carrier to serve the area where Qwest does not have facilities and for which prospective Qwest customers would need to pay for construction or line extension charges in order to receive telephone service from Qwest. Further, because Qwest does not have any equipment or facilities in the area to be transferred, there are no current Qwest customers that will be impacted.

**Copies of all written evidence comprising the agreement for the transfer**<sup>6</sup>

Attachment A includes correspondence constituting the agreement between Qwest and Pine concerning service to the Three Rivers area.

**Maps required**<sup>7</sup>

Qwest submits the following maps:

Attachment B is a map showing the proposed area to be abandoned by Qwest.

Attachment C is a map showing the revised proposed boundaries of Qwest's remaining allocated Culver Exchange service territory.<sup>8</sup> Qwest applies pursuant to ORS 759.005(2)(c) and ORS 759.500(1) for approval by the Commission of the revised allocated Culver Exchange service territory.<sup>9</sup>

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<sup>5</sup> See e.g., OAR 860-025-0027(1)(a), and fn. 1.

<sup>6</sup> See e.g., OAR 860-025-0027(1)(b), and fn. 1.

<sup>7</sup> See e.g., OAR 860-025-0027(1)(c) and (d), and fn. 1

<sup>8</sup> Because of the size of this map, Qwest is unable to file it electronically, although it does include this map in its original filing.

<sup>9</sup> The Pine Application contains detailed information regarding the proposed Three Rivers service area and the revised Pine service area, including a map showing the revised proposed boundaries of Pine's new Three Rivers exchange.

**Franchises, permits or public authority approvals**

Other than the requirements of the FCC, Qwest is unaware of the existence of additional requirements of approval of any public agency, other than this Commission, for the authority to unallocate and abandon and transfer territory in the state of Oregon. However, Qwest and Pine intend to jointly file, pursuant to 47 C.F.R. § 1.3 (section 1.3 of the Federal Communication Commission’s (“FCC”) rules), a request for a waiver of the definition of “study area” contained in the Appendix-Glossary of Part 36 of the FCC’s rules after this Commission has approved their applications.

WHEREFORE, Qwest requests the Commission to issue an order 1) unallocating Qwest’s rights to the exclusive territory identified herein and transferring such territory to Pine Telephone Systems, Inc., (2) allowing Qwest to abandon that same territory, and 3) approving Qwest’s revised Culver Exchange map.

DATED: August 16, 2007

Respectfully submitted,



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Alex M. Duarte, OSB No. 02045  
Qwest  
421 SW Oak Street, Suite 810  
Portland, Oregon 97204  
(503) 242-5623  
(503) 242-8589 (facsimile)  
[Alex.Duarte@qwest.com](mailto:Alex.Duarte@qwest.com)

Attorney for Qwest Corporation

**Qwest**  
421 Southwest Oak Street  
Suite 810  
Portland, Oregon 97204  
Telephone: 503-242-5420  
Facsimile: 503-242-8589  
e-mail: carla.butler@qwest.com

**Carla M. Butler**  
Lead Paralegal

August 16, 2007

Vikie Bailey Goggins  
Oregon Public Utility Commission  
550 Capitol St., NE  
Suite 215  
Salem, OR 97301

RE: UA-\_\_\_\_\_ Application of Qwest Corporation

Dear Ms. Bailey Goggins:

Enclosed for filing in the above entitled matter please find an original and (3) copies of Qwest Corporation's Application for an Order Unallocating and Transferring Rights to Allocated Territory to Pine Telephone Systems, Inc., and to Abandon Such Territory. Pursuant to the Commission's rules, an electronic copy has been eFiled as well.

This Application and a contemporaneous application from Pine Telephone Systems, Inc. should together be considered the joint filing as required by ORS 759.560 for the reallocation of allocated territory.

If you have any questions, please do not hesitate to contact Alex Duarte of Qwest.

Sincerely,



Carla M. Butler

CMB:  
Enclosures  
cc: Richard A. Finnigan (email and U.S. Mail)  
Ron Milford (email and U.S. Mail)

Attachment A

## PINE TELEPHONE SYSTEM, INC.

HEADQUARTERS

PO BOX 706  
104 CENTER STREET  
HALFWAY, OREGON 97834  
PH: (541) 742-2201  
FX: (541) 742-4321

CORPORATE OFFICE

PO BOX 3524 (76902)  
301 W. BEAUREGARD, SUITE 208  
SAN ANGELO, TX 76903  
PH: (325) 657-0016  
FX: (325) 657-0509

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May 29, 2007

Ms. Nancy Batz  
Senior Access Manager  
Wholesale Carrier Relations  
421 SW Oak, Room 8S16  
Portland, OR 97294

**SUBJECT:** Three Rivers Area – Western Portion  
Of Qwest Culver Exchange

Dear Nancy:

This letter is in reply to your note to Rick Miller in our Halfway office.

- Pine Telephone is moving forward to acquire the unserved area from Qwest.
- Qwest will be reimbursed by Pine Telephone for reasonable costs associated with accommodating the change. The costs would include the FCC's filing fees, costs to reviser the Culver exchange boundary map, and attorney and regulatory personnel time.
- We will submit to Qwest a written agreement that states Pine Telephone will assume the primary obligation for drafting any joint applications to the regulatory bodies that may be required.
- \* We will submit to Qwest a written agreement that states Pine Telephone will interconnect with Qwest at a mutually agreeable point of interconnection with minimal cost to Qwest.

The first regulatory step will be a joint petition by Qwest and Pine Telephone to the OPUC requesting approval of service area reallocation of the unserved western portion of the Culver exchange to Pine Telephone, followed immediately by a study area boundary waiver request to the FCC. Approval by the FCC of the waiver request is a requirement in order for Pine Telephone to afford the investment in plant for the unserved establishments there.

We must do a certain amount of field work in order to prepare an adequate estimate of required investment in plant to serve the area, plus identify a Point of Connection that has the least cost

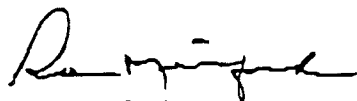
## Attachment A

impact on Qwest. We are certain we can do this without stirring the local population to making calls to Qwest about our presence there, but we want your approval prior to our making the field survey. Please let me know how we should proceed.

We appreciate the past working relationship between Qwest and Pine Telephone, and we are determined to continue that relationship as we go forward.

Thank you for your help with this project.

Sincerely,



Ron Milford  
President, Pine Telephone System, Inc.

Attachment A

## PINE TELEPHONE SYSTEM, INC

HEADQUARTERS

PO BOX 706  
104 CENTER STREET  
HALFWAY, OREGON 97834  
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FX: (325) 657-0509

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## FAX TRANSMITTAL

TO: Nancy Batz

FAX #: 503-242-8558  
Ph #: 503-242-6054

FROM: RON MILFORD

DATE: May 29, 2007

SUBJECT: Letter on Three Rivers (Culver Exchange)

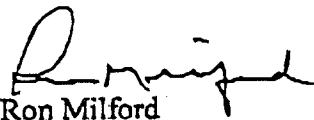
PAGES: 3 (including cover sheet)

## COMMENTS:

Nancy,

Attached is our letter in response to your requests. We are planning a field trip for next week, and need your OK on it. I will follow this with a call. My direct number is 325-223-9111 x222. You and I have worked in the past on Pine projects.

Thanks for your help,



Ron Milford





August 10, 2007

Ron Milford  
President  
Pine Telephone System, Inc.  
P.O. Box 706  
Halfway, Oregon 97834

Dear Ron:

During our conference call on July 24, 2007 with Rick Miller of Pine Telephone, Nancy Batz of Qwest, and the Qwest engineers Luke French and Vickie Clay, the discussion centered on the establishment of a new meet point between the Three Rivers and Sisters exchanges.

We discussed that a good location for this new meet point would be the 1<sup>st</sup> manhole outside of the Sisters c.o. Pine Tel was in agreement with this location and Pine Tel agreed that it would trench and place conduit and fiber cable up to this location. A separate hand hole would be required (placed by Pine Tel) to separate each companies facilities for maintenance purposed in the future. Qwest will place a fiber cable between the Qwest manhole and the Pine Tel hand hole. All the trench work, fiber placement, establishment of a separate hand hole, and associated expense would be totally Pine Telephone System's responsibility. Pine Tel agreed to allow Qwest to place conduit in the trench, with no cost to Qwest, from that 1<sup>st</sup> manhole location out approximately 5.7 miles to about 9033 Wilt Road, Sisters, Oregon.

Pine Tel requested an OC48 optical system from Three Rivers to a Qwest c.o. of our choice. Qwest is in agreement with the OC48 optical system with future discussion on the required drops (OC3, DS3, VT1.5, etc). Each company would be responsible for their costs on the OC48 optical system and associated cards.

All this will be finalized once the OPUC approves each company's application. However, Qwest requests written documentation from Pine Tel providing its concurrence for all of the above terms. If I have overlooked any items from our discussion, just provide them to me for Qwest's review.

I look forward to this future project with Pine Telephone System, Inc.

Barbara Patrow  
Service Manager-Qwest  
20 E. Thomas Rd. flr 3  
Phoenix, AZ. 85012  
602-665-2828

PINE TELEPHONE SYSTEM, INC.

PO BOX 706 104 CENTER STREET  
HALFWAY, OREGON 97834  
(541) 742-2201 FAX (541) 742-4321

August 13, 2007

Ms. Barbara Patrow  
Service Manager-Qwest  
20 E. Thomas Rd. flr 3  
Phoenix, AZ 85012

SUBJECT: Response to Qwest letter on  
Three Rivers Connectivity

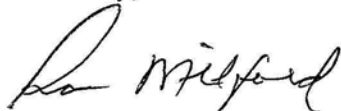
Dear Barbara:

Pine Telephone System, Inc. concurs with the connectivity details of your Qwest letter dated August 10, 2007. Pine also concurs that Qwest may place a vacant conduit at no cost to Qwest into Pine's trench from 5.7 miles out Wilt Road to Pine's handhole near Qwest's 1<sup>st</sup> MH near the Qwest Sisters CO.

The details of toll connectivity with Qwest will be worked out following approval by the OPUC of our respective applications.

We look forward to working with you on this project, and thank you and all of the Qwest team for your help.

Sincerely,



Ron Milford, President  
Pine Telephone System, Inc.

copy: Rick Miller

QWEST  
CULVER EXCHANGE AREA

