

DEPARTMENT OF JUSTICE GENERAL COUNSEL DIVISION

June 30, 2005

Christina Smith Administrative Law Judge Office of Administrative Hearings Public Utility Commission of Oregon PO Box 2148 Salem, OR 97308-2148

Re: CP 1243 – Status Update

Dear Judge Smith:

In conformance with your Memorandum issued June 6, 2005, staff provides a status update for this matter.

Staff is pleased to report that the Applicant, the intervening parties and staff (collectively "Parties") have reached a resolution of all issues in this case. As such, the Parties agree you may cancel the prehearing conference now tentatively set for July 15, 2005.

As to process, the Parties agree that you may essentially use the same process as if the matter had not been docketed as a contested case. Specifically, staff intends to file a "Proposed Order" as soon as applicant Associated Cooperative Telecommunications, Inc. (ACT) completes the process necessary to correct a filing error with the Corporation Division (Division). At this point, staff understands that ACT has filed the paperwork and is awaiting confirmation of its amended corporate status from the Division. As such, staff hopes it will be able to circulate the Proposed Order to the Parties, as well as to you, sometime during the week of July 11th. The Proposed Order will include a full recitation of the issues and include the agreed-upon conditions that resolve those issues for the Parties.

When it files the Proposed Order, as in the usual case, staff will allow any Party to object or to file exceptions. Because the Parties have previously agreed to the form of the Proposed Order, staff will shorten the period for filing exceptions to five (5) business days from the date the Proposed Order is sent (by electronic mail). The Parties may

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speed up this process by submitting statements of agreement or "no objection" to the Proposed Order before the end of the five-day exception period if they choose.

Assuming you agree with the Proposed Order, the Parties ask that you take all steps necessary for the Commission to issue a Final Order based upon the Proposed Order as soon as convenient. Of course, should you have questions or concerns about the Proposed Order, the Parties will do their best to resolve them for you.

Sincerely,

Michael T. Weirich Assistant Attorney General Regulated Utility & Business Section

cc: All parties

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