



# Oregon

Theodore R. Kulongoski, Governor

## Public Utility Commission

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March 15, 2006

***Via Electronic Filing and U.S. Mail***

OREGON PUBLIC UTILITY COMMISSION  
ATTENTION: FILING CENTER  
PO BOX 2148  
SALEM OR 97308-2148

RE: **Docket No. UM 1175 et al** - In the Matter of Costs and Proposed Rates in Phase II of Extended Area Service Investigations in Dockets UM 1175 and UM 1207. Comments Regarding Stipulations Between Staff and the Telecommunications Utilities Involved.

Enclosed for electronic filing in the above-captioned docket is the Stipulation between Pioneer Telephone Cooperative and Staff.

*/s/ Kay Barnes*

Kay Barnes  
Regulatory Operations Division  
Filing on Behalf of Public Utility Commission Staff  
(503) 378-5763  
Email: kay.barnes@state.or.us

cc: UM 1175 et al Service List - parties

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**PUBLIC UTILITY COMMISSION  
OF OREGON**

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**UM 1175 et al**

**STIPULATION**

**Entered into between  
Pioneer Telephone Cooperative  
and Staff**

**In the Matter of  
Costs and Proposed Rates in Phase II of  
Extended Area Service Investigations in Dockets  
UM 1175 and UM 1207.  
Comments Regarding Stipulations Between Staff  
and the Telecommunications Utilities Involved**

**March 15, 2006**

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**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

2006 Extended Area Service Dockets  
Phase II

RECEIVED  
FEB 16 2006  
P.U.C

In the Matter of Petitions for Extended Area Service by Chitwood (UM 1175) and Antelope (UM 1207). ) **STIPULATION BETWEEN**  
) **PIONEER TELEPHONE**  
) **COOPERATIVE**  
) **AND STAFF**

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Pioneer Telephone Cooperative and the Public Utility Commission of Oregon

14 staff, after having conducted extensive discovery and exchanges of information, stipulate  
15 and agree to the following:

16 1. A cost recovery amount of \$29,098 as set forth at Line G.3 in Exhibit 1 to this  
17 stipulation.

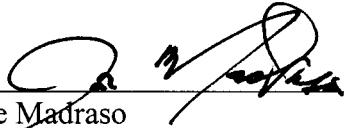
18 2. A \$3,588 increase in annual EAS revenues as set forth at Line I.2 in Exhibit 1  
19 to this stipulation.

20 3. The rates, terms and conditions as set forth in Advice No. 55, filed  
21 February 3, 2006.


22 Both parties reserve the right to re-examine Provisions 1 through 3 of this  
23 stipulation if the Commission does not approve any of the routes in docket UM 1175. In  
24 making this agreement, neither party to this stipulation takes a position on whether the  
25 Commission should approve the EAS routes at issue in the dockets that comprise this  
26 proceeding.

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DATED this 14<sup>th</sup> day of FEBRUARY, 2006.

  
\_\_\_\_\_  
Joe Madraso  
Executive Vice President & General Manager  
Pioneer Telephone Cooperative

DATED this 7<sup>th</sup> day of January, 2006.

  
\_\_\_\_\_  
Stephanie Andrus  
Assistant Attorney General  
Of Attorneys for PUC Staff

**Pioneer Telephone Cooperative**  
**EAS Conversion: UM 1175**

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**Summary of Revenue Shifts**  
**& Billed Revenue Changes**

**Staff and Company**

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|  |           |
|--|-----------|
| <b>A. INTERSTATE TOLL/ACCESS REV REQ:</b>    |           |
| 1. PRE EAS CONVERSION                        | 9,341,265 |
| 2. POST EAS CONVERSION                       | 9,341,265 |
| 3. CHANGE (2-1)                              | 0         |
| <b>B. INTRASTATE TOLL/ACCESS REV REQ:</b>    |           |
| 1. PRE EAS CONVERSION                        | 2,785,935 |
| 2. POST EAS CONVERSION                       | 2,756,837 |
| 3. CHANGE (2-1)                              | (29,098)  |
| 4. STATE TOLL SPF-Current Pre-Conversion     | 0.122295  |
| 5. STATE TOLL SPF-Post Conversion            | 0.119568  |
| <b>C. BILLED ACCESS REVENUE LOSS:</b>        |           |
| (@ current rates)                            |           |
| 1. ACCESS REVENUE LOSS                       | \$27,750  |
| 2. BILLING & COLLECTION REVENUE              | \$29,254  |
| 3. ACCESS MINUTES                            | (480,558) |
| <b>D. BILLED TOLL REVENUE LOSS:</b>          |           |
| (@ current rates)                            |           |
| 1. TOLL REVENUE LOSS (Estimated)             | \$22,756  |
| 2. BILLED TOLL MINUTES                       | (266,464) |
| <b>E. EAS REVENUE REQUIREMENT:</b>           |           |
| 1. PRE EAS CONVERSION                        | 724,672   |
| 2. POST EAS CONVERSION                       | 728,412   |
| 3. CHANGE (2-1)                              | 3,740     |
| 4. STIMULATION FACTOR                        | 2.1       |
| <b>F. LOCAL (OTHER) REVENUE REQUIREMENT</b>  |           |
| 1. PRE EAS CONVERSION                        | 4,557,087 |
| 2. POST EAS CONVERSION                       | 4,582,445 |
| 3. CHANGE (2-1)                              | 25,358    |
| <b>G. COST RECOVERY REQUIREMENT FOR EAS:</b> |           |
| 1. LOST INTERSTATE & STATE TOLL REV REQ.     | 29,098    |
| 2. ADDITIONAL COST OF EAS PROVISIONING       | 0         |
| 3. TOTAL                                     | 29,098    |

**Pioneer Telephone Cooperative**  
**EAS Conversion: UM 1175**

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**Summary of Revenue Shifts**  
**& Billed Revenue Changes**

**Staff and Company**

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**EAS CRITERION 10: NET REVENUE NEUTRAL**

**H. PROPOSED EAS REVENUE:**

|                         |         |
|-------------------------|---------|
| 1. CURRENT              | 715,689 |
| 2. EAS REVENUE INCREASE | 3,588   |
| 3. POST EAS CONVERSION  | 719,277 |

**I. NET REVENUE NEUTRALITY - COST SHIFT METHOD**

|                                    |          |
|------------------------------------|----------|
| 1. EAS COST RECOVERY REQ.          | 29,098   |
| 2. PROPOSED EAS REVENUE INCREASE   | 3,588    |
| 3. SURPLUS (DEFICIENCY) (L.2 -L.1) | (25,510) |

**EAS CRITERION 8: EAS RATES MUST EXCEED**  
**TRAFFIC SENSITIVE (TS) COSTS**

**J. ALLOCATED TS COST TO EAS**

|                        |         |
|------------------------|---------|
| 1. PRE EAS CONVERSION  | 724,672 |
| 2. POST EAS CONVERSION | 728,412 |
| 3. CHANGE (2 - 1)      | 3,740   |

**K. EAS REVENUES**

|                        |         |
|------------------------|---------|
| 1. PRE EAS CONVERSION  | 715,689 |
| 2. POST EAS CONVERSION | 719,277 |
| 3. CHANGE (2 -1)       | 3,588   |

**L. CONTRIBUTION (LINES K - J)**

|                        |         |
|------------------------|---------|
| 1. PRE EAS CONVERSION  | (8,983) |
| 2. POST EAS CONVERSION | (9,135) |

NOTE: The company has notified staff that it will stay with the EAS rates proposed in its October 2004 filing and will absorb the \$25,510 revenue shortfall shown on line I. 3.

**CERTIFICATE OF SERVICE**

**UM 1175 et al.**

I certify that I have this day served the foregoing document upon all parties of record in this proceeding by delivering a copy in person or by mailing a copy properly addressed with first class postage prepaid, or by electronic mail pursuant to OAR 860-13-0070, to all parties or attorneys of parties.

Dated at Salem, Oregon, this 15th day of March, 2006.



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Stephanie S. Andrus  
Assistant Attorney General  
Of Attorneys for Public Utility Commission's Staff  
1162 Court Street NE  
Salem, Oregon 97301-4096  
Telephone: (503) 378-6322

**UM 1175 et al  
Service List (Parties)**

|  |   |
|--|---|
| NANCY LEE BOHLMAN  | 5613 NASHVILLE ROAD<br>EDDYVILLE OR 97343   |
| <b>DEPARTMENT OF JUSTICE</b><br><br>STEPHANIE S ANDRUS<br>ASSISTANT ATTORNEY GENERAL | REGULATED UTILITY & BUSINESS SECTION<br>1162 COURT ST NE<br>SALEM OR 97301-4096<br>stephanie.andrus@state.or.us |
| MICHAEL T WEIRICH<br>ASSISTANT ATTORNEY GENERAL                                      | REGULATED UTILITY & BUSINESS SECTION<br>1162 COURT ST NE<br>SALEM OR 97301-4096<br>michael.weirich@state.or.us  |
| <b>PIONEER TELEPHONE COOPERATIVE</b><br><br>RANDY MORGAN<br>ADMINISTRATIVE MANAGER   | PO BOX 631<br>PHILOMATH OR 97370-0631<br>randymorgan@pioneer.net  |
| <b>PUBLIC UTILITY COMMISSION</b><br><br>LANCE BALL                                   | PO BOX 2148<br>SALEM OR 97308-2148<br>lance.ball@state.or.us  |
| <b>QWEST CORPORATION</b><br><br>DON MASON  | 421 SW OAK ST RM 810<br>PORTLAND OR 97204<br>don.mason@qwest.com  |



|  |   |
|--|---|
| SHANE GOMES  | PO BOX 70<br>ANTELOPE OR 97001  |
| <b>CASCADE UTILITIES INC</b><br><br>STEVE CROSBY<br>OPERATIONS MGR                   | PO BOX 189<br>ESTACADA OR 97023<br>crosbys@cuaccess.net   |
| <b>DEPARTMENT OF JUSTICE</b><br><br>STEPHANIE S ANDRUS<br>ASSISTANT ATTORNEY GENERAL | REGULATED UTILITY & BUSINESS SECTION<br>1162 COURT ST NE<br>SALEM OR 97301-4096<br>stephanie.andrus@state.or.us |
| MICHAEL T WEIRICH<br>ASSISTANT ATTORNEY GENERAL                                      | REGULATED UTILITY & BUSINESS SECTION<br>1162 COURT ST NE<br>SALEM OR 97301-4096<br>michael.weirich@state.or.us  |
| <b>PUBLIC UTILITY COMMISSION</b><br><br>LANCE BALL                                   | PO BOX 2148<br>SALEM OR 97308-2148<br>lance.ball@state.or.us  |
| <b>QWEST CORPORATION</b><br><br>DON MASON  | 421 SW OAK ST RM 810<br>PORTLAND OR 97204<br>don.mason@qwest.com  |
| <b>TRANS-CASCADES TELEPHONE CO</b><br><br>BRENDA CROSBY                              | PO BOX 189<br>ESTACADA OR 97023<br>crosbyb@cuaccess.net   |