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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UA 102

In the Matter of)	
)	
NEHALEM)	
TELECOMMUNICATIONS INC.)	ORDER
)	
Application to Transfer of Allocated)	
Service Territory from Nehalem)	
Telephone & Telegraph)	

DISPOSITION: APPLICATION GRANTED

On November 12, 2003, Nehalem Telecommunications, Inc., (Applicant) filed an application to transfer allocated territory from Nehalem Telephone & Telegraph (NT&T).¹ The territory to be transferred is the entire Nehalem exchange. A description of the service territory is attached as Appendix A to this order.

Background

NT&T is an incumbent telecommunications utility, which serves approximately 3260 lines in the Nehalem exchange. The Commission formally allocated the Nehalem exchange to NT&T by Order No. 88-405, in docket UA 24. In July 2003, Nehalem Telecommunications agreed to purchase NT&T. The parties request the effective date of the transfer of allocated territory to be January 2, 2004, the scheduled effective closing date of the sale transaction.

Applicant is a subsidiary of Rural Telephone Company, Inc., which is headquartered in Glens Ferry, Idaho. James R. Martell is the president of Rural Telephone. Rural Telephone is itself a subsidiary of Martell Enterprises, Inc., which is apparently a family owned company. Rural Telephone, either directly or through subsidiaries, provides local exchange telecommunications service in several rural areas of Idaho, Nevada, and Washington. Rural Telephone now plans to expand into Oregon.

¹ On November 12, 2003, Nehalem Telecommunications also applied to transfer two certificates of authority to provide telecommunications service. That application has been docketed CP 1193, and will be processed separately from, and in parallel with, this docket, UA 102.

Staff Report

On December 1, 2003, the Commission Staff (Staff) filed a report recommending the Commission grant the application with conditions. Staff notes that Applicant intends to provide continuous and high quality local exchange telecommunications service, and that the company will maintain all services currently offered in the territory (i.e., in the Nehalem exchange).

Staff adds that Applicant's parent company, Rural Telephone, is experienced in providing local exchange telecommunications service in rural areas. The Idaho PUC staff had no adverse report concerning Rural Telephone. Therefore, Staff believes the transfer of allocated territory is not contrary to the public interest.

Staff served its report on all parties to this docket and requested the parties to file comments, or objections to the recommendations, by December 16, 2003. No comments or objections were filed.

Commission Resolution

We have reviewed the application and the administrative record. Based on our review, we conclude the application for a transfer of service territory is not contrary to the public interest, and should be approved

ORDER

IT IS ORDERED that:

1. The application to transfer the allocated territory, Nehalem exchange, from NT&T to Nehalem Telecommunications, is approved.
2. The transfer is effective on January 2, 2004.
3. Nehalem Telecommunications, Inc., is designated as the new incumbent telecommunications utility in the Nehalem exchange.
4. Nehalem Telecommunications, Inc., shall file a revised map of the Nehalem exchange, with the name of the new utility, within 15 days of this order.
5. Nehalem Telecommunications, Inc., shall file a revised cover page for the current NT&T tariff, designating Nehalem Telecommunications as the new utility, within 15 days of this order.
6. Nehalem Telecommunications, Inc., shall file an entire new tariff for its Oregon service territory within one year of this order.

7. Nehalem Telecommunications, Inc., shall continue to provide all services currently provided by NT&T, unless abandoned in accordance with OAR 860-032-0020.

Made, entered, and effective _____.

Lee Beyer
Chairman

John Savage
Commissioner

Ray Baum
Commissioner

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.

ORDER NO. 03-751