

ORDER NO. 00-416

ENTERED 7/31/00

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**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UA 86

In the Matter of the Application of U S                    )  
WEST Communications, Inc., for an Order                )  
Unallocating Rights to Exclusively Served            )  
Territory and to Abandon Territory.                    )                ORDER

**DISPOSITION: APPLICATION TO ABANDON AND  
UNALLOCATE TERRITORY GRANTED**

On April 27, 2000, U S WEST Communications, Inc. (USWC), filed an application for an order unallocating rights to exclusively served territory and to abandon territory, pursuant to ORS 759.560 and OAR 860-025-0027. The Commission served notice of the application on May 12, 2000. Notice of the application was published in the Baker City Herald on May 19 and 26, 2000. The notices informed the public that any affected party may request a hearing on this matter within 30 days of the notice. No one requested a hearing.

USWC's application deals with an area in USWC's Baker Exchange, about 13 miles south of Baker City. The area is called Stices Gulch and consists of about 25 families living along Stices Gulch and Tamarack Roads. USWC's closest facilities to the Stices Gulch area are at the junction of Highway 7 and Highway 245. Stices Gulch Road is a U.S. Forest Service road that branches off Highway 245 about 3.1 miles south of the junction with Highway 7. It is about 1.8 miles from Highway 245 to Tamarack Road. USWC's facilities at Highway 7 are a little over 3.1 miles from the closest home and approximately 7 miles from the furthest home.

Appendix A to this order is a metes and bounds description of the territory sought to be unallocated and abandoned. Appendix B is a revised metes and bounds description of USWC's remaining allocated territory.

USWC was willing to provide telephone service to the Stices Gulch area, but service would have been contingent on subscribers paying tariffed line extension charges of \$440 per each tenth of a mile, with one tenth of a mile free per applicant. The people of Stices Gulch have been working to obtain telephone service for over two and a half years, but USWC's tariffed line extension charges have made service cost prohibitive to potential customers.

The Stices Gulch residents expressed interest in taking local telephone service from Pine Telephone Systems, Inc. (Pine Telephone). Pine Telephone is a small, investor owned telephone utility located in Halfway, Oregon. Pine Telephone is willing and able to serve Stices Gulch without line extension charges, because Pine Telephone has access to low cost loans and subsidies that are not available to large utilities such as USWC.

USWC is applying to abandon 41 square miles in the southwest corner of the Baker exchange (the Stices Gulch Area). USWC is also applying to have this territory unallocated. None of the approximately 25 families in the area is a wireline customer of USWC. Pine Telephone has separately applied to the Commission for allocation of and authority to serve the Stices Gulch Area once it is unallocated from USWC (Docket UA 87). Pine Telephone will identify this area as the Stices Gulch Area of the Granite Exchange. The current Granite Exchange encompasses about 182 square miles; with the addition of the noncontiguous Stices Gulch Area, the Granite Exchange would total about 223 square miles.

Commission Staff has reviewed USWC's application and supports the proposal to unallocate and abandon the Stices Gulch Area territory. Staff concludes that approving this application is in the best interest of the residents of the territory. Approval will allow Pine Telephone to serve an unserved area at a cost that will not be prohibitive to customers.

Based on the evidence in the record, we conclude that USWC's application to abandon and unallocate the Stices Gulch Area should be approved. USWC should file a revised tariff map of the Baker Exchange to reflect the removal of the Stices Gulch Area.

## **ORDER**

IT IS ORDERED that:

1. USWC's application to abandon and unallocate the territory specified in Appendix A of this order is granted.

2. Within 30 days of the date of this order, USWC shall file a revised tariff map of the Baker Exchange.

Made, entered, and effective \_\_\_\_\_.

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**Ron Eachus**  
Chairman

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**Roger Hamilton**  
Commissioner

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**Joan H. Smith**  
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.