

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF COLUMBINE)	
TELEPHONE COMPANY, INC.’S)	CASE NO. COL-T-21-01
APPLICATION TO CHANGE THE MANNER)	
IN WHICH FACILITIES EXTENSIONS ARE)	ORDER NO. 35234
HANDLED)	
)	

“On May 14, 2021, Columbine Telephone Company, Inc. dba Silver Star Communications (“Company”) filed changes to its tariff with the Commission. Application at 1. The Company proposed to change how the cost of a line extension will be shared between the applicant and the Company. *Id.* The Company proposed a June 15, 2021, effective date for the modified tariff. *Id.*

At the June 8, 2021, Decision Meeting, Commission Staff (“Staff”) noted the proposed changes constitute an increase in rates and therefore should not be handled through a tariff advice. Staff recommended the Commission initiate a formal proceeding to determine whether the proposed tariffs comply with the Commission’s regulatory requirements.

On June 14, 2021, the Commission issued a Notice of Application, Suspension of Proposed Effective Date, and Notice of Modified Procedure and converted the Company’s proposed tariff modifications into an Application to be processed by Modified Procedure. The Commission also suspended the Company’s proposed effective date for 60 days, and established comment deadlines.

Staff filed comments on July 8, 2021. The Company filed reply comments on July 15, 2021. On August 16, 2021, the Commission issued a Notice of Continued Suspension of Effective Date and Notice of Inquiry in Order No. 35133. The Commission noted that it had reviewed the record and found it insufficient to allow the Company to implement its tariff changes. *See* Order No. 35135 at 1. The Commission continued the suspension of the Company’s proposed effective date for an additional 60 days and ordered the Company to respond to the matters posed by the Commission in its Notice of Inquiry. *Id.* at 2.

On October 14, 2021, the Commission issued a Notice of Second Continued Suspension of Effective Date. *See* Order No. 35195. The Company filed answers to the

Commission's Notice of Inquiry on October 12, 2021, just a few days before the October 15, 2021, deadline. *Id.* at 1.

For the Commission to have adequate time to consider the Company's answers before the suspension of the Company's proposed effective date expired, the Commission suspended the effective date for an additional 60 days or until December 13, 2021, unless it issued an earlier order accepting, rejecting, or modifying the Company's Application. *Id.* at 1-2. No comments from the public have been received in response to the Notice of Application. Order No. 35075.

Having reviewed the record, we now approve the Company's Application as discussed below.

THE APPLICATION

The Company's existing tariff provides that a line extension will be provided without charge to the applicant if the cost of the total extension does not exceed \$1,600.00. Application at 11; ¶ 7.2. If the total extension exceeds \$1,600.00, the "applicant will reimburse the Company the total amount exceeding the established aid to construction in effect prior to construction." *Id.*

Under the Company's proposed tariff, a line extension "not exceeding 500 [feet] will be furnished at a flat fee cost [of \$350.00]....Where the total extension exceeds 500 [feet], the applicant will pay the Company prior to construction the actual cost of [the line extension] exceeding the 500 [feet] plus the flat fee cost." *Id.* Under the proposed tariff, the applicant will be responsible to provide trenching services. *Id.* at 13; ¶ 7.18. The Company is a Title-61 telephone corporation. *See Idaho Code* § 61-121.

STAFF COMMENTS

Staff reviewed the line extension provisions in all Title-61 telephone company tariffs as well as a few Title-62 telephone company tariffs. Staff Comments at 2. Based upon the record at the time Staff's Comments were submitted, Staff believed the Company's proposed tariff effectively increased a charge. *Id.* As such, Staff explained that the Company bears the burden of showing why its proposed charge was just and reasonable. *Id.* *See Idaho Code* §§ 61-301 and 61-303; IDAPA 31.01.01.052. The Company's Application, filed as a tariff advice, did not provide justification for the increased charge. Staff Comments at 2. Nor was Staff aware of any circumstances that justified the Company having a line-extension charge structure so different from the industry norm. *Id.* at 2-3.

COMPANY'S COMMENTS

As noted in the Company's tariff advice filing made on May 14, 2021, the Company claimed that the purposes of the proposed changes were to: (1) simplify the drop extension process to the customer; and (2) substantially decrease the delivery time of services to the customer. Company Reply Comments at 1. These changes were developed in part based on customer request and feedback that the current process is complicated and hinders customers' timely access to services. *Id.*

The Company asserted that a flat fee substantially simplified the customer process by eliminating the need for multiple site visits, extension cost calculations, and customer pre-payment of costs exceeding the \$1,600 aid to construction prior to construction completion and any resulting true-up. *Id.* In turn, a simplified process substantially decreases the time to deliver services, down from two-three weeks to two-three days. *Id.*

The Company noted that its analysis showed that a majority of customer extensions do exceed the stated aid amount, ranging from \$500 to \$1,200, with the average line extension exceeding the aid to construct by approximately \$400. *Id.* at 1-2. Further, the Company responded that the proposed changes do not increase a charge because the average amount a customer will pay for a line extension is \$400 and the Company proposed a flat fee of \$350 and so the proposed change effectively decreases a charge. *Id.* at 2.

The Company also noted that its proposed changes seek to align its operations across the jurisdictions in which it provided service, and these changes do align with its commission-approved practice in Wyoming. *Id.*

On October 12, 2021, the Company filed a response to the Commission's Notice of Inquiry.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction in this matter under *Idaho Code* §§ 61-301, 303, and 501. The statutes vest the Commission with the authority and jurisdiction to supervise and regulate every public utility in the state and that all charges made be just and reasonable.

The Company's Application, filed as a tariff advice, did not provide sufficient justification and verification supporting changes in their line extension policies. However, based upon our review of the Application, Staff comments, the Company's reply comments, and the additional information provided by the Company in its response to the Notice of Inquiry, the

Commission finds that the Company has now met its burden of showing why its proposed charges are just and reasonable. The Company provided sufficient verification to support that their new line extension policies decrease the overall charges to the Company's customers. Line extensions between 150-500 feet for copper and between 115-500 feet for fiber will be much less expensive than the existing policy. The new line extension policy will cost more than the existing policy if the extension is shorter than 150 feet for copper and shorter than 115 feet for fiber. However, in general, the average line extensions over the past 5 years have exceeded those distances.


ORDER

IT IS HEREBY ORDERED that the Company's Application is approved, effective upon the service date of this Order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order in Case No. COL-T-21-01. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* §§ 61-626 and 62-619.

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DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 29th day of November 2021.



PAUL KJELLANDER, PRESIDENT



KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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