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Attorney for the Commission Staff

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)
HANDLED) **COMMENTS OF THE**
) **COMMISSION STAFF**
)

STAFF OF the Idaho Public Utilities Commission, by and through its Attorney of record, Matt Hunter, Deputy Attorney General, submits the following comments.

BACKGROUND

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

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

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. If the total

extension exceeds \$1,600.00, the “applicant will reimburse the Company the total amount exceeding the established aid to construction in effective prior to construction.”

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.”

Under the proposed tariff, the applicant will be responsible to provide trenching services. The Company is a Title-61 telephone corporation. *See Idaho Code § 61-121.*

STAFF ANALYSIS

Staff has reviewed the line extension provisions in all Title-61 telephone company tariffs as well as a few Title-62 telephone company tariffs. All of the reviewed tariffs provide the line extension applicant a certain distance or dollar amount that will be paid for entirely by the company. Under such a tariff, the applicant will not bear any of the line-extension cost if the distance or dollar amount is not exceeded. Most Title-61 telephone corporation tariffs have the same line extension language:

Free Footage Allowance: The Company will construct at its expense a maximum of 1000 ft. of line extension per applicant of which not more than 300 ft of this free footage may be on private property or along a private road. The Company will also construct at its expense a maximum of 300 feet of drop wire per applicant: No Charge

In company tariffs where the allowance is a dollar amount instead of a distance, the allowance varies from \$2500 to \$3000. The Company’s approved tariff rates for line extensions is the most restrictive by only allowing an allowance of \$1600. The Company’s proposed tariff is even more restrictive by changing the distance allowance to 500 feet and adding a \$350 flat fee for those line extensions of 500 feet or less—eliminating the free allowance. This does not align with industry standards.

The Company’s proposed tariff effectively increases a charge. As such, the Company bears the burden of showing why its proposed charge is just and reasonable. *See Idaho Code §§ 61-301 and 61-303; IDAPA 31.01.01.052.* The Company’s Application (filed as a tariff advice) provides no justification for the increased charge. Nor is Staff aware of any circumstances that


justify the Company having a line-extension charge structure so different from the industry norm.

STAFF RECOMMENDATION

Staff believes the Company should be given an opportunity to introduce evidence into the record supporting its proposed line-extension charge structure. Under the existing schedule—the Company must file any reply comments by July 15, 2021—the Company probably does not have adequate time to develop the record. Nor does the existing schedule provide Staff and the public an opportunity to comment on any evidence provided by the Company.

Therefore, Staff recommends the Commission set a deadline by which the Company must provide any evidence in support of its proposed line-extension charge structure. Staff also recommends the Commission set a deadline for Staff and the public to comment on the Company’s proposal. Finally, Staff recommends the Commission set a deadline by which the Company must reply to any filed comments.

Respectfully submitted this 8th day of July 2021.


Matt Hunter
Deputy Attorney General

Technical Staff: Daniel Klein

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 8TH DAY OF JULY 2021, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. COL-T-21-01, BY E-MAILING A COPY THEREOF, TO THE FOLLOWING:

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SECRETARY