

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**COLUMBINE TELEPHONE COMPANY,)
INC.’S APPLICATION FOR) CASE NO. COL-T-21-02
AUTHORIZATION TO GUARANTY A)
LOAN IN AN AMOUNT NOT TO) ORDER NO. 35288
EXCEED \$6,000,000)
_____)**

On December 10, 2021, Columbine Telephone Company, Inc. (“Columbine” or “Company”) filed an application to execute an unsecured guaranty of payment in favor of the Rural Telephone Finance Cooperative guaranteeing payment of a term loan to Columbine’s parent company, Horizon Communications, Inc. (“Horizon”), in the amount of \$6,000,000 (the “Horizon Loan”).

THE APPLICATION

The Company is a certified telephone corporation organized under the laws of the State of Wyoming providing telecommunication services, including local exchange service, within the state of Idaho. Columbine is a wholly owned subsidiary of Horizon. According to the Company, the Horizon Loan will be used to finance Horizon’s budgeted capital expenditures for the years 2022-2024, which the Company stated will improve quality and reliability of service. The Company stated that the Horizon Loan would, *inter alia*, be secured by first priority liens on Horizon assets—which the Company further stated would not further encumber any Company assets or affect the revenue requirement of its regulated operations.

STAFF REVIEW AND RECOMMENDATION

Staff believed that the proposed debt met the requirement under *Idaho Code* § 61-901 *et seq* and that the filing complied with Rule 141 of the Commission’s Rules of Procedure, IDAPA 31.01.01.141. Staff represented that the requested guaranty is a condition of the loan which would be used to accelerate Horizon’s long-term construction plan from ten years to eight years. Staff stated that funds would be used to fortify core network elements and critical equipment, which Staff believed would improve service and service quality from the Company. Thus, Staff recommended that the Commission authorize the Company to issue an unsecured guaranty of \$6,000,000 in order to execute and deliver the Guaranty to RTFC.

COMMISSION FINDINGS AND DISCUSSION

The Company is a Wyoming corporation that is qualified to do business in Idaho. The Commission has jurisdiction over the Application under *Idaho Code* § 61-901, *et seq.* We find that the proposed issuance is in the public interest and a formal hearing on this matter is not required. We further find that the proposed issuance is for a lawful purpose and is within the Company's corporate powers, that the Application conforms to Rules 141 through 150 of the Commission's Rules of Procedure, IDAPA 31.01.01-141-150, and that the Company has paid all fees due under *Idaho Code* § 61-905. Accordingly, we find that the Application should be approved, and the proposed financing should be allowed.

The Commission's Order approving the proposed financing and the general purposes to which the proceeds may be put is not a determination that the Commission approves of the particular use to which these funds will be put. This Order also is not a Commission determination or approval of the type of financing or the related costs for ratemaking purposes. The Commission does not have before it for determination, and so does not determine, the effect of the proposed transaction on rates the Company will charge for telecommunication service.

ORDER

IT IS HEREBY ORDERED that the Company's Application to guaranty a payment in favor of the Rural Telephone Finance Cooperative in the amount of \$6,000,000 is granted.

IT IS FURTHER ORDERED that the Company must file copies of all agreement terms and final documents when they become available.

IT IS FURTHER ORDERED that the foregoing authorization is without prejudice to the regulatory authority of the Commission with respect to rates, utility capital structure, service accounts, valuation, estimates for determination of cost or any other matter which may come before this Commission pursuant to its jurisdiction and authority as provided by law.

IT IS FURTHER ORDERED that nothing in this Order and no provisions of Chapter 9, Title 61, Idaho Code, or any act or deed done or performed in connection therewith shall be construed to obligate the State of Idaho to pay or guarantee in any manner whatsoever any security authorized, issued, assumed, or guaranteed under the provisions of Chapter 9, Title 61, Idaho Code.

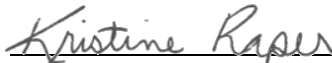
IT IS FURTHER ORDERED that issuance of this Order does not constitute acceptance of the Company's exhibits or other material accompanying the Application for any purpose other than the issuance of this Order.

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. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code § 61-626.*

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 10th day of January 2022.

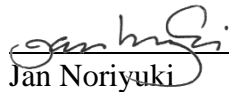


ERIC ANDERSON, PRESIDENT



KRISTINE RAPER, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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