

## DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER  
COMMISSIONER SMITH  
COMMISSIONER HANSEN  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL  
WORKING FILE**

**FROM: WAYNE HART**

**DATE: MARCH 24, 2004**

**RE: PETITION FOR EAS BETWEEN BRUNEAU/GRAND VIEW AND  
PINE/FEATHERVILLE. CASE NO GNR-T-01-12**

On July 31, 2001, the Commission received a petition containing 104 signatures of persons with addresses in the communities of Pine, Featherville, Bruneau and Grand View requesting extended areas service between the Bruneau and Grand View exchanges served by CenturyTel of the Gem State and the Boise River exchange served by Rural Telephone Company. On January 28, 2004, the petitions were resubmitted with an additional 3 signatures. In addition, one petition had been modified to include the Rural exchange of Prairie. The petitions did not include any indication of a willingness to pay any increase in monthly fees that may be required if such an EAS were approved.

CenturyTel's Bruneau and Grand View exchanges were provided with EAS to the Qwest exchanges of Mountain Home and Glens Ferry, as well as the Qwest exchanges in the original Qwest Treasure Valley calling area (Boise, Meridian, Caldwell, Nampa, Eagle, Emmett, Idaho City, Melba, Middleton, and Star) in January of 2001 (Order Nos. 28340 and 28501 in Case No CGS-T-99-4). CenturyTel's customers were not provided with EAS to the non-Qwest exchanges (i.e. Boise River and Prairie), that also have EAS to the original Qwest Treasure Valley calling area exchanges, nor were they provided with EAS to the Qwest exchanges of Payette and Weiser.

The monthly rate for basic local exchange service for CenturyTel's customers was increased at that time to \$24.10 for residential customers and \$39.77 for businesses, plus a rural

surcharge of \$3.50 for any customer located outside the base rate area. Although CenturyTel's rates were increased to the level paid by customers of Idaho's rural USF companies, CenturyTel did not seek USF funding at that time.

The Prairie and Boise River exchanges were also provided with EAS to the same Qwest exchanges identified above in January of 2001. (Case No GNR-T-98-18) Rural's exchanges were not granted EAS to the non-Qwest exchanges that also had EAS to the original Qwest Treasure Valley calling area, nor were they granted EAS to the Qwest exchanges of Payette and Weiser.

### **STAFF ANALYSIS**

Staff examined the requested routes in the GNR-T-98-18 and CGS-T-99-4 cases and did not include them in its recommendations in those cases because Staff did not believe a community of interest existed between the communities in these exchanges. The Commission set forth criteria to use in analyzing potential EAS routes in Order No. 26311. To determine whether a community of interest exists to support EAS, the primary factors, in addition to the calling data, are as follows:

1. Geographic proximity (distance between exchanges);
2. The presence of geographic or other physical barriers (mountains, rivers, valleys) between exchanges;
3. County seat relationship (are both exchanges in the same county);
4. The relationship to school districts (do both exchanges share the same school district);
5. The proximity to medical facilities and services;
6. The willingness of customers to pay increased rates.

These exchanges do not share a common boundary, and are separated by the Mountain Home exchange. The population centers of the Bruneau and Grand View exchanges are more than 50 miles from the community of Pine, with another 10 miles to Featherville. This distance includes approximately 20 miles of desert and/or irrigated desert and 30 miles of twisty mountain and foothills roads. Bruneau and Grand View are located south of the Snake River, with Pine and Featherville located in the upper reaches of the Boise River.

The Bruneau and Grand View exchanges are primarily located in Owyhee County, while Pine and Featherville are located in Elmore County. While a small, lightly populated section of both the Bruneau and Grand View exchanges lies within Elmore County, these residents already have toll free access to the county seat in Mountain Home. No residents of CenturyTel exchange need to call Rural exchanges to reach a county seat, and vice versa.

A similar situation exists for the schools. Most CenturyTel customers live in the Rimrock school district. Most Rural customers are in the Mountain Home School District. While a small section of the Bruneau and Grand View exchanges is also located in the Mountain Home School District, the customers in this area already have toll free access to any school serving children in these areas. The schools serving all of these exchanges have access to all of the homes of students in these exchanges.

Customers from all of these exchanges primarily rely on medical facilities in Mountain Home or Boise. There are limited medical facilities in the CenturyTel exchanges, but these are community clinics that offer fewer services than either the Mountain Home or Boise medical facilities.

Staff informally asked CenturyTel and Rural for any available calling data. CenturyTel provided data for the months of April, May and June of 2001 that indicated not a single call was placed from either the Bruneau or Grand View exchanges to the Boise River exchange during this sampling period.

The primary link between these communities is that of recreation. Some residents of the Bruneau and Grand View exchanges visit the Boise River exchange for recreational purposes. Residents of the Rural exchanges may also visit the Bruneau and Grand View areas for recreational purposes. It is highly likely that a few CenturyTel customers are owners of recreational property in the Rural exchanges.

The petitions failed to include any indication of the willingness of petition signers to pay for the increased cost of EAS, even though this information is clearly identified in the sample petitions provided by the Commission. Although Staff did not request information regarding the costs of implementing EAS on these routes, the calling volumes are minimal. Staff does not expect the costs to be significant. However, as Rural is a recipient of USF funding, any costs that Rural might incur associated with implementing EAS over these routes would be paid for with USF funds that come from the general ratepayers of Idaho rather than Rural's ratepayers,

who would receive the benefits of this EAS. While CenturyTel is not currently a recipient of USF, they have priced service above the threshold level and it is possible that the Company would seek to recover any increased costs from the USF Fund.

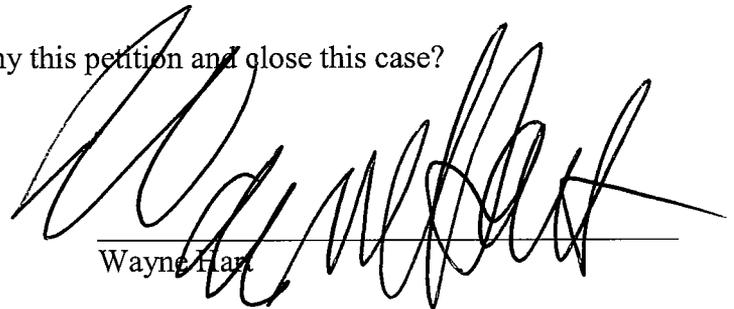
### **STAFF RECOMMENDATION**

Staff recommends that the petition be rejected and the case closed with no further investigation. The requested exchanges fail to meet any of the community of interest criteria spelled out in Commission Order No. 26311. Staff does not believe it is in the public interest to ask the general ratepayers of Idaho to pay the costs of allowing a few individuals to make toll free calls to their homes while they are using recreational facilities.

The Commission adequately addressed this question in the previous cases cited above. The calling information provided by CenturyTel does not indicate circumstance have changed significantly since then and the petitioners presented no additional information to support a reversal of those decisions. Therefore, this petition should be denied.

### **COMMISSION DECISION**

Does the Commission wish to deny this petition and close this case?



Wayne Han

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