

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  LH TELECOM, INC.	DOCKET NOS. TCU-00-35 WRU-00-45-3423
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**ORDER APPROVING APPLICATION, APPROVING CONCURRENCE IN MAPS,  
AND GRANTING WAIVERS**

(Issued September 7, 2000)

On June 9, 2000, LH Telecom, Inc. (LH Telecom), filed an application for issuance of a certificate of public convenience and necessity, pursuant to Iowa Code § 476.29 (1999), stating its intention to provide resold and facilities-based local exchange services. The application has been identified as Docket No. TCU-00-35. LH Telecom requests waivers of 199 IAC 22.3(1), publishing a directory, and 199 IAC 16.5, keeping its records according to the Uniform System of Accounts. The waivers have been identified as WRU-00-45-3423. LH Telecom has provided the qualifications of its company officers and financial statements and filed initial proposed tariffs without rates. Additionally, LH Telecom states that it intends to provide service in the service territories of Qwest Corporation, f/k/a U S West Communications, Inc. (Qwest), and Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, successor to GTE Midwest Incorporated (Iowa Telecom) and adopts the local exchange maps and descriptions and any subsequent modifications to the

maps of the two companies. LH Telecom states that it will provide full 2-PIC methodology for dialing parity.

Iowa Code § 476.29(2) provides that the local exchange carrier shall not be denied a certificate if the Utilities Board (Board) finds that the applicant "possesses the technical, financial, and managerial ability to provide the service it proposes to render and the board finds the service is consistent with public interest." The Board has reviewed the information provided and finds that LH Telecom has demonstrated the necessary technical, financial, and managerial ability to provide local exchange service.

LH Telecom requested a waiver of 199 IAC 16.5(2), which requires it to keep its records according to the uniform system of accounts. LH Telecom states that it employs an accounting system in accordance with generally accepted accounting principles (GAAP). The Board finds that this waiver should be granted, since records kept in accordance with GAAP accounting are acceptable for a competitive local exchange service provider.

LH Telecom also requested the Board waive 199 IAC 22.3(1), requiring it to independently publish a directory. The Board will grant this waiver since LH Telecom does not have a sufficient number of customers to warrant publishing a directory. LH Telecom has stated that it will contract with the incumbent local exchange carrier to list LH Telecom customers in that company's directory.

LH Telecom also states that its service area will mirror the service territory of incumbent local exchange carriers, Qwest and Iowa Telecom, and concurs in those

maps. Iowa Code § 476.29(4) requires that each certificate define the service territory in which land-line local telephone service will be provided and authorizes the Board to promulgate rules establishing requirements for filing maps showing the service territory. Subrule 199 IAC 22.20(3) requires that all utilities have on file with the Board maps, which show exchange boundaries. The Board finds that by the adoption of the exchange service areas and the service territory maps of Qwest and Iowa Telecom, LH Telecom has complied with the requirements of Board rules and Iowa statutes.

LH Telecom has filed proposed tariffs for Board approval, but the proposed tariffs do not contain the rates for providing local exchange service. The Board finds that a certificate should not be issued to LH Telecom until it has approved tariffs with the rates it will be charging.

**IT IS THEREFORE ORDERED:**

1. The application for a certificate of public convenience and necessity filed by LH Telecom Communications, Inc., on June 5, 2000, is approved, subject to the requirements that follow.

2. At the time LH Telecom files proposed tariffs with the rates to be charged for service with the Board, it must give notice to all affected local exchange carriers. Upon approval of tariffs to reflect the prices, terms, and conditions of local exchange service in Iowa offered by LH Telecom the Board will issue a certificate of public convenience and necessity allowing LH Telecom to provide local exchange service in Iowa.

3. The request for waivers of 199 IAC 16.5(2) and 199 IAC 22.3(1) are granted as described in this order.

**UTILITIES BOARD**

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.  
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 7<sup>th</sup> day of September, 2000.