

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>IOWA TELECOMMUNICATIONS SERVICES, INC., d/b/a IOWA TELECOM, AND LOST NATION – ELWOOD TELEPHONE COMPANY</p>	<p>DOCKET NO. SPU-05-19</p>
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ORDER APPROVING JOINT APPLICATION FOR DISCONTINUANCE OF SERVICE

(Issued September 30, 2005)

On September 7, 2005, Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), and Lost Nation – Elwood Telephone Company (Lost Nation) filed a joint application for discontinuance of service and transfer of certificate pursuant to Iowa Code §§ 476.20 and 476.29. The filing indicates that Lost Nation has acquired from Iowa Telecom the assets to provide local exchange service in the Oxford Junction, Iowa, exchange. The acquisition will result in the discontinuance of service by Iowa Telecom and the continuance of service by Lost Nation. The parties state that both Lost Nation and Iowa Telecom are certificated to provide service in the Oxford Junction exchange and have approved tariffs and exchange boundary maps on file for the provision of service in that exchange.

Iowa Code § 476.20(1) states that a utility shall not discontinue service to a community unless permission is obtained from the Board. The Board's rules at 199 IAC 7.12 address the discontinuance of service incident to utility property transfer. Within 30 days, the Board must either approve an application or docket it

for further investigation; otherwise, it will be deemed approved. The Board may grant an application if the Board finds the transferee is ready, willing, and able to provide comparable utility service.

Based on the information provided, the Board finds that Lost Nation has demonstrated a history of providing local exchange telecommunications service in compliance with the Board's rules and requirements and that it is ready, willing, and able to provide comparable service in the Oxford Junction exchange. The Board finds that the requirements of Iowa Code § 476.20(1) are satisfied and will approve the joint request for discontinuance of service by Iowa Telecom and Lost Nation in the Oxford Junction exchange pursuant to 199 IAC 7.12 and 22.16 and Iowa Code § 476.20(1). Since Lost Nation is already certificated to provide service in the Oxford Junction exchange, there is no need to transfer Iowa Telecom's certificate to Lost Nation. Both Iowa Telecom and Lost Nation will be required to amend their tariffs and maps as necessary to reflect the discontinuance of service within 30 days of this order.

The joint applicants also request a waiver of 199 IAC 22.23(2), to the extent one is necessary. The Board's rule 22.23 requires telecommunications service providers to obtain customer authorization prior to enacting a change in service. The Board recently amended this rule so that the sale or transfer of a utility's customer base would not be considered an unauthorized change in service as long as the utility complies with the notice requirements of 199 IAC 22.23(2)"e." The Board has been provided adequate notice of the change in service and the joint applicants

submitted a copy of the notice that was sent to Iowa Telecom's customers informing them of the change in service. These notices comply with the notice requirements of 199 IAC 22.23(2)"e." Therefore, a waiver of 199 IAC 22.23 is not necessary.

On September 21 and 22, 2005, Lost Nation made two supplemental filings to the joint application to clarify treatment of telephone numbering resources subsequent to the Board's approval of the joint application. Lost Nation states that there will be 16 customers remaining on Iowa Telecom's 486 prefix after the acquisition of Iowa Telecom's customers by Lost Nation. Lost Nation states that those customers will have their telephone numbers changed to Lost Nation's 826 prefix by August 1, 2006. Lost Nation also states that it will then return the 486 prefix to the North American Numbering Plan Administrator to provide an additional NXX to Iowa's inventory of unused central office codes. In addition, Lost Nation states that it will acquire all of Iowa Telecom's obligations in Oxford Junction including becoming capable of providing local number portability and number pooling in the Oxford Junction exchange. The Board approves of Lost Nation's proposed treatment of the 486 prefix and encourages Lost Nation to make the transition as easy for customers as possible.

In connection with the transfer, the joint applicants state they will require a waiver from the Federal Communications Commission (FCC) of the FCC's study area requirements. It has been the FCC's policy not to accept a waiver petition unless the state regulatory agency indicates that it does not object to changes in the study area boundaries. In previous transfers of this type, the Board has affirmatively stated that

it does not object to the FCC granting a study area waiver.¹ The Board finds it is appropriate to make the same statement in this docket.

IT IS THEREFORE ORDERED:

1. The joint application for approval of discontinuance of service with regard to the Oxford Junction, Iowa, exchange filed September 7, 2005, by Iowa Telecommunications Services, inc., d/b/a Iowa Telecom, and Lost Nation – Elwood Telephone Company is approved to be effective upon the issuance of this order.

2. Iowa Telecommunications Services, inc., d/b/a Iowa Telecom, and Lost Nation – Elwood Telephone Company are directed to file revised tariffs and maps as necessary to reflect the discontinuance of service in the Oxford Junction, Iowa, exchange by Iowa Telecom.

UTILITIES BOARD

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 30th day of September, 2005.

¹ See, for example, Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, and Norway Rural Telephone Service, "Order Approving Joint Application for Discontinuance of Service and Authorizing Transfer of Certificate," Docket No. SPU-02-2, issued March 12, 2002.