

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: COON CREEK TELECOMMUNICATIONS CORP., Complainant, vs. IOWA TELECOMMUNICATIONS SERVICES, INC., d/b/a IOWA TELECOM, Respondent.	DOCKET NO. FCU-06-42
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ORDER GRANTING INTERVENTIONS

(Issued July 28, 2006)

On June 27, 2006, the Utilities Board (Board) issued an order docketing Coon Creek Telecommunications Corp.'s (Coon Creek) complaint against Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), denying Iowa Telecom's motion to dismiss, and establishing a procedural schedule. The proceeding was identified as Docket No. FCU-06-42. The proceeding will examine Coon Creek's allegations that Iowa Telecom's pricing, bundling, and marketing practices threaten competition in the Belle Plaine and Marengo exchanges and are contrary to the public interest, and Coon Creek's request that some degree of regulation be reimposed pursuant to Iowa Code § 476.1D(6).

Four petitions to intervene in this docket have been filed. On July 13, 2006, the Rural Iowa Independent Telephone Association (RIITA) filed a petition to intervene. On July 14, 2006, Grand Mound Communications Co. (Grand Mound) and Huxley Communications Cooperative (Huxley) each filed a petition to intervene. On July 17, 2006, Guthrie Telecommunications Network, Inc. (Guthrie), filed a petition to intervene.

Each petitioner alleges an interest in the proceeding. RIITA, an association of rural independent telephone companies, states that the issues addressed in this docket may have an impact in other exchanges. RIITA states that predatory pricing is a concern of independent telephone companies competing with large carriers. RIITA seeks to participate in the hearing and briefing of legal issues and provide comments to the Board regarding the impact of this proceeding on rural independent telephone companies.

Grand Mound, a telephone cooperative, states its interest is demonstrated by the fact that Iowa Telecom recently entered a regulated exchange and offered a bundled service package at a price with which Grand Mound cannot compete. Huxley, a telephone cooperative, also states it has been competitively disadvantaged by Iowa Telecom. Guthrie, a competitive local exchange carrier, states it has been competitively disadvantaged by Iowa Telecom in its communities after deregulation. Grand Mound, Huxley, and Guthrie argue their interventions are appropriate because the legal standards and analysis developed in this case will determine how similar

issues arising in other exchanges will be addressed. Grand Mound, Huxley, and Guthrie state they do not intend to submit prefiled testimony or participate in the hearing, but ask to be included on the service lists and reserve the right to file briefs.

On July 20, 2006, Iowa Telecom filed a resistance to the petitions. In support of its resistance, Iowa Telecom argues none of the petitioners has shown any tangible interest in the outcome of the issues to be considered in this docket, which Iowa Telecom alleges relate only to the Belle Plaine and Marengo exchanges. Iowa Telecom argues the evidence in this docket is limited to the conduct of Coon Creek and Iowa Telecom in two exchanges that are not served by any other companies.

With respect to the petition filed by RIITA, Iowa Telecom argues that RIITA and its members have no interest to protect in this proceeding. With respect to the petitions filed by Grand Mound, Huxley, and Guthrie, Iowa Telecom argues that none identifies with any particularity what might be decided in this case that would prejudice a future claim involving one of those companies. Further, Iowa Telecom argues that because Grand Mound, Huxley, and Guthrie have stated they do not intend to present evidence, it cannot be said that their participation would be expected to assist in the development of the record in this case.

Board rule 7.13 governs interventions. Iowa Telecom correctly states that the rule no longer distinguishes between permissive intervention and intervention of right. Subrule 7.13(3) provides that any person having an interest in the subject matter of a proceeding may be permitted to intervene at the discretion of the Board. Paragraph

7.13(3)"a" identifies the prospective intervenor's interest in the subject matter of the proceeding as a factor the Board shall consider in determining whether to grant intervention. The subject matter of this proceeding is whether effective competition exists in certain exchanges and how the Board should determine whether such competition exists. The Board finds that the petitioners' interest in these issues justifies granting their petitions for intervention.

IT IS THEREFORE ORDERED:

The petitions to intervene in Docket No. FCU-06-42 filed by the Rural Iowa Independent Telephone Association, Grand Mound Communications Co., Huxley Communications Cooperative, and Guthrie Telecommunications Network, Inc., are granted.

UTILITIES BOARD

/s/ John R. Norris

ATTEST:

/s/ Margaret Munson
Executive Secretary, Deputy

/s/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 28th day of July, 2006.