

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  SOUTH SLOPE COOPERATIVE TELEPHONE COMPANY	DOCKET NO. RPU-07-1 (TF-07-32) (FCU-06-25)
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**ORDER DOCKETING APPLICATION, GRANTING INTERIM STAY, AND  
GRANTING REQUEST FOR CONFIDENTIAL TREATMENT**

(Issued February 16, 2007)

On January 23, 2007, the Utilities Board (Board) issued a final order in Docket No. FCU-06-25 stating, among other things, that South Slope Cooperative Telephone Company (South Slope) is offering local exchange service as a competitive local exchange service provider (CLESP), or competitive local exchange carrier (CLEC), in the Oxford, Solon, and Tiffin, Iowa, exchanges and that South Slope's assessment of a carrier common line charge (CCLC) for originating and terminating intrastate interexchange traffic is in violation of 199 IAC 22.14(2)"d"(1)"2." As part of the January 23, 2007, order, the Board directed South Slope to stop assessing a CCLC within 30 days of the issuance of that order, or by February 22, 2007, on calls originating or terminating in the subject exchanges.

On February 6, 2007, South Slope filed an application for a new rate for South Slope's carrier common line charge (CCLC) pursuant to Iowa Code §§ 476.6 and 476.7. The application has been identified as Docket No. RPU-07-1. In support of its request, South Slope states that it wishes to provide the requisite cost support for a

CCLC and elects to make the cost-supported CCLC effective February 21, 2007. South Slope also states that it would refund any amounts collected in excess of amounts finally approved by the Board.

The Board will docket South Slope's application pursuant to Iowa Code § 476.7. While South Slope filed its application pursuant to Iowa Code §§ 476.6 and 476.7, the former does not directly apply to this situation. Section 476.6 addresses companies that are subject to rate regulation and South Slope does not fall under that category. Therefore, the Board will docket South Slope's application pursuant to Iowa Code § 476.7, which allows the Board to determine the reasonableness of the utility's rates, charges, schedules, service, or regulations.

Pursuant to the Board's January 23, 2007, order in Docket No. FCU-06-25, South Slope has been directed to stop assessing the CCLC on or before February 22, 2007. As such, the Board must issue an order regarding South Slope's proposal to continue assessing the cost-supported CCLC on or before that date. The Board recognizes, however, that pursuant to Board rule 199 IAC 7.9(2), interested parties have 20 days from the date the application was filed, or until February 26, 2007, to file a response to South Slope's application. At the same time, it appears reasonable (based on the limited record to date) to allow South Slope to continue to collect the CCLC on an interim basis, subject to a refund based on the Board's final decision in this docket. Therefore, the Board will grant South Slope an interim stay of the CCLC provision of the January 23, 2007, order and allow South Slope to continue assessing the CCLC as an element of its access charges in the subject exchanges.

Interested parties will be allowed to file responses to South Slope's application until February 26, 2007. The interim stay will not be given any weight in the Board's consideration of any objections; the burden will remain on South Slope to justify continued collection of the CCLC in the subject exchanges if any objections are filed. Following the submission of any responses to the application, if the Board finds that South Slope should not be permitted to collect the CCLC on an interim basis, the Board will direct South Slope to refund all revenues attributed to the CCLC, plus interest, collected on calls to or from customers in the subject exchanges after February 21, 2007. The Board will also wait until any responses are filed before establishing a procedural schedule in this docket.

Also on February 6, 2007, South Slope filed a request for a document to be withheld from public inspection. An affidavit supporting this request was filed on February 9, 2007. Specifically, South Slope seeks confidential treatment of a detailed study of South Slope's investment and facilities data that was filed in association with its new rate application. South Slope states that the information constitutes confidential trade secrets under Iowa Code § 22.7(3) and also constitutes a report to a government agency within the meaning of Iowa Code § 22.7(6). The materials were sealed in a separate envelope and marked confidential.

Iowa Code § 22.7(3) provides confidential treatment for trade secrets that are recognized and protected as such by law. The material submitted by South Slope includes specific information regarding its number utilization and customer information. The supporting affidavit by Daniel S. Pieper, South Slope's Controller,

states that the information is unpublished data not known outside of South Slope and is in fact restricted to certain South Slope employees.

The Board finds that the application and affidavit support a finding that the investment and facilities data constitutes a trade secret under Iowa Code § 550.2(4) as it derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means, by a person able to obtain economic value from its disclosure, and it is the subject of reasonable efforts to maintain its secrecy. The Board finds that this information, if released, would provide an advantage to South Slope's competitors.

Iowa Code § 22.7(6) provides confidential treatment to public records that are reports to government agencies and which, if released, would give advantage to competitors and would serve no public purpose. The Board finds the submitted information constitutes a report to a government agency and the Board finds that the release of the information would serve no public purpose. Therefore, the Board will hold the information confidential under the provisions of Iowa Code §§ 22.7(3) and 22.7(6) as requested by South Slope on February 6, 2007.

**IT IS THEREFORE ORDERED:**

1. The application for a new rate of a carrier common line charge filed by South Slope Cooperative Telephone Company on February 6, 2007, is docketed pursuant to Iowa Code § 476.7.
2. The Board will grant an interim stay of Ordering Clause No. 2 in Docket No. FCU-06-25, of its January 23, 2007, order requiring South Slope Cooperative

Telephone Company to cease assessment of a carrier common line charge in the subject exchanges on or before February 22, 2007, as described in this order.

3. The request for confidentiality filed by South Slope Cooperative Telephone Company on February 6, 2007, is granted pursuant to Iowa Code §§ 22.7(3) and 22.7(6).

4. The information shall be held confidential by the Board subject to the provisions of 199 IAC 1.9(8)"b"(3).

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

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Dated at Des Moines, Iowa, this 16<sup>th</sup> day of February, 2007.