

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: SOUTH SLOPE COOPERATIVE TELEPHONE COMPANY	DOCKET NO. TCU-08-2
------------------------------------------------------------	---------------------

ORDER APPROVING APPLICATION TO AMEND CERTIFICATE

(Issued April 23, 2008)

On February 26, 2008, South Slope Cooperative Telephone Company (South Slope) filed with the Utilities Board (Board) a request to amend its certificate of public convenience and necessity to allow it to provide competitive local exchange service in the Swisher, Iowa, exchange. South Slope proposes to provide service in the Swisher exchange by building its own facilities. South Slope also states that it will operate as a competitive local exchange carrier (CLEC) in the Swisher service territory and will comply with Board rule 199 IAC 22.14(2), which governs intrastate access charges as they pertain to CLECs operating in exchanges in which the incumbent carrier has intrastate access charges that are below a certain level. In addition, South Slope has provided a statement indicating that it intends to participate in number pooling and will obtain numbering resources via donated 1,000 blocks rather than through the assignment of a new block of 10,000 numbers (often referred to as an NXX).

On March 17, 2008, Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), filed an objection to South Slope's application. Iowa Telecom asserts that while it does not currently offer local services in the Swisher exchange, it is concerned that South Slope may implement a business practice in the Swisher exchange that may inhibit Iowa Telecom's ability to compete with South Slope in the Oxford, Solon, and Tiffin, Iowa, exchanges. Specifically, Iowa Telecom states that South Slope has established an exclusive calling club plan that allows any South Slope customer to call another South Slope customer using seven-digit toll free dialing. Iowa Telecom asserts that this calling plan is anticompetitive and violates Iowa Code § 476.101(9)(c), 47 U.S.C. § 251(b)(3), 47 C.F.R. § 51.207, and 47 C.F.R. § 51.209(c) by disadvantaging customers who may choose to receive services from another telecommunications carrier and failing to provide toll dialing parity. Iowa Telecom asks the Board to condition its approval of South Slope's application and require South Slope to address these issues.

On March 31, 2008, South Slope filed a resistance to Iowa Telecom's objection. South Slope states that Iowa Telecom's objection is improper because Iowa Telecom does not provide service in the Swisher exchange and the objection is based on speculative possibilities. South Slope states that its application complies with all of the requirements of Iowa Code § 476.29.

The Board has carefully considered South Slope's application and will grant its application to amend its certificate to include the Swisher, Iowa, exchange. The

Board recognizes Iowa Telecom's objection, however, Iowa Telecom raises issues that are not appropriately addressed in this certificate proceeding. South Slope's application to modify its certificate was filed pursuant to § 476.29. According to that statute, the Board must consider whether 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 the public interest." Iowa Telecom does not challenge South Slope's technical, financial, or managerial ability to provide service in the Swisher exchange. Moreover, Iowa Telecom acknowledges that it does not provide service in the Swisher exchange and its objection appears to be based on a hypothetical situation that may, or may not, come to pass. Therefore, the Board finds that South Slope's application meets the necessary criteria of Iowa Code § 476.29.

South Slope has not yet filed a tariff reflecting the terms and conditions of service in the Swisher exchange, nor has South Slope provided an exchange boundary map of the Swisher exchange pursuant to Iowa Code § 476.29(4), which requires that each certificate define the service territory in which landline local telephone service will be provided. In addition, 199 IAC 22.20(3) requires that all utilities have maps (or a concurrence in an existing map) on file with the Board that show exchange boundaries. Therefore, South Slope will be required to file the appropriate tariff and map with the Board for approval prior to initiating service in the Swisher exchange. The Board will issue the amended certificate when these requirements have been fulfilled.

IT IS THEREFORE ORDERED:

1. The application filed by South Slope Cooperative Telephone Company filed on February 26, 2008, to amend its certificate of public convenience and necessity to reflect the addition of the Swisher, Iowa, exchange is granted, subject to the requirements that follow.

2. The Board will issue an amended certificate of public convenience and necessity allowing South Slope Cooperative Telephone Company to provide facilities-based local exchange service to the Swisher, Iowa, exchange upon approval of an amendment to its tariff reflecting the addition of local services to this exchange and upon approval of an updated exchange boundary map reflecting the addition of the Swisher, Iowa, exchange on file with the Board.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 23rd day of April, 2008.