

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: UNITED FARMERS TELEPHONE COMPANY	DOCKET NO. VCA-08-13
	CERTIFICATE NO. V-0003

ORDER GRANTING APPLICATION AND ISSUING CERTIFICATE

(Issued December 22, 2008)

On December 1, 2008, United Farmers Telephone Company (United Farmers) filed an initial application for a certificate of franchise authority to provide video service. United Farmers indicates on its application that it seeks a certificate of franchise authority as an incumbent provider. However, based on United Farmers' response to an inquiry from the Board, the Board understands that United Farmers' affiliated company, Evertex, Inc. (Evertex), is the incumbent provider.¹ Therefore, the Board will consider United Farmers' application as one for certification as a competitive video service provider.

United Farmers attached to its application a copy of a notice it sent to Evertex explaining that it is constructing a fiber network over which video services will be offered. United Farmers also explains that United Farmers and Evertex are subsidiaries of the same holding company, Evertex Enterprises, Inc. United Farmers states that current Evertex customers will be transferred to the new network operated

¹ In response to an inquiry from the Board, United Farmers stated the municipal franchise between Evertex, Inc., and the City of Everly has expired.

by United Farmers and Evertek will provide wireless service. United Farmers explains further that it is financing the construction of the network with a Rural Utilities Service loan, a low-cost option for service improvements, which is available to incumbent telephone companies such as United Farmers. Thus, there appears to be a legitimate business reason for this transaction involving affiliated entities.

United Farmers' application includes an affidavit signed by its chief executive officer affirming that United Farmers has filed or will file with the Federal Communications Commission (FCC) all forms required by the FCC before offering service in Iowa and that United Farmers agrees to comply with all applicable federal and state statutes, regulations, and rules, and with all applicable state laws and nondiscriminatory municipal ordinances and regulations regarding the use and occupation of a public right-of-way in the delivery of cable or video service, to the extent consistent with Iowa Code chapter 477A, including the police powers of the municipalities in which the service is delivered.

United Farmers' application includes the names and titles of its principal executive officers with direct authority over cable and/or video operations and provides customer service contact information. United Farmers states it will provide video service in the Everly, Iowa, local telephone exchange service area.

As required by Board rule 44.6, United Farmers attached a filing fee of \$100 to the application.

While it appears that United Farmers has already notified the incumbent provider of its intent to provide service, the Board reminds United Farmers that, pursuant to Board subrule rule 44.4(1), at least 30 days prior to providing service, United Farmers must notify each municipality with authority to grant a franchise in United Farmers' service area that United Farmers will be providing service in that area and when service will begin. Further, pursuant to subrule 44.4(2), United Farmers must file with the Board a copy of the notice it sends to the affected municipalities.

The Board has reviewed United Farmers' application and finds it complies with the Board's rules at 199 IAC 44. The Board will grant United Farmers' application for a certificate of franchise authority to provide video service in the Everly, Iowa, local telephone exchange. The Board will issue United Farmers a certificate of franchise authority concurrently with this order.

IT IS THEREFORE ORDERED:

1. The application for a certificate of franchise authority to provide video service filed by United Farmers Telephone Company on December 1, 2008, is granted.

2. A certificate of franchise authority, identified as Certificate No. V-0003, is issued to United Farmers Telephone Company concurrently with this order.

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 22nd day of December, 2008.