

96-45

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE FILE COPY ORIGINAL
FORM 159

Approved by OMB
3060-0589
Page No 1 of 2

(1) LOCKBOX# 358140		FCC/MELLON		DEC 06 2007		SECTION B - SERVICE INFORMATION	
SECTION A - PAYER INFORMATION							
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Qwest Corporation				(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$7,365.00			
(4) STREET ADDRESS LINE NO. 1 10th Floor							
(5) STREET ADDRESS LINE NO. 2 1801 California Street							
(6) CITY Denver				(7) STATE CO		(8) ZIP CODE 80202	
(9) DAYTIME TELEPHONE NUMBER (include area code) 303-383-6594				(10) COUNTRY CODE (if not in U.S.A.)			
FCC REGISTRATION NUMBER (FRN) REQUIRED							
(11) PAYER (FRN) 0003746757				(12) FCC USE ONLY			
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET							
(13) APPLICANT NAME Qwest Corporation							
(14) STREET ADDRESS LINE NO. 1 10th Floor							
(15) STREET ADDRESS LINE NO. 2 1801 California Street							
(16) CITY Denver				(17) STATE CO		(18) ZIP CODE 80202	
(19) DAYTIME TELEPHONE NUMBER (include area code) 303-383-6594				(20) COUNTRY CODE (if not in U.S.A.)			
FCC REGISTRATION NUMBER (FRN) REQUIRED							
(21) APPLICANT (FRN) 0003746757				(22) FCC USE ONLY			
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET							
(23A) CALL SIGN/OTHER ID		(24A) PAYMENT TYPE CODE BEA		(25A) QUANTITY 1			
(26A) FEE DUE FOR (PTC) \$7,365.00		(27A) TOTAL FEE \$7,365.00		(28) FCC USE ONLY			
(28A) FCC CODE 1				(29A) FCC CODE 2			
(23B) CALL SIGN/OTHER ID		(24B) PAYMENT TYPE CODE		(25B) QUANTITY			
(26B) FEE DUE FOR (PTC)		(27B) TOTAL FEE		(28) FCC USE ONLY			
(28B) FCC CODE 1				(29B) FCC CODE 2			
SECTION D - CERTIFICATION							
CERTIFICATION STATEMENT I, <u>Ross Dino</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.							
SIGNATURE <u>Ross Dino</u>				DATE <u>12/5/07</u>			
SECTION E - CREDIT CARD PAYMENT INFORMATION							
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____							
ACCOUNT NUMBER _____				EXPIRATION DATE _____			
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.							
SIGNATURE _____				DATE _____			

Note: Fee paid by check.

No. of Copies rec'd
List ABCDE 0

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE (CONTINUATION SHEET)
FORM 159-C

Page No 2 of 2

SPECIAL USE
FCC USE ONLY

USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT
SECTION BB- ADDITIONAL APPLICANT INFORMATION

(13) APPLICANT NAME <i>Iowa Telecommunications Services, Inc</i>	
(14) STREET ADDRESS LINE NO. 1 <i>403 W. 4th Street North</i>	
(15) STREET ADDRESS LINE NO. 2 <i>P.O. Box 1046</i>	
(16) CITY <i>Newton</i>	(17) STATE <i>IA</i>
(18) ZIP CODE <i>50208</i>	
(19) DAYTIME TELEPHONE NUMBER (include area code) <i>641-787-2337</i>	(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED	
(21) APPLICANT (FRN) <i>0003911385</i>	(22) FCC USE ONLY

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FCC USE ONLY
(28A) FCC CODE 1	(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1	(29B) FCC CODE 2	
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FCC USE ONLY
(28C) FCC CODE 1	(29C) FCC CODE 2	
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FCC USE ONLY
(28D) FCC CODE 1	(29D) FCC CODE 2	
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FCC USE ONLY
(28E) FCC CODE 1	(29E) FCC CODE 2	
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FCC USE ONLY
(28F) FCC CODE 1	(29F) FCC CODE 2	



Qwest
1801 California Street, 10th Floor
Denver, Colorado 80202
Phone 303-383-6653
Facsimile 303-896-1107

Daphne E. Butler
Senior Attorney

December 5, 2007

VIA UPS

Federal Communications Commission
% Mellon Bank Client Service Center
Room 670
500 Ross Street
Pittsburgh, PA 15262-0001

Attn: FCC Module Supervisor
P.O. Box 358140

Re: Qwest Corporation and Iowa Telecommunications Services, Inc.,
d/b/a Iowa Telecom Joint Petition for Expedited Waiver

In connection with Lockbox number 358140, enclosed with this letter for filing with the Federal Communications Commission is Qwest Corporation's and Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom's Joint Petition for Expedited Waiver. Also included is a completed Remittance Advice FCC Form 159; this form includes a check to cover the petition processing fee (\$7,365.00) associated with this submission. *See*, 47 C.F.R. § 1.1105(4)(b). Finally, enclosed is an extra copy of the first page of the Petition, which has been marked "copy," which is expressly provided to be stamped as received and returned to the undersigned in the enclosed stamped, self-addressed envelope.

Thank you for your assistance with this matter, and please do not hesitate to call me at the above telephone number should there be any questions concerning this correspondence.

Sincerely,

A handwritten signature in black ink, appearing to read "Daphne E. Butler", is written over the typed name.

Daphne E. Butler

Enclosures

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)

QWEST CORPORATION)
and IOWA TELECOMMUNICATIONS)
SERVICES, INC., d/b/a IOWA TELECOM)

Joint Petition for Waiver of the Definition)
of "Study Area" Contained in Part 36,)
Appendix-Glossary of the Commission's)
Rules)

CC
WC Docket No. 96-45

JOINT PETITION FOR EXPEDITED WAIVER

Qwest Corporation ("QC") and Iowa Telecommunication Services, Inc., d/b/a Iowa Telecom ("Iowa Telecom") (collectively, "Petitioners") hereby request waiver of the definition of "study area" contained in the Appendix-Glossary of Part 36 of the Federal Communications Commission's ("Commission's") Rules with respect to transfers previously approved by the State of Iowa Utilities Board ("Iowa Board"). Specifically, Petitioners seek approval to transfer a portion of operating area currently in QC's Ankeny, Iowa exchange from QC to Iowa Telecom, and likewise to transfer a portion of operating area currently in Iowa Telecom's Elkhart, Iowa exchange from Iowa Telecom to QC, as described in the Appendix.

FACTS

This transfer is being implemented, if approved, in anticipation of the need to build new facilities and provide new service based on future demand from customers that will be located in a small new subdivision that is being built which straddles the Elkhart and Ankeny exchanges of the respective companies. The current boundary line between the companies' study areas would require part of the subdivision to be served by Iowa Telecom and another part to be served by

QC. In order for Iowa Telecom to serve the portion of the development located within its current Elkhart exchange boundaries, Iowa Telecom would have to extend facilities by trenching under Interstate 35, a very costly endeavor. Further, in order for both companies to serve their respective portions of this small new development each would have to lay new facilities that, depending on the street design, may ultimately run parallel to each other. Neither Petitioner believes that such an arrangement is economically efficient since the number of expected customers would not generate sufficient revenues to justify the duplicative and expensive construction.

Therefore, the Petitioners have agreed to a transfer of exchange territory between themselves, effectuated through a boundary line change, in which the entire new subdivision would be located in QC's Ankeny exchange. QC has been informed that customers located in the new subdivision will likely begin requesting service late in the first quarter of 2008.

As compensation for Iowa Telecom transferring the part of its Elkhart exchange affected by the new subdivision to QC's Ankeny exchange, QC has agreed to an exchange boundary modification that would transfer an unrelated portion of its Ankeny exchange to Iowa Telecom's Elkhart exchange. QC currently serves five customers in the area to be transferred to Iowa Telecom and incorporated in its Elkhart exchange. QC will give those five customers the option of continuing to receive service from QC out of QC's Ankeny exchange until such time that they disconnect service or choose to receive service from Iowa Telecom or some other provider. However, for all new service requests at these locations and others within the transfer area, Iowa Telecom will be the incumbent local exchange provider.

QC and Iowa Telecom filed requests with the Iowa Utilities Board ("IUB") on September 18, 2007 and September 19, 2007, respectively, to effectuate the necessary exchange boundary

map modifications. The IUB subsequently approved such requests, observing that such boundary changes are reasonable.¹ On November 16, 2007, QC filed with this Commission a petition pursuant to section 63.71 to discontinue service in the area to be transferred to Iowa Telecom.

COMPLIANCE WITH "ONE PERCENT" CONDITION

The Commission will approve a study area boundary modification if it does not have an adverse effect on the Universal Service Fund. In particular, the Commission has analyzed "whether [the] study area waiver will result in an annual aggregate shift in high-cost support in an amount equal to or greater than one-percent of the total high-cost fund for the pertinent funding year."²

There will be little, if any, shift in high cost support in this funding year due to the proposed transaction. Neither QC with respect to the Ankeny wire center nor Iowa Telecom with respect to the Elkhart wire center receive federal high-cost support under Part 54, Subpart D of the Commission's rules. Therefore, granting the Petition would have no effect on the distribution of such funds.

Similarly, QC receives no interstate access support ("IAS") in the Ankeny wire center as such wire center is in a zone not eligible for such funding. If the Commission were to grant the Petition, Iowa Telecom would receive an additional \$300 per year in IAS for the five new customers served in its Elkhart wire center, a miniscule amount. Even if this number were to

¹ *Qwest Corporation and Iowa Telecommunications Services, Inc. d/b/a Iowa Telecom*, Docket Nos. TF-07-165 and TF-07-166, Order Approving Changes to Exchange Boundary Maps (Iowa Utils. Bd. Oct. 15, 2007)(attached hereto).

² *In the Matter of M&L Enterprises, Inc., d/b/a Skyline Telephone Company Petition for Waiver of Sections 36.611, 36.612, and 69.2(hh) of the Commission's Rules*, Order, 19 FCC Rcd 6761, 6767 ¶ 15 (2004).

increase as a result of any eventual development in the service area that Iowa Telecom would acquire as part of the transaction, the total amount of increased IAS would be de minimis.

STUDY AREA WAIVER

The Commission froze study area boundaries as of November 15, 1984 to prevent telephone holding companies from setting up high cost exchanges within their existing service territories as separate companies in order to maximize high cost support.³ The Commission expressly stated at the time that study areas were not frozen to "discourage the acquisition of high cost exchanges or the expansion of service to high cost areas."⁴

In reviewing study area waiver petitions, the Commission employs the following three-prong standard: (1) the change in study area boundaries must not adversely affect the Universal Service Fund; (2) no state commission having regulatory authority over the transferred exchanges may oppose the transfer; and (3) the transfer must be in the public interest.⁵

Universal Service Fund. As stated above, the change will have an extremely de minimis effect on the Universal Service Fund.

³ *In the Matter of MTS and WATS Market Structure, Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board*, Decision and Order, 50 Fed. Reg. 939 (1985) adopting Recommended Decision and Order, 49 Fed. Reg. 48325 (1984).

⁴ *MTS and WATS Market Structure; and Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board Amendment of Part 67*, 49 Fed. Reg. 48325, 48337 ¶ 65 (1984).

⁵ See, e.g., *In the Matter of US West Communications, Inc. and South Central Utah Telephone Association, Inc., Joint Petition for the Definition of "Study Area" contained in Part 36, Appendix-Glossary of the Commission's Rules and South Central Utah Telephone Association, Inc. Petition for Waivers of Section 61.41(c) of the Commission's Rules*, Memorandum Opinion and Order, 9 FCC Rcd 198 (1993); *In the Matter of US West Communications, Inc. and Triangle Telephone Cooperate Associations, Inc. et al., Joint Petitions for Waiver of the Definition of "Study Area" contained in Part 36, Appendix-Glossary of the Commission's Rules and Petitions for Waiver of Sections 61.41(c) and 69.3(e)(11) of the Commission's Rules*, Memorandum Opinion and Order, 9 FCC Rcd 202 (1993).

State Commission Approval. As discussed above, the Iowa Utilities Board previously issued an order approving the proposed transfer, finding it reasonable since the boundary revisions will accommodate a residential subdivision and the five existing QC customers will have the option of retaining QC or subscribing to services from another carrier.

Public Interest Benefits. It would be in the public interest to allow Petitioners to make the proposed transfer so that efficient service can be provided to the small new housing development that lies across Interstate 35 from Iowa Telecom's current facilities in the Elkhart exchange. Unless the proposed transfer is made, Iowa Telecom would have to incur the significant expense of trenching and installing facilities under a major interstate highway in order to reach an area more efficiently served by existing QC facilities. Iowa Telecom does not believe that the amount of potential demand is sufficient to justify this added expense, thus jeopardizing the availability of service to these new customers and potentially affecting other current projects Iowa Telecom has planned for its existing and future customers. Moreover, as stated above, the Iowa Utilities Board has already found the transfer to be reasonable.

CONCLUSION

Petitioners have met their burden of proving that the proposed study area boundary waiver will not adversely affect the Universal Service Fund; is not opposed by the Iowa Utilities Board, and will be in the public interest. Therefore, Petitioners respectfully request waiver of the frozen study area boundaries to allow QC and Iowa Telecom to rearrange their study areas to accommodate the proposed new development.

Respectfully submitted,

IOWA TELECOMMUNICATIONS SERVICES,
INC.

By:



Edward B. Krachmer
403 W. 4th St. N.
P.O. Box 1046
Newton, IA 50208
(641) 787-2337

Its Attorney

QWEST CORPORATION

By:



Craig J. Brown
Daphne E. Butler
Suite 950
607 14th Street, N.W.
Washington, DC 20005
(303) 383-6653

Its Attorneys

December 5, 2007

PROPOSED TRANSFER

The Joint Applicants request that the following Qwest operating area within its Ankeny exchange be transferred to Iowa Telecom.

The W1/2SW1/4 Section 5; that portion of the S1/2 Section 6 lying east of Interstate 35; that portion of the N1/2N1/2N1/2 Section 7 lying east of Interstate 35; and the N1/2NW1/4NW1/4 Section 8; all in Township 80N, Range 23W.

Additionally, the Petitioners request that the following Iowa Telecom operating area be transferred to the Qwest Ankeny exchange:

That portion of the N1/2 Section 6 lying west of Interstate 35; all in Township 80N, Range 23W.

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE:

QWEST CORPORATION AND IOWA
TELECOMMUNICATIONS SERVICES,
INC., d/b/a IOWA TELECOM

DOCKET NOS. TF-07-165
TF-07-166

ORDER APPROVING CHANGES TO EXCHANGE BOUNDARY MAPS

(Issued October 15, 2007)

On September 18, 2007, Qwest Corporation (Qwest) filed a request to change its exchange boundary map for the Ankeny, Iowa, exchange. The filing has been identified as TF-07-165.

Qwest's request proposes to transfer a limited area that is currently located in the Elkhart, Iowa, exchange, currently served by Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), to the Ankeny exchange. Qwest states that a new residential subdivision is developing in both the Elkhart and Ankeny exchanges and that the current boundary line between the exchanges would require part of the subdivision to be served by the Elkhart exchange and another part to be served by the Ankeny exchange. Qwest states that it has reached an agreement with Iowa Telecom that Qwest will serve the entire development from the Ankeny exchange and to do that, a portion of the Elkhart exchange will transfer to the Ankeny exchange and a portion of the Ankeny exchange will transfer to the Elkhart exchange. Qwest submitted proposed revised exchange boundary maps with its request.

Qwest states that Iowa Telecom does not have any customers in the Elkhart exchange that would be affected by this change. Qwest also states that it provides local exchange service to five customers in the area transferring from the Ankeny exchange to the Elkhart exchange and that notice was served on these customers on September 18, 2007. Qwest states that it will provide these customers the option of retaining Qwest local exchange service through the Ankeny exchange:

On September 19, 2007, Iowa Telecom filed a corresponding request to revise its boundary map for the Elkhart, Iowa, exchange. Iowa Telecom's filing reflects the same information regarding the transfer of exchange areas. This filing is identified as TF-07-166. Iowa Telecom filed proposed revised exchange boundary maps along with its request.

The Board will approve the proposed changes to the Ankeny and Elkhart exchange boundaries submitted by Qwest and Iowa Telecom pursuant to Iowa Code § 476.29(8). The Board finds that the changes are reasonable since the boundary revisions were initiated to accommodate a residential subdivision from a single exchange and the five existing Qwest customers have the choice of retaining Qwest as their local exchange service provider or subscribing with another carrier. Both Qwest and Iowa Telecom have agreed to the boundary changes.

Qwest's and Iowa Telecom's requests merely change the boundaries of current exchanges already covered by each party's certificate. Therefore, amended certificates are not needed.

IT IS THEREFORE ORDERED:

1. The request of Qwest Corporation filed on September 18, 2007, to change the exchange boundary map for the Ankeny, Iowa, exchange is granted.
2. The revised map for the Ankeny, Iowa, exchange filed by Qwest Corporation on September 18, 2007, is approved effective the date of this order.
3. The request of Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, filed on September 19, 2007, to change the exchange boundary map for the Elkhart, Iowa, exchange is granted.
4. The revised map for the Elkhart, Iowa, exchange filed by Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, on September 19, 2007, is approved effective the date of this order.
5. The proposed changes, identified as TF-07-165 and TF-07-166, are approved and become effective upon the issuance of this order.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

Dated at Des Moines, Iowa, this 15th day of October, 2007.

CERTIFICATE OF SERVICE

I, Richard Grozier, do hereby certify that I have caused a copy of the foregoing **JOINT PETITION FOR EXPEDITED WAIVER** to be hand delivered on December 6, 2007 to the entities listed below.*

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, N.W.
Washington, DC 20554

Best Copy and Printing, Inc.
Room CY-B402
445 12th Street, N.W.
Washington, DC 20554


Richard Grozier

December 5, 2007

* The original Petition for Expedited Waiver, and the associated filing fee and Form 159, were transmitted on December 5, 2007 via overnight delivery to the Mellon Bank in Pittsburgh for filing with the FCC on December 6, 2007.