

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendrayer
Marshall Johnson
Ken Nickolai
Phyllis A. Reha
Gregory Scott

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Application of St. Olaf
College for a Certificate of Authority to
Provide Local Exchange and Interexchange
Services

ISSUE DATE: March 18, 2004

DOCKET NO. P-6285/NA-03-1361

ORDER GRANTING CERTIFICATE OF
AUTHORITY, AS CONDITIONED

PROCEDURAL HISTORY

On August 26, 2003, St. Olaf College (St. Olaf) submitted a petition for authority to provide facilities-based local exchange and interexchange services. St. Olaf also submitted its proposed tariff.

On October 10, 2003, the Minnesota Department of Commerce (the Department) filed comments recommending approval of St. Olaf 's certificate to provide facilities-based local exchange and interexchange services upon meeting certain specified conditions.

Also on October 10, 2003, Qwest filed comments recommending that the petition for authority be denied because

1. the Articles of Incorporation of St. Olaf College appear to be inconsistent with commercial offering of telecommunications services;
2. St. Olaf College may have the intent of reducing its own telecommunications costs through the bypass of retail telecommunications providers rather than intending to provide a service that benefits the general public; and
3. St. Olaf College lacks the management ability to operate a telephone company.

On October 30, 2003, the Department filed responsive comments arguing that Qwest has not provided any evidence that the College of St. Olaf is not qualified to provide telecommunications services and therefore continued to recommend approval St. Olaf College's petition.

On October 31, 2003, St. Olaf College filed responsive comments arguing that it has the legal ability and necessary qualifications to operate as a competitive local exchange company (CLEC) and that it will provide services that will benefit the community as well as its students.

On January 9, 2004, Commission staff sent a memo to St. Olaf College recommending revisions to its tariff.

On January 12, 2004, St. Olaf College filed tariff revisions with the Commission.

On March 3, 2004, the Department commented that St. Olaf College's revised tariff did not include prices for its services and cannot be approved at this time. The Department noted that St. Olaf College intends to file a tariff with the prices for Commission approval at a later date.

The Commission met to consider this matter on March 11, 2004.

FINDINGS AND CONCLUSIONS

I. St. Olaf's Application

St. Olaf College requested a certificate of authority to provide facilities-based interexchange service statewide and a conditional certificate of authority to provide facilities-based local service in the Northfield exchange.

II. The Department's Recommendation

The Department found no merit in the three objections to St. Olaf's application that Qwest raised in its initial comments. The Department stated that the record did not support Qwest's arguments.

Based on its review, the Department stated that St. Olaf possessed the managerial, technical, and financial abilities required under Minnesota law to provide telecommunications service, but had not filed several items required in order to receive an operational certificate of authority to provide local service. Accordingly, the Department recommended that the Commission grant St. Olaf a conditional certificates of authority to provide facilities based local exchange services in Qwest's Northfield exchange and facilities based interexchange (long distance) services statewide.

The Department identified five conditions to receipt of operational authority for facilities based local exchange services:

1. Commission approval of St. Olaf's interconnection agreement;
2. Commission approval of St. Olaf's 911 plan;
3. Commission approval of St. Olaf's tariff;
4. St. Olaf filing a narrative description of service area; and
5. St. Olaf filing a toll free number.

The Department identified one condition to receive operational authority for interexchange services: Commission approval of a tariff.

III. Qwest's Comments

At the hearing on his matter, Qwest stated that it no longer maintained the objections to St. Olaf's certificate that it had raised in its initial written comments (October 10, 2003) and was content that its additional concern about non-profit organizations undertaking to "bypass" Qwest's network was raised.

IV. Commission Analysis and Action

One of the goals of the Commission is to increase competition in the provision of local telecommunications service. In this case, the applicant St. Olaf has demonstrated that it has the managerial, technical, and financial abilities required under Minnesota law to operate the small telephone company proposed. In addition, granting the requested authority is in the public interest because it will provide the students, as well as the citizens of Northfield, more options when choosing their telecommunications carrier.

The Commission clarifies that the certificates of authority granted St. Olaf is subject to the conditions identified by the Department, i.e. the conditions specified in the Order Paragraph 1. St. Olaf will not be allowed to provide local services until the listed conditions for that authority have been fulfilled and will not be allowed to provide interexchange services until the condition listed for that authority has been fulfilled

ORDER

1. The Commission hereby grants St. Olaf College a Certificate of Authority to provide local exchange services in the Northfield exchange. This Certificate of Authority will become operational once St. Olaf
 - a. obtains Commission approval of an interconnection agreement;
 - b. obtains Commission approval of a 911 plan;
 - c. obtains Commission approval of a tariff for these services;
 - d. files a narrative description of service area; and
 - e. files a toll free number.
2. The Commission hereby grants St. Olaf College a Certificate of Authority to provide interexchange services in the state of Minnesota. This Certificate of Authority will become operational once St. Olaf obtains Commission approval of a long distance tariff for these services.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

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