Decision No. R04-1070-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 03A-496T

IN THE MATTER OF THE JOINT APPLICATION TO EXPAND THE LOCAL CALLING AREA IN NORTHERN COLORADO.

RECOMMENDED DECISION OF ADMINISTRATIVE LAW JUDGE WILLIAM J. FRITZEL ACCEPTING PARTIAL SETTLEMENT AGREEMENT

Mailed Date: September 8, 2004

I. STATEMENT, FINDINGS AND CONCLUSIONS

1. On August 30, 2004, Nunn Telephone Company, the Staff of the Public Utilities Commission of the State of Colorado, the Office of Consumer Counsel, and the City of Loveland, Colorado (Joint Movants) filed an Unopposed Joint Motion to Approve Partial Stipulation and Partial Settlement, Agreement of the Parties, and Request for Waiver of Response Time. On the same date, Joint Movants filed a Partial Stipulation and Partial Settlement Agreement.

2. Joint Movants state that they have resolved the issue in this docket concerning whether the Applicants have demonstrated clear and convincing evidence of a community of interest under the alternative criteria for the community of interest standard contained in 4 *Code of Colorado Regulations* (CCR) 723-2-17.3.3.2. The Joint Movants also state that any issues that are not specifically addressed in the Partial Stipulation and Partial Settlement Agreement, attached to and incorporated in this order, will be addressed at the hearing of this matter.

3. Joint Movants stipulate with the Applicants to the facts contained in the Joint Application. The parties agree that the stipulated facts constitute clear and convincing evidence of the community of interest under the alternative criteria standard for the community of interest contained in 4 CCR 723-2-17.3.3.2.

4. Qwest Corporation, though not a party to the Partial Stipulation and Partial Settlement Agreement does not object to the approval Agreement. Thus, no party opposes the Motion to Approve the Partial Stipulation and Partial Settlement Agreement.

5. It is found that the Partial Stipulation and Partial Settlement Agreement filed on August 30, 2004 is just, reasonable, and in the public interest.

6. Pursuant to Section 40-6-109, C.R.S., it is recommended that the following order by entered.

II. ORDER

A. The Commission Orders That:

1. The Unopposed Joint Motion to Approve Partial Stipulation and Partial Settlement Agreement is granted. Response time to the motion is waived.

2. The Partial Stipulation and Partial Settlement Agreement filed on August 30, 2004, attached to this Order as Exhibit A is accepted.

3. This Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

4. As provided by § 40-6-109, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.

a) If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.

b) If a party seeks to amend, modify, annul, or reverse basic findings of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.

5. If exceptions to this Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded.

(S E A L)

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

WILLIAM J. FRITZEL

Administrative Law Judge

ATTEST: A TRUE COPY

Bruce N. Smith
Director

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

Docket No. 03A-496T

IN THE MATTER OF THE JOINT APPLICATION TO EXPAND THE LOCAL CALLING AREA IN NORTHERN COLORADO

PARTIAL STIPULATION AND PARTIAL SETTLEMENT AGREEMENT OF THE PARTIES

Nunn Telephone Company ("Nunn"), the Staff of the Public Utilities Commission of the State of Colorado ("Staff"), the Office of Consumer Counsel ("OCC"), and Larimer County, Colorado; Weld County, Colorado; City of Loveland, Colorado; Loveland Chamber of Commerce; City of Greeley, Colorado; Town of Windsor, Colorado; Windsor Chamber of Commerce; City of Fort Collins, Colorado; Fort Collins Chamber of Commerce; Town of Ault, Colorado; Town of Timnath, Colorado; Town of LaSalle, Colorado; Town of Kersey, Colorado; Town of Mead, Colorado; Town of Nunn, Colorado; City of Evans, Colorado; Town of Eaton, Colorado; Town of Estes Park, Colorado; Town of Milliken, Colorado; Town of Platteville, Colorado; Town of Berthoud, Colorado; and Town of Johnstown, Colorado (collectively, the "Applicants"), each individually a "Party" and collectively "the Parties," by and through their respective counsel, submit this Partial Stipulation and Partial Settlement Agreement ("Partial Stipulation") as more fully described herein. The Parties respectfully submit this Partial Stipulation for approval by the Commission pursuant to Rule 723-1-83(a) (2000) of the Commission's Rules of Practice and Procedure.

PROCEDURAL BACKGROUND

On or about November 14, 2003, the Applicants filed a Joint Application to Expand the Local Calling Area in Northern Colorado ("Joint Application"). The Commission published its

Notice of Application Filed on or about November 19, 2003. By Decision No. C03-1350, Qwest and Nunn were made indispensable parties to the Docket. Qwest and Nunn filed a joint Notice of Intervention, Entry of Appearance, and Request for Extension of Time on December 15, 2003. In the motion, Qwest and Nunn requested an extension of time to and including January 30, 2004 to perform and submit "all necessary analyses to quantify calling volumes per customer ... and all necessary revenue and cost analyses to quantify the rate increment per customer." The motion was granted on December 17, 2003. OCC filed its Notice of Intervention on December 19, 2003. On or about December 30, 2003, Staff intervened in the Joint Application.

Also on December 30, 2003, the Commission on its own motion entered an order waiving the requirement that the Commission mail its decision on the status of the Joint Application by January 5, 2004. See Decision No. C03-1465 and 4 C.C.R. 723-2-17.3.5. In that order, the Commission enlarged the time in which the Joint Application would automatically be deemed complete without Commission action and extended the date by which it must determine the completeness of the Joint Application to and including February 19, 2004.

During the months of December of 2003 and January and February of 2004, non-disclosure agreements were filed on behalf of the OCC, Staff, Qwest, and various Applicants pursuant to Rule 723-16.

On January 30, 2004, in accordance with Decision No. C03-1350, Nunn filed the results of its analyses to quantify the calling volumes per customer in the exchanges affected by the Joint Application as well as all necessary revenue and cost analyses to quantify the rate increment per customer. The revenue and cost analyses demonstrated that expanding the local calling area would equate to a gross annual rate increment of an additional $43,565 to be recovered from Nunn's customers.

On January 30, 2004, in accordance with Decision No. C03-1350, Qwest filed the results of its analyses to quantify the calling volumes per customer in the exchanges affected by the Joint Application as well as all necessary revenue and cost analyses to quantify the rate increment per customer. The revenue and cost analyses demonstrated that expanding the local calling area would equate to a rate increment of an additional $.06 per access line per month that could be added to all of Qwest's residential and business local phone service rates for all customers in its Colorado service territory.

On March 29, 2004, the Parties held a meeting at which Nunn informed the Parties that it would not participate in the local calling area expansion; instead, Nunn stated that it would offer its customers an optional plan to the larger calling area and measured local service to those who do not choose the optional plan. At that time, Nunn did not identify what the rates would be for the optional or measured minutes of use. Staff requested that Qwest revise its cost study to reflect known changes in the switched access carrier common line rates and the capital investment associated with the calling area expansion.

On or about April 23, 2004, Staff filed its Unopposed Motion for Enlargement of Time to File a Report in Response to Qwest Corporation's Cost Study, and Request for Waiver of Response Time. That request was granted pursuant to Decision No. R04-0454-I.

On April 9, 2004, Qwest filed revised analyses to quantify known changes in the switched access carrier common line rates and the capital investment associated with such expansion. Further, Qwest updated the study to reflect the 2003 factors, which became available prior to that filing. Based upon the revised revenue and cost analysis of June 2003 though August 2003, the costs and lost revenues to Qwest from expanding the local calling area would equate to a rate

increment of an additional $.06 per access line per month to Qwest's residential and business local phone service rates for all customers in its Colorado service territory.

On May 13, 2004, Staff filed its Report Pursuant to 4 C.C.R. 723-2-17.3.5. Staff confirmed that Nunn elected to offer an optional local calling area plan while Northern Colorado Qwest customers would receive a non-optional local calling area expansion that would include the Nunn exchange as part of the approval of the Joint Application. Staff submitted a copy of Nunn's correspondence confirming its intentions, a copy of which is attached as Attachment A. Staff further identified the revisions Qwest incorporated into its revised analyses filed with the Commission on August 9, 2004 that addressed Staff's concerns. Staff reported the revised study was complete for purposes of this docket and recommended the study be accepted without further modification.

On May 21, 2004, the Administrative Law Judge issued an order accepting Qwest's revised cost study filed on or about April 9, 2004 and ordering Qwest to proceed with the customer survey using the survey form approved in the order. See Decision No. R04-0515-I.

On June 30, 2004, Qwest filed its Notice of Survey Results. Qwest reported that it mailed 1,600 surveys to a random selection of its residential customers throughout the exchange areas being considered for calling area expansion. Of the 1,600 surveys mailed, 488 surveys (30.5%) were returned. Of those surveys that were returned, 387 responded yes (79%) and 101 responded no (21%).

THE AGREEMENT

The Parties agree and stipulate as follows:

1. Summary of Agreement. In an attempt to narrow the disputed issues in this docket and to promote administrative efficiency, the Parties are entering into this Partial Stipulation to

resolve specific factual and legal issues described herein. All remaining issues are reserved and will be determined by the Commission.

2. Requested Expansion of Local Calling Area. The Applicants propose that the local calling area expansion occur between the following exchanges:

From Qwest Exchange:	To Exchange:
Berthoud	La Salle, Nunn Exchange
Eaton-Ault	Estes Park, Ft. Collins, Loveland, Mead
Estes Park	Eaton-Ault, Gilcrest, Greeley, Johnstown-Milliken, La Salle, Mead, Platteville, Windsor, Nunn Exchange
Fort Collins	Eaton-Ault, Gilcrest, Greeley, Johnstown-Milliken, La Salle, Mead, Platteville
Gilcrest	Estes Park, Ft. Collins, Loveland, Nunn Exchange
Greeley (Evans & Kersey)	Estes Park, Ft. Collins, Loveland
Johnstown-Milliken	Estes Park, Ft. Collins, Nunn Exchange
La Salle	Berthoud, Estes Park, Ft. Collins, Loveland, Nunn Exchange
Loveland	Eaton-Ault, Gilcrest, Greeley, La Salle, Platteville, Windsor, Nunn Exchange
Mead	Eaton-Ault, Estes Park, Ft. Collins, Windsor, Nunn Exchange
Platteville	Estes Park, Ft. Collins, Loveland, Nunn Exchange
Windsor	Estes Park, Loveland, Mead, Nunn Exchange

3. Community of Interest Standard. The Applicants seek approval of the local calling expansion pursuant to the alternative criteria standard set forth in Rule 723-2-17.3.3.2. Rule 723-2-17.3.3.2 provides that, when evaluating such a request, "the Commission shall consider community of interest issues dictated by urban growth patterns, and the present and future availability of essential services in rural areas." 4 C.C.R 723-2-17.3.3.2. In making its determination, the Commission shall consider the following criteria: (a) the local calling area principles of Rule 723-2-17.3.1; (b) customer calling patterns; (c) the location of serving transportation centers; (d) demographic profiles of the residents of the exchange(s); and (e) the location of primary centers of

business activity and employment centers, and the location of employee residences. See 4 C.C.R 723-2-17.3.3.2. In addition, "[t]he Commission may consider other pertinent factors such as the availability and feasibility of optional calling plans, and the local and long distance competition." 4 C.C.R. 723-2-17-3.3.2. The Parties note that Rule 723-2-17.3.1 provides that, in general and to the extent possible, each local calling area should: (a) allow customers to place and receive calls without payment of a toll charge to 9-1-1, their county seat, municipal government, elementary and secondary school districts, libraries, primary centers of business activity, police and fire departments, and essential medical and emergency services; (b) be provided in both directions between the two exchange areas; and (c) not exhibit any discontinuities. See 4 C.C.R. 723-2-17.3.1.

4. Conformity with Alternate Criteria Standard. Relying upon the information contained in the Joint Application, Nunn, Staff, and the OCC stipulate with the Applicants to the facts contained therein. The Parties agree that the stipulated facts constitute clear and convincing evidence of a community of interest under the alternative criteria standard. A copy of the Joint Application, excluding exhibits, is attached hereto as Attachment B and is incorporated herein by reference.

5. Purpose of this Agreement. This Partial Stipulation is a partial settlement of specific disputed issues of fact and law, and is made for settlement purposes only. All other issues remain in dispute. Except for settlement purposes in this docket, no Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Partial Stipulation. Furthermore, this Partial Stipulation does not constitute an agreement, by any Party, that any principle or methodology contained within this Partial Stipulation may be applied to any situation other than the above-captioned docket. No precedential effect or other significance,

except as may be necessary to enforce this Partial Stipulation or a Commission order concerning this Partial Stipulation, shall attach to any principle or methodology contained in this Partial Stipulation.

6. Support by Parties. Except as provided herein, the Parties agree to support all aspects of the stipulations and agreements embodied in this Partial Stipulation in any hearing or proceeding conducted to determine whether the Commission should approve this Partial Stipulation, including, but not limited to, any pleadings, comments filed, or testimony given in such a proceeding, or in any appeal of the decision. Each Party also agrees that it will take no action in any administrative or judicial proceeding, or otherwise, which would have the effect, directly or indirectly, of contravening the provisions or purposes of this Partial Stipulation. Furthermore, each Party represents that, except as expressly provided in this Partial Stipulation, in any proceeding in which this Partial Stipulation or its subject matter may be raised by a non-party, it will support the continued effectiveness of this Partial Stipulation. Without prejudice to the foregoing, the Parties and each of them expressly reserve the right to advocate positions different from those stated in this Partial Stipulation in any proceeding other than one necessary to enforce or obtain approval of this Partial Stipulation or a Commission order concerning this Partial Stipulation. Nothing in this Partial Stipulation shall constitute a waiver by the Parties or any of them with respect to any matter not specifically addressed in this Partial Stipulation.

7. Final Commission Order. This Partial Stipulation shall not become effective and shall be of no force and effect until the issuance of a final Commission order approving this Partial Stipulation and not containing any material modification of this Partial Stipulation that is deemed unacceptable by any of the Parties. In the event the Commission modifies this Partial Stipulation in a manner unacceptable to any Party, that Party may withdraw from this Partial Stipulation and shall

so notify the Commission and the other Parties in writing within ten (10) days of the date of the Commission order. In the event a Party exercises its right to withdraw from this Partial Stipulation, this Partial Stipulation shall be null and void and of no effect in these or any other proceedings, and the above-captioned docket shall be set for hearing and a procedural schedule established.

8. Inadmissibility. In the event this Partial Stipulation becomes null and void, or in the event the Commission does not approve this Partial Stipulation, this Partial Stipulation, as well as the negotiations and discussions undertaken in conjunction with this Partial Stipulation, shall not be admissible into evidence in these or any other proceedings.

9. Public Interest. The Parties stipulate that they have reached this Partial Stipulation by means of a negotiated process in the public interest and that the results reflected herein are just, reasonable, and in the public interest. The Parties agree that approval by the Commission of this Partial Stipulation shall constitute a Commission determination that the stipulations and agreements contained herein are a just, equitable, and reasonable resolution of the issues described herein. The Parties agree to the specific waiver of any Commission rule identified in this Partial Stipulation, and the waiver of any such additional Commission rule(s), to the extent necessary to implement or effectuate this Partial Stipulation.

10. Construction and Enforcement. This Partial Stipulation shall be construed, interpreted, and enforced in accordance with the laws of the State of Colorado.

11. Integrated and Binding Agreement. This Partial Stipulation is an integrated agreement that may not be altered by the unilateral determination of any Party and which shall be binding on and shall inure to the benefit of the Parties hereto and their successors and assigns.

12. Counterparts. This Partial Stipulation may be executed in separate counterparts, and the counterparts taken together shall constitute the whole of this Stipulation.

13. Facsimile Execution and Signature Authority. This Partial Stipulation may be executed by facsimile transmission. Signatures obtained through facsimile transmission shall be valid and binding as if they were original signatures. Attorneys and other representatives and agents signing on behalf of the Parties represent and warrant that each has the authority to bind the Party to the terms of this Partial Stipulation.

STIPULATED AND AGREED UPON this 30th day of August, 2004.

Staff of the Commission:

Geraldine G. Santos-Rach
Chief of Fixed Utilities
1580 Logan St., OL1
Denver, CO 80203
303.894.2533

Approved as to Form:

Anne K. Botterud
Reg. No. 20726
Office of the Attorney General
1525 Sherman Street, 7th Floor
Denver, CO 80203
303.866.3867

Office of Consumer Counsel:

Patricia A. Parker
Rate/Financial Analyst
1580 Logan St., OL7
Denver, CO 80203
303.894.2126

Approved as to Form:

G. Harris Adams
Reg. No. 19668
Office of the Attorney General
1525 Sherman St., 5th Floor
Denver, CO 80203
303.866.5441

Nunn Telephone Company:

Name:
Title:
P.O. Box 249
Nunn, CO 80648-0249

Approved as to form:
Barry L. Hjort
Reg. No. 19551
P.O. Box 300
Littleton, Co. 80160
303.795.8080

Qwest Corporation:

Paul R. McDaniel
Assistant Vice President for Regulatory Affairs
Denver, CO 80202
303.896.4552

Approved as to Form:
David W. McGann
Reg. No. 34521
1005 17th St., Suite 200
Denver, CO 80202
303.896.3892

STIPULATED AND AGREED UPON this 30th day of August, 2004.

Staff of the Commission:

Geri Santos-Rach
Chief of Fixed Utilities
1580 Logan St., OL2
Denver, CO 80203
303.894.2533

_____

Approved as to Form:

Anne K. Botterud
Reg. No. 20726
Office of the Attorney General
1525 Sherman Street, 7th Floor
Denver, CO 80203
303.866.3867

_____

Office of Consumer Counsel:

Kenneth V. Reif, Director
Office of Consumer Counsel
1580 Logan St., OL7
Denver, CO 80203
303.894.2121

_____

Approved as to Form:

G. Harris Adams
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1525 Sherman St., 5th Floor
Denver, CO 80203
303.866.5441

_____

Nunn Telephone Company:

Name: _____
Title: _____
P.O. Box 249
Nunn, CO 80648-0249

_____

Approved as to form:
Barry L. Hjort
Reg. No. 19551
P.O. Box 300
Littleton, CO 80160
303.795.8080

_____

STIPULATED AND AGREED UPON this 30th day of August, 2004.

Staff of the Commission:

Geri Santos-Rach
Chief of Fixed Utilities
1580 Logan St., OL2
Denver, CO 80203
303.894.2533

Approved as to Form:

Anne K. Botterud
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Office of Consumer Counsel:

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Nunn Telephone Company:

Name:
Title:
P.O. Box 249
Nunn, CO 80648-0249

Approved as to form:
Barry L. Hjort
Reg. No. 19551
P.O. Box 300
Littleton, CO 80160
303.795.8080

Larimer County, Colorado:

Name: _____
Title: _____
Address: _____
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Telephone: _____

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Approved as to Form:

Name: _____
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Reg. No.: _____
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Weld County, Colorado:

Name: _____
Title: _____
Address: _____
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Approved as to Form:

Name: _____
Title: _____
Reg. No.: _____
Address: _____
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Telephone: _____

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Signature

City of Loveland, Colorado:

Name: DON F. WILLIAMS
Title: CITY MANAGER
Address: 500 EAST THIRD ST.
LOVELAND, CO 80537
Telephone: 970-962-2306

Don F Williams
Signature

Approved as to Form:

Name: SHARON CITINO
Title: ASSISTANT CITY ATTORNEY
Reg. No.: 32800
Address: 500 EAST THIRD ST
LOVELAND, CO 80537
Telephone: 970-962-2542

Sharon L. Citino
Signature

Loveland Chamber of Commerce:

Name: _____
Title: _____
Address: _____
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Telephone: _____

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Signature

Approved as to Form:

Name: _____
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Reg. No.: _____
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City of Greeley, Colorado:

Name: _____
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Town of Windsor, Colorado:

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Windsor Chamber of Commerce:

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City of Fort Collins, Colorado:

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Fort Collins Chamber of Commerce:

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Town of Ault, Colorado:

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Reg. No.: _____
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Town of Timnath, Colorado:

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Name: _____
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Reg. No.: _____
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Town of LaSalle, Colorado:

Name: _____
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Reg. No.: _____
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Town of Kersey, Colorado:

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Reg. No.: _____
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Town of Mead, Colorado:

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Name: _____
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Reg. No.: _____
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Town of Nunn, Colorado:

Name: _____
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Approved as to Form:

Name: _____
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Reg. No.: _____
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City of Evans, Colorado:

Name: _____
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Approved as to Form:

Name: _____
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Reg. No.: _____
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Town of Eaton, Colorado:

Name: _____
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Address: _____
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Telephone: _____

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Approved as to Form:

Name: _____
Title: _____
Reg. No.: _____
Address: _____
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Telephone: _____

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Signature

Town of Estes Park, Colorado:

Name: John Bauder
Title: Mayor
Address: P.O. Box 1200
Estes Park, Co 80517
Telephone: 970-577-3706

John Bauder
Signature

Approved as to Form:

Name: Greg White
Title: Town Attorney
Reg. No.: 5340
Address: 1423 W. 29th St.
Loveland, Colo 80537
Telephone: 970-667-5310

Signature

Town of Milliken, Colorado:

Name: _____
Title: _____
Address: _____
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Telephone: _____

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Signature

Approved as to Form:

Name: _____
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Reg. No.: _____
Address: _____
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Telephone: _____

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Town of Platteville, Colorado:

Name: _____
Title: _____
Address: _____
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Telephone: _____

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Approved as to Form:

Name: _____
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Reg. No.: _____
Address: _____
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Telephone: _____

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Town of Berthoud, Colorado:

Name: _____
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Telephone: _____

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Approved as to Form:

Name: _____
Title: _____
Reg. No.: _____
Address: _____
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Telephone: _____

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Town of Johnstown, Colorado:

Name: _____
Title: _____
Address: _____
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Telephone: _____

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Approved as to Form:

Name: _____
Title: _____
Reg. No.: _____
Address: _____
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Telephone: _____

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Signature

Attachment A

Attachment B
Docket No. 03A-496T
Decision No. R05-0143
February 2, 2005
Page 22 Of 42

RECD
MAY 12 2004

CTA Colorado Telecommunications Association

"Companies Connecting Colorado"

May 12, 2004

G. Harris Adams, J.D., C.P.A
Assistant Attorney General
Office of the Attorney General
1525 Sherman Street, 5th Floor
Denver, CO 80203

Anne K. Botterud, Esq.
Assistant Attorney General
Office of the Attorney General
1525 Sherman Street, 5th Floor
Denver, CO 80203

Re: Docket No. 03A-496T: Nunn

Dear Harris & Anne:

As I indicated I would do in our recent meeting concerning several of the pending issues involved in the proposed Northern Colorado Calling Area expansion docket, I am providing the following information concerning Nunn Telephone Company's intentions with respect to the calling plan(s) it intends to offer in the event that the COPUC approves the proposed expansion. You will recall that our discussion in this regard focused on your requests for specific information as to Nunn's intentions and Nunn's request that the Staff Report to the Commission incorporate a proposed waiver of Commission Rule 723-2-17.3.6 which requires that a statistically valid survey be conducted by each local exchange provider whose customers will be affected by any proposed expansion.

If the proposed calling area expansion affecting Nunn is approved, Nunn intends to offer its customers the option to elect an unlimited, flat rate calling plan for local calling into the expanded calling area for a flat rate of $11.25 per month, which amount will be in addition to the Nunn current basic residential service rate of $20.56 per month or in addition to the current basic business service rate of $30.86 per month. The current residential and business basic service rates will not change for those customers who do not elect to take the optional calling plan.

EXHIBIT 117

P.O. Box 40128 • Glendale, Colorado 80246
303.795.8080 (Tel.) • 303.795.1266 (Fax) • 303.550.4772 (Cell)
rollsroyal@aol.com • www.coloradocan.com

For those Nunn customers who do not take the optional calling plan, calling by such customers who make calls into the expanded local calling area will be billed at the rate of $.11 per minute. Nunn is also considering making a concurrent tariff filing that would provide its customers who do not elect the optional calling plan with a blocking option that would permit its customers to avoid the imposition of toll charges for calls which they might otherwise believe to be local into the expanded calling area. (This proposal would likely be very similar to the blocking option that Strasburg Telephone Company has provided to its customers.)

Nunn is aware that the Commission's rules require that expanded calling be established on a "two-way" basis. Thus once COPUC approval is granted for the calling area expansion, calls made by subscribers located outside the Nunn service area, but inside the expanded local calling area to Nunn's customers will be made as local, toll-free calls.

I have not included detail here concerning the access charge loss and other costs that Nunn will incur as a consequence of the proposed calling area expansion. If you have questions in that regard, or require additional detail – I suggest that you contact Nunn's consultant: Kevin Kelly at 719.266.4334.

It is my understanding that the above information meets your needs, and that as a result Staff will recommend waiver of the customer survey requirement for Nunn in its Report to the COPUC. If you have additional questions, please contact me.

Very truly yours,

Barry L. Hjort

cc Greg Grablander, Nunn Telephone
Kevin Kelly, TCA
Gary Klug, COPUC
Pat Parker, OCC

APPLICATION TO THE PUBLIC UTILITIES COMMISSION FOR THE PURPOSE OF EXPANDING THE LOCAL CALLING AREA

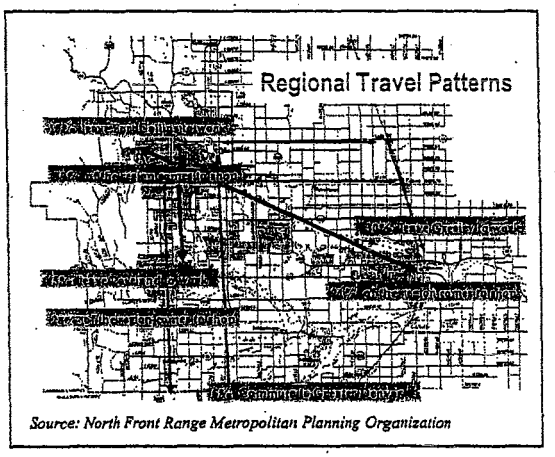
Executive Summary

This application is a joint Northern Colorado filing for expansion of the local calling area. We would like two-way calling between each of the communities listed in the current calling area and the proposed calling area listed in the attached exhibit (*Exhibit Table to Clarify Calling Area Expansion Request*). The application is based on the alternate criteria standards for the community of interest. The communities in support of the application have attached letters. The letters indicate that there is substantial support for this effort. The county letters have a majority of the county commissioner signatures, as required.

The current calling area for Loveland includes the following exchange areas: Fort Collins, Estes Park, Loveland, Berthoud, and Johnstown-Milliken. This application is a request to add the following exchange areas: Windsor; Eaton-Ault; Greeley; Lasalle; Evans; Platteville; and northern exchange area dissected by Highway 85 (area bordered by the northern state line, the Fort Collins exchange area on the west, the Eaton-Ault exchange area on the east and the Windsor exchange area on the south). A map has been included in the attached material.

Residents and businesses in Northern Colorado truly support a regional economy in every aspect of their lives. Evidence of the interdependence of the business centers in the Northern Colorado region has been found to exist in every segment of the economy.

- Growth management areas for Northern Colorado communities are contiguous.
- There is substantial travel between three main business centers for both employment and shopping.
- Short distances, short travel times, accessible roadways, and moderate travel traffic volumes between business centers in Northern Colorado are factors that perpetuate interdependence.



Source: North Front Range Metropolitan Planning Organization

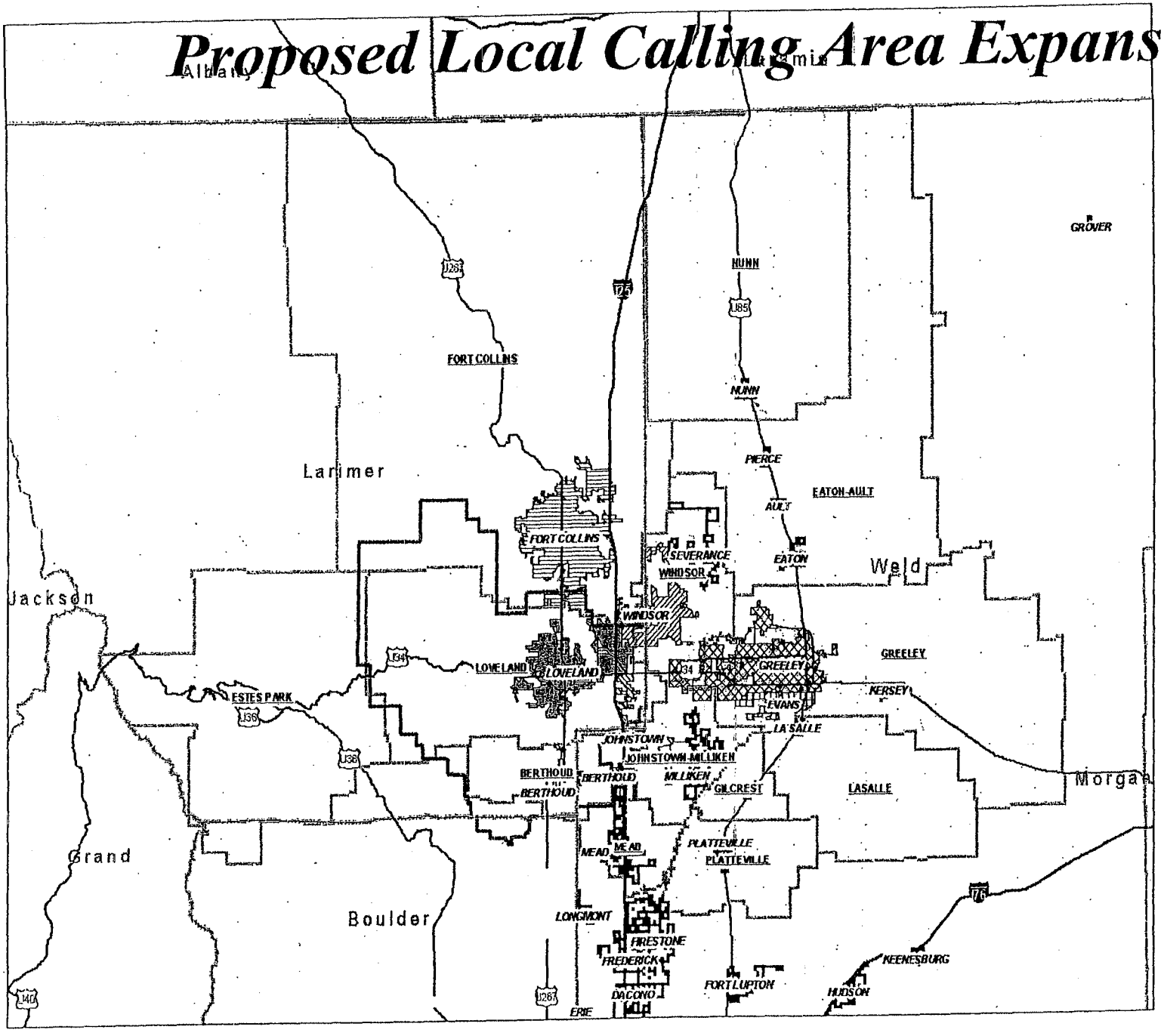
- Businesses are buying local. 45% inputs used by primary employers to generate goods and services are purchased from local businesses in the region.
- The regional North Front Range Transportation & Air Quality Planning Council exists due to regional cooperation of the communities in Northern

Colorado, particularly related to transportation initiatives.

- Regional economic development organizations exist because of the salability of the regional concept for recruiting businesses.
- Utility providers have a dependence upon resources and customers throughout the region.
- Two major hospital systems (locations in Greeley, Loveland, and Fort Collins) provide services for patients throughout the region and are major employers in the region.
- Educational entities serve overlapping county areas for kindergarten through 12th grade. Windsor residents that attend Thompson Valley (Loveland) schools.
- Universities and community colleges serve the entire region. These institutions are serving a role in continuing education for the businesses in the area and are amongst the largest employers in the region.
- Non-profit agencies, Larimer and Weld counties work together to address human service needs of the region, as well as support the strong agricultural business segment of the region through extension services.
- Regional leisure destinations attract users from the entire region providing a well-rounded, higher quality of life.

It is understood that there could be an incremental increase to the monthly bill for each customer throughout the calling area based on infrastructure costs to make the expansion possible. It is our hope that given the number of customers included in the proposed area each customer's proportional share would be very small. We believe the elimination of monthly cost of long distance between the exchanges included in the application and the cost of service alternatives to avoid long distance calls would substantially reduce monthly financial obligations of businesses and residents in our region. It is our hope that the Public Utilities Commission will see the value of the body of evidence that has been submitted to establish a community of interest.

Proposed Local Calling Area Expansion



Telephone Exchanges

LEGEND

TYPE

EXISTING

PROPOSED

- Thompson R2J Boundary
- Loveland City Limits
- Berthoud Town Limits
- Fort Collins City Limits
- Johnstown Town Limits
- Windsor Town Limits
- Greeley City Limits
- Evans City Limits
- County Boundaries
- Interstate Highways
- US Highways

N

August 19, 2003
Revised: October 20, 2003

Exhibit Table to Clarify Calling Area Expansion Request - Exhibit 1

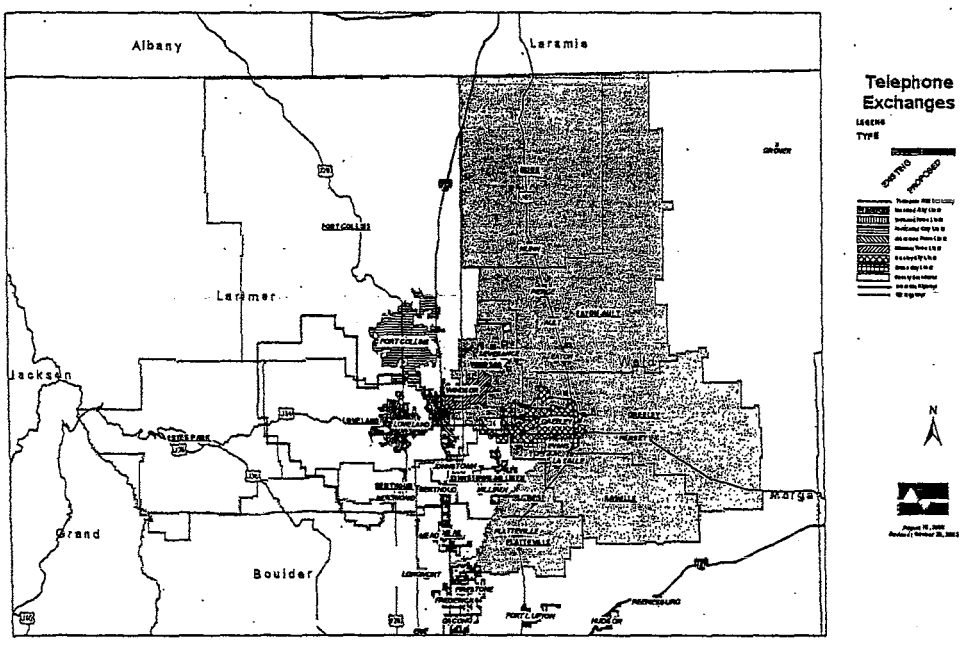
Exchange	Current Calling Areas	Proposed Calling Areas (Extension)
Berthoud	Eaton-Ault, Estes, Ft. Collins, Gilcrest, Greeley, Johnstown-Milliken, Longmont, Loveland, Mead, Platteville, Windsor	La Salle. Nunn Tele.
Eaton-Ault	Berthoud, Gilcrest, Greeley, Johnstown-Milliken, LaSalle, Platteville, Windsor, Nunn wire center, Briggsdale & Grover wire centers of Wiggins.	Estes Park, Ft. Collins, Loveland
Estes Park	Allenspark, Berthoud, Ft. Collins, Loveland, Lyons	Eaton-Ault, Gilcrest, Greeley, Johnstown-Milliken, La Salle, Platteville, Windsor, Nunn Tele.
Fort Collins (Harmony & Wellington)	Berthoud, Estes Park, Loveland, Windsor, Nunn wire center (Nunn Tele.), Red Feathers & Walden wire centers (CenturyTel)	Eaton-Ault, Gilcrest, Greeley, Johnstown-Milliken, La Salle, Platteville,
Gilcrest	Berthoud, Eaton-Ault, Greeley, Johnstown-Milliken, La Salle, Mead, Platteville, Windsor	Estes Park, Ft. Collins, Loveland, Nunn Tele.
Greeley (Evans)	Berthoud, Eaton-Ault, Gilcrest, Hudson, Johnstown-Milliken, Keenesburg, La Salle, Mead, Platteville, Weldona, Windsor, Roggen wire center, Nunn wire center, Briggsdale, Grover, Hoyt, New Raymer & Wiggins wire centers of Wiggins, Stoneham wire center.	Estes Park, Ft. Collins, Loveland
Johnstown-Milliken	Berthoud, Eaton-Ault, Gilcrest, Greeley, LaSalle, Loveland, Mead, Platteville, Windsor	Estes Park, Ft. Collins, Nunn Tele.
La Salle	Eaton-Ault, Gilcrest, Greeley, Hudson, Johnstown-Milliken, Keenesburg, Mead, Platteville, Windsor	Berthoud, Estes Park, Ft. Collins, Loveland, Nunn Tele.
Loveland	Berthoud, Estes Park, Ft. Collins, Johnstown-Milliken, Mead	Eaton-Ault, Gilcrest, Greeley, La Salle, Platteville, Windsor, Nunn Tele.

Exhibit Table to Clarify Calling Area Expansion Request - Exhibit 1

Exchange	Current Calling Areas	Proposed Calling Areas (Extension)
Platteville	Berthoud, Eaton-Ault, Ft. Lupton, Gilcrest, Greeley, Johnstown-Milliken, La Salle, Longmont, Mead, Windsor	Estes Park, Ft. Collins, Loveland, Nunn Tele.
Windsor	Berthoud, Eaton-Ault, Ft. Collins, Gilcrest, Greeley, Johnstown-Milliken, La Salle, Platteville	Estes Park, Loveland, Nunn Tele.
Nunn Tele. of CenturyTel	At least to Greeley, Eaton-Ault, Ft. Collins	Berthoud, Estes Park, Gilcrest, Johnstown-Milliken, La Sale, Loveland, Platteville, Windsor

APPLICATION TO THE PUBLIC UTILITIES COMMISSION FOR THE PURPOSE OF EXPANDING THE LOCAL CALLING AREA

This application is a joint filing for expansion of the local calling area in Northern Colorado. The current calling area includes the following exchanges: Fort Collins, Estes Park, Loveland, Berthoud, and Johnstown-Milliken. This expansion application is to add the following exchanges: northern exchange area around Highway 85 (area bordered by the northern state line, the Fort Collins exchange area on the west, the Eaton-Ault exchange area on the east and the Windsor exchange area on the south); Windsor; Eaton-Ault; Greeley; Lasalle; Evans; and Platteville. We are requesting two-way calling between all communities in the current and proposed exchange areas as indicated in the map below.



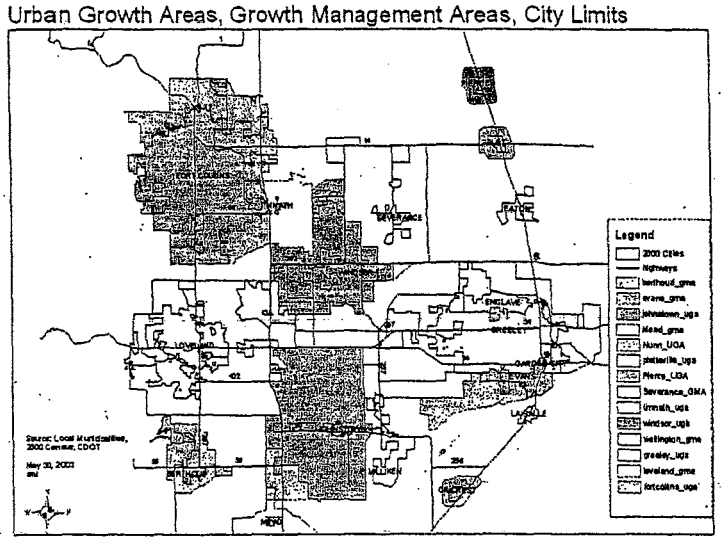
Letters of support are intended to be "signatures" for the application. Several communities are participating in this joint application as indicated by the *"Exhibit Table to Clarify Calling Area Expansion Request- Exhibit 1"*. Letters of support have been signed by a majority of the county commissioners in both Weld and Larimer Counties. We believe the evidence presented in this application meets the alternate criteria standard for a community of interest. Northern Colorado is a regional economy with local calling area needs.

REGIONAL ECONOMY

Interdependence of Business Centers

The Northern Colorado area is a regional economy. Its interdependence is much like the Denver Metro area.

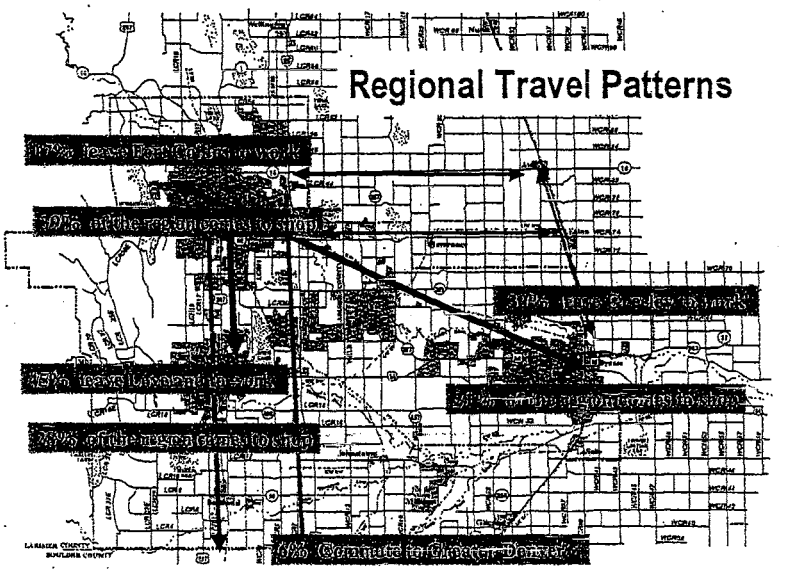
Urban Growth Areas, Growth Management Areas, City Limits



The North Front Range Transportation & Air Quality Planning Council staff collected information about growth areas. These areas are called Urban Growth areas in some communities and Growth Management Areas in others. The map to the left indicates plans for the communities to annex and incorporate the areas into their city limits. It clearly indicates that the communities are forming a geographic regional relationship. The next graphic indicates that the regional economy already exists. It is the commuter patterns and tells the tale well.

According to the *2001 Regional Household Travel Survey Overview*, a North Front Range Metropolitan Planning Organization (NFRMPO) study:

- 30% of Greeley's workforce commutes outside Greeley
- 45% of Loveland's workforce commutes outside of Loveland
- 17% of Fort Collins' workforce commutes outside of Fort Collins

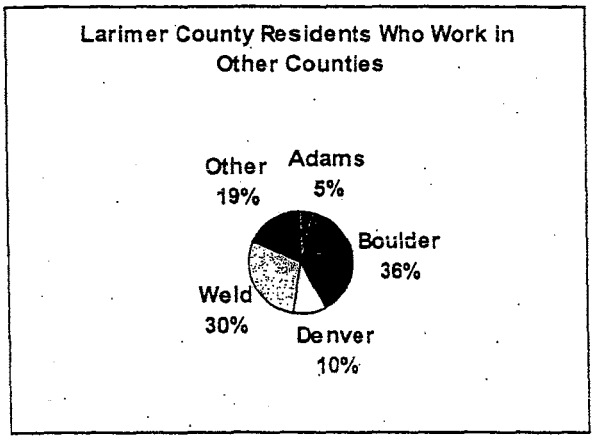


Regionalism relates to the close proximity of the business centers. If Fort Collins were used as the point of origination the following chart indicates the short distances in miles and times for communities in the region.

City	Miles	Minutes
Loveland	8	10
Greeley	29	35
Windsor	10	15

According to the NFRMPO, "many residents in Northern Colorado are spending much of their time driving. If the average number of household trips per day is 6.25 trips and the average trip length is 18.64 minutes, each resident in Northern Colorado is spending an average of 116.5 minutes or almost two hours traveling in one day." The point is that residents in Northern Colorado are accustom to driving and think very little of driving for their needs and desires throughout Northern Colorado.

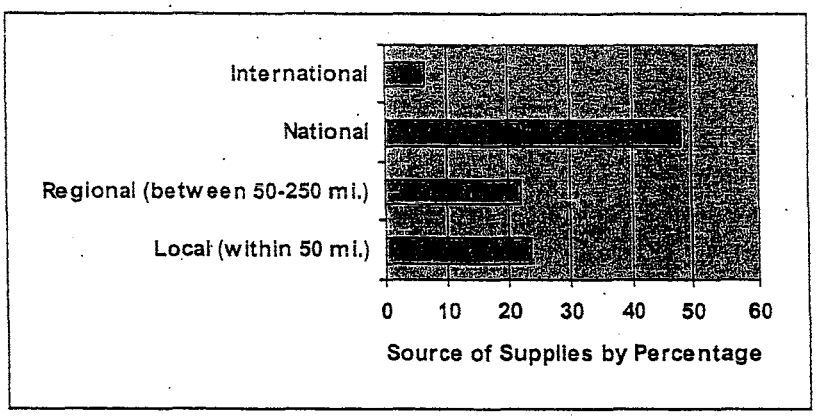
The Northern Colorado Economic Development Council produced and distributed a report in June, 2003, *Northern Colorado Primary Employers Research Project.* The purpose of the project is to determine existing businesses' ability to do business in Northern Colorado and to identify the strengths and weaknesses of business activity in Northern Colorado from the perspective of the firms themselves. The project was based on an interview approach with thirty-eight primary employers. Primary employers are defined by their products-goods or services that are exported out of the region and that result in net "new" dollars returning to the region. There were several findings with regard to regional business issues. Two of the most important as it pertains to the need to communicate between counties are workforce commuters and supplier relationships for business in the region.



The report provided information about the Larimer County workforce that supports regionalism. 21,206 employees or 16% of the total Larimer County workforce lives in Larimer County and works in other counties. 6,290 or 30% of them commute to Weld County.

The Smart Trips program reports that there are approximately 1,500 participants in the Smart Trips commuter program. The study indicated that on the average commuters travel in excess 20 miles one way to work.

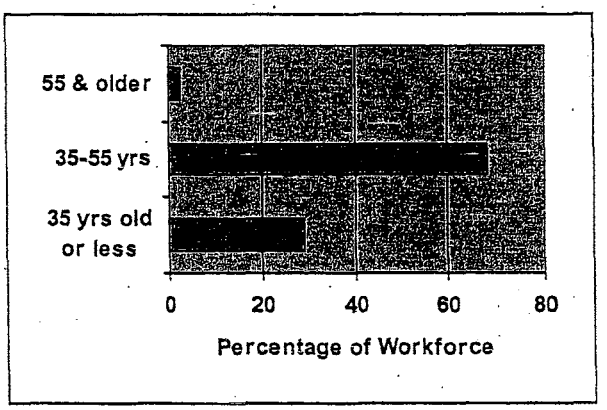
The NCEDC Primary Employers report also found that "45% of the inputs used by local business included in the research are purchased from businesses within the region and almost 40% of the goods produced from those inputs are sold with Northern Colorado. This, indeed, shows the interconnectivity of Northern Colorado's economy."



There were several findings in the report that suggest the regional economy will continue to thrive.

- According to the report 16% rated the local business climate better today than five years ago.
- 80% felt that the local business climate five years form today will be better than it is at the present
- 42% have been increasing investment in the facility, while almost 40% have had a steady rate of investment
- Job growth is anticipated, primarily in the manufacturing sector
- 39% of the employers stated that there would be come expansion in the employment base and nearly 53% said they would remain at the same level of employment
- 80% of the primary employers are predicting at least some growth in sales

Since a little less than 3% of the essential workforce is described as near retirement the trends are expected to continue.



The Center for Business and Economic Development and the State Demographer indicate that job growth in Northern Colorado will be above the state and national levels over the next 20 years further supporting the notion that the current patterns will continue into the future.

North Front Range is the modeling area for the regional transportation study. The study that was commissioned indicated that there will be a 70% job growth in Larimer County by 2030. Weld County will see a job growth of 95% over the same time period.

Regional Transportation Planning

The North Front Range Transportation & Air Quality Planning Council is an association of local governments was formed in 1987 to address transportation and air quality planning issues in Colorado's North Front Range. It is responsible for transportation planning in the region that consists of the most populous parts of Larimer and Weld Counties, including the cities of Fort Collins, Greeley, Loveland, Evans and the towns of Berthoud, Garden City, Johnstown, LaSalle, Timnath and Windsor. This council has developed a $606.3 million transportation plan based on the regional interdependence founded in employment, shopping and entertainment. The plans focus on regionally significant corridors. These corridors are defined as a corridor that serves as an important link between major communities and destinations within or outside the North Front Range. Corridors are identified as far north as Wellington, east to Kersey, south to Gilcrest and across to the Boulder County line south of Berthoud, and west into the Poudre and Thompson Canyons. It includes highway projects, transit projects, bike and pedestrian projects, rail projects, Transportation Demand Management projects and Transportation System Management projects spread throughout the region. The organization is working on the means to finance the plan that requires significant coordination efforts between member communities in both Larimer and Weld Counties. There is currently an effort to develop support for a funding mechanism and a North Front Range Transportation Authority to manage funds made up of Berthoud, Evan, Fort Collins, Garden City, Greeley, Johnstown, Loveland, Milliken, Timnath, Windsor and the unincorporated areas of Weld and Larimer Counties.

Regional Economic Development

The Northern Colorado Economic Development Corporation (NCEDC) is a 501(c) 6 designated, public/private, not-for-profit corporation serving Northern Colorado. Funded by investments from regional businesses and government entities, the focus of the NCEDC is to leverage public and private funds to strengthen existing employers, support expansion projects, provide critical research for decision-making, and recruit new employers who create primary jobs, invest capital, and add vitality to the economy. The organization has many investors from various sectors of the community and is served by a 27-member Board of Directors, CEO, and staff that work closely with local resources and business service providers.

They strive to enhance the region's future by supporting existing businesses and recruiting new businesses to our vibrant communities. They are focused on increasing the number of primary jobs in our region, which will ultimately create exported goods and services that, in return, will draw new business and industry into our area.

Another economic development effort that crosses the county lines and therefore the calling area lines is the Weld/Larimer Revolving Loan Fund program. The loan fund was established to assist with the financial needs of the companies expanding or locating to the rural areas of Weld or Larimer County. The program is funded through the State of Colorado Community Development Block Grant (CDBG) allocation and is administered by the Greeley/Weld Economic Development (EDAP) agency. Larimer County has an intergovernmental agreement with Weld County for the CDBG Loan Fund. A copy of that agreement has been attached (*Exhibit 2*).

Economic development of the Northern Colorado region involves a considerable amount of communication for the benefit of the regional economy.

Utilities

By law Platte River Power Authority can only provide service to Estes Park, Fort Collins, Longmont and Loveland. However there are operational dependencies on Weld County.

- 13% of the Platte River Authority workforce lives in Weld County and works in facilities in Larimer County.
- Over the last two years, Platte River has done business with 58 Weld County vendors.

Northern Colorado Water Conservancy District is a public agency created in 1937. It provides water for agricultural, municipal, domestic and industrial uses in northeastern Colorado. NCWCD encompasses 1.5 million acres in portions of Boulder, Larimer, Weld, Broomfield, Morgan, Logan, Washington, and Sedgwick counties. Most of the 95 full time positions work in Loveland and will move to Berthoud once that facility is complete.

The Little Thompson Water District has a 300 square mile service area generally bound by the City of Loveland on the north, Longs Peak Water District on the south, the City of Greeley, the South Platte River and the St. Vrain River on the east, and the foothills on the west. It also now includes the former Arkins Association and the Town of Mead. They provide treated water to about 6,500 homes and businesses in Northern Colorado. The organization is a user-owned, not for profit public utility with customers in Larimer, Weld, and Boulder counties.

Healthcare Providers

The major hospital systems in the area serve the entire Northern Colorado region as well as southern Wyoming and southwestern Nebraska. They have provided information

about their patients and their workforce that indicates that Northern Colorado communication is important.

Poudre Valley Hospital in Fort Collins

Larimer County Facility	Patient Care (Overnight stays in 2001)	Employees
Portion from Weld County	1045 367 from the greater Greeley area and 678 from Windsor/Johnstown/Milliken	257 – 10% of workforce; 101 of them from Windsor

Poudre Valley Health Systems Health Systems of Fort Collins, Colorado and Regional West Medical Center of Scottsbluff, Nebraska are joining efforts to build a $200 million **regional hospital** immediately south of the Fort Collins Loveland airport. Service provisions will be specialized: heart care and surgery, neurosurgery, and trauma. It will be a 115-bed facility with 500 employees. Its service area is expected to be northern Colorado, southern Wyoming and southwestern Nebraska.

Banner Health Care System in Larimer and Weld Counties

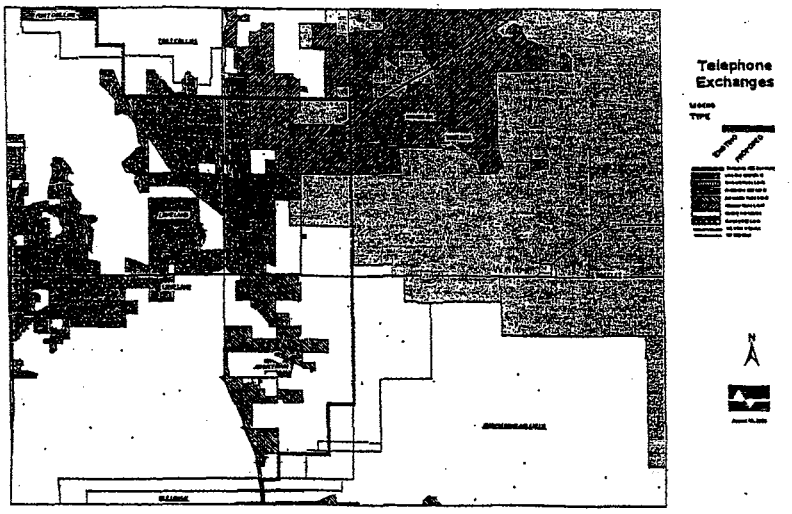
Facility	**Patient Care**	**Employees** (work in one county and live in the other)
McKee Medical Center-Loveland, Larimer County	400 or 6% inpatient 1255 or 6% emergency 2600 or 5% outpatient	100 or 10% of workforce
Northern Colorado Medical Center – Greeley, Weld County	730 or 5% inpatient 640 or 2% emergency 1811 or 2% outpatient	263 or .5% of workforce

Banner Health Care System has announced plans for a two-phase $70 million expansion. The expansion will include a new Intensive Care/Telemetry unit, expand birthing suites in the obstetrics department, add two additional surgical suites and enlarge the Peri Auesthesia Care Unit.

Both hospital systems have made a substantial commitment to the Northern Colorado region. They provide excellent patient care and are amongst the largest employers in the area. Communications within the region are particularly important in this industry.

Primary Education (K – 12)

The map to the right illustrates the issue with overlapping boundaries. The brown line is the easterly border of the Thompson Valley School District. There are several Windsor students in the proposed calling area expansion (light green) that attend Thompson Valley Schools. It is a long distance school to contact the school or for the students to call home.



Sports conferences have been set up by the schools districts, one designated for the football league and one for all other sports. The Tri-Valley 3A Football Conference includes: Berthoud, Fort Lupton, Fort Morgan, Mountain View (Loveland), Northridge (Greeley), Silver Creek (Longmont), Sterling and Windsor. District 4 sports conference for all other sports includes several Northern Colorado teams. This conference includes: Berthoud, Fort Lupton, Fort Morgan, Greeley Central, Greeley West, Longmont, Niwot, Skyline (Longmont), Sterling, and Windsor. Communication amongst Northern Colorado schools becomes critically important as these teams schedule games, juggle facility availability and set up coaches meetings for a variety of other administrative tasks. Communication between parents, coaches and athletes because important throughout the year as well.

Secondary Education

Colorado State University

Colorado State University is a land-grant institution and a Carnegie Doctoral/Research University-Extensive. 24,000 students from every state and 95 foreign countries. 150 programs of study are offered within eight colleges.

- 163 employees that live in Weld County
- 69 students (generally first year students that still claim parents address)
- 12 active Colorado alumni chapters
- Extension Offices in 59 of 64 Colorado Counties, including Weld and Larimer Counties

- Events in the athletic, music, theater & dance departments draw audiences primarily from the entire Northern Colorado region
  - Rams field teams in 15 intercollegiate sports
  - Hughes Stadium with capacity for 30,000 fans
  - Moby Arena with capacity for 9,000 fans
  - 300+ performances, exhibits, and other arts events annually

University of Northern Colorado

- Single campus in Greeley, Colorado
- 11,000 students from 47 states and 52 nations
- 40 undergraduate degree programs with 103 emphasis areas and 52 graduate degree programs with 90 emphasis areas
- 1,035 Larimer County residents were enrolled as students in 2002.
- UNC does business with 400-450 Larimer County commercial vendors annually
- 123 of their 1,382 employees live in Larimer County (9%)
- 794 undergraduate and 241 graduate students attend UNC and live in Larimer County

Front Range Community College

Front Range Community College has campuses in Boulder, Boulder County, Brighton, Larimer (Fort Collins), Estes Park, Longmont, and Westminster. The Larimer Campus in Fort Collins provides education and is an employer in Larimer County that draws from the entire Northern Colorado region. There are 4,698 students enrolled at the Larimer Campus and the enrollment has tripled in 10 years. 146 of those students live in Weld County and commute to Fort Collins to attend classes.

FRCC-Larimer has strong partnerships with Colorado State University and the three public school districts in the county - Park, Poudre, and Thompson. FRCC's Veterinary Technology program is a partner with the Program of Excellence at CSU's College of Veterinary Medicine and Biomedical Science.

It provides continuing education for several major area employers: CSU, Hewlett-Packard, Poudre School District, Eastman Kodak, Poudre Valley Hospital, Woodward Governor, the City of Fort Collins, Larimer County, Teledyne Water Pik, LSI Logic and Anheuser-Busch. Eastman Kodak located in Windsor is currently a long distance call.

Aims Community College

Aims Community College is one of the largest and most comprehensive two-year colleges in Colorado. The main campus is located in Greeley, Colorado. Since 1967 Aims has established three campuses – Greeley, Fort Lupton, and Loveland. Today 14,000 students who annually attend the college choose from 60 degree and certificate programs. In addition, Aims helps businesses and industry assess employee job skills and improve work productivity. The Aims student body is, on the average, older than

most community colleges. The average Aims student is age 34, is female, works part-time and has a family. This particular demographic has special, low-cost, communication needs. Aims teaches recent high school graduates, senior corporate officials, first graders in the summer college for Kids program, and instructs 90-year-olds on how to keep number in Senior Shape-Up classes. Aims Community College is truly a college for the community.

Student Database Information

- 529 of the 1,029 (51%) students that reside in Larimer County commute to either the Greeley or Fort Lupton campuses
- 121 of 4,679 (3%) of the students that reside in Weld County commute to the Loveland campus

Workforce Database Information

- 68 of 125 (54%) employees reside in Larimer County and commute to the Greeley or Fort Lupton campuses to work
- 18 of 529 (3%) employees reside in Weld County and commute to the Loveland campus to work

Non-Profit Agency Coordination of Service Delivery

Many of the **United Way agencies** that provide service in Larimer County have administrative offices in Greeley. Catholic Charities Northern, Consumer Credit Counseling Services, Hope Counseling Center, Lutheran Family Services, and RVNA Home Care Services all operated from both counties. Additionally, United Way Offices collaborate on many dual county projects such as the Funders Fair on July 31st. This event brings together well over 200 nonprofit agencies from Larimer and Weld Counties to meet with funders from across the state to explore new funding opportunities.

The **Loveland Community Health Center** is a non-profit organization that serves the uninsured and underinsured members of communities throughout the Northern Colorado Region. Over the last year (2002) 304 of 6,934 of their patients were from Weld County. This is fairly substantial since it is a Larimer County service entity sponsored by the McKee Medical Foundation.

Island Grove Regional Treatment Center, Inc. is the only substance abuse treatment center for the Weld and Larimer County area. The Larimer County contract is attached for your review (*Exhibit 3*). The Island Grove Treatment Center provides fro non-hospital based substance abuse detoxification services to Larimer and Weld County residents through the appropriate governmental agencies (i.e., Loveland Police Department, Larimer County Health and Human Services, Greeley Police Department). Local Calling Area communication to provide timely assistance for individuals in need and coordinating the transportation to the treatment center is critical.

County Relationships

There are intergovernmental relationships between Larimer and Weld Counties. Two good examples are: 4-H programs, and extension service horticulture education.

There is a common perception that 4-H group membership is aligned with the county of residence. However, Larimer County indicates that there are 68 Weld County families involved in the Larimer County 4-H program, which represents 97 members and 42 adult leaders. The reverse is true as well. The only stipulation is that residents of either county can only belong to one 4-H program.

Larimer County has four master gardeners in the horticulture education program who live in Weld County. The professionals in the extension services for Larimer and Weld counties have different areas of expertise and commonly refer questions from residents "across county lines". Larimer County indicates that they get 10-15 calls per week from people who identify themselves as Weld County residents.

Since public health and environmental issues generally do not align themselves with county borders, they require a collaborative effort. Funding available to address these concerns is always a scarcity. The cost of necessary communication is a concern.

Regional Leisure Destinations

The Northern Colorado region is rich with leisure destinations that enhance the quality of life. Because the relative travel time within the region is manageable, each destination serves the entire area.

The Ranch

Larimer County completed construction on a **7,200-seat events center** September 2003 directly across Interstate 25 from the airport. It is already substantially "booked" for the year. Colorado's professional hockey team, the Avalanche, have already agreed to play exhibition games as this facility. A minor league hockey team and women's professional basketball team have committed to play home games at the facility. Events that have already been announced include: Bill Cosby (comedy), Scott Hamilton and Friends (ice skating), Kenny Rogers (singer), Motocross on Ice, Disney on Ice, Harlem Globetrotters, Sesame Street Live, and Lipizzaner Stallions. The facility will host concerts, professional rodeos, and many other events that will attract performers from around the nation and attract fans from the entire region, possibly the state.

There are several other venues that attract visitors from around the region. Events that call these venues home are related to animal best-in-breed competitions, product shows, sports activities and arts activities. Island Grove Regional Park, Colorado Marketplace, and a facility at CSU hold animal and product shows (i.e. animal competitions, boat shows, RV shows, and the like).

Several sports complexes and golf courses (too numerous to mention) in the region serve as the location for tournament play with participants at all age groups that reside throughout Northern Colorado.

The Union Colony Civic Center (Greeley), Lincoln Center (Fort Collins) and the Rialto Theater (Loveland) bring the arts to the Northern Colorado region. They provide a nationally acclaimed entertainment for a variety of tastes and preferences. Some of the performers/performances included in the 2003-2004 seasons include: Natalie Cole, B.B. King, Bob Newhart, *Seussical, the Musical,* Michael Flatley's *Lord of the Dance*, and *Kiss Me Kate.* Just to name a few.

Conclusion

Residents and businesses in Northern Colorado truly support a regional economy in every aspect of their lives. It is our hope that the Public Utilities Commission will see the value of the body of evidence that has been submitted to establish a "community of interest". Evidence of the interdependence of the business centers in the Northern Colorado region has been found to exist in every segment of the economy.

- Growth management areas for Northern Colorado communities are contiguous.
- There is substantial travel between three main business centers for both employment and shopping.
- Short distances, short travel times, accessible roadways, and moderate travel traffic volumes between business centers in Northern Colorado are factors that perpetuate interdependence.
- Businesses are buying local. 45% inputs used by primary employers to generate goods and services are purchased from local businesses in the region.
- The regional North Front Range Transportation & Air Quality Planning Council exists due to regional cooperation of the communities in Northern Colorado, particularly related to transportation initiatives.
- Regional economic development organizations exist because of the salability of the regional concept for recruiting businesses.
- Utility providers have a dependence upon resources and customers throughout the region.
- Two major hospital systems (locations in Greeley, Loveland, and Fort Collins) provide services for patients throughout the region and are major employers in the region.

- Educational entities serve overlapping county areas for kindergarten through 12th grade. Windsor residents that attend Thompson Valley (Loveland) schools.

- Universities and community colleges serve the entire region. These institutions are serving a role in continuing education for the businesses in the area and are amongst the largest employers in the region.

- Non-profit agencies, Larimer and Weld counties work together to address human service needs of the region, as well as support the strong agricultural business segment of the region through extension services.

- Regional leisure destinations attract users from the entire region providing a well-rounded, higher quality of life.

The Northern Colorado region is a regional economy. We understand that there could be an incremental increase to the monthly bill for each customer throughout the calling area based on infrastructure costs to make the expansion possible. It is our hope that given the number of customers included in the proposed area each customer's proportional share would be very small. We believe the monthly cost of long distance between the exchanges included in the application and the cost of service alternatives to avoid long distance calls would substantially reduce monthly financial obligations of businesses and residents in our region.

Sources of Information Contained in this Report:

1. Exchange Area maps were provided by Edie Ortega, Public Affairs Manager, Qwest 331 Eastbrook Drive, Fort Collins, Colorado 80525
2. Urban Growth Areas/Growth Management Areas/City Limits map provided by Margie Joy, Public Participation and Outreach Manager, North Front Range Metropolitan Planning Organization.
3. Regional Travel Patterns graphic provided by Margie Joy, Public Participation and Outreach Manager, North Front Range Metropolitan Planning Organization.
4. *2001 Regional Household Travel Survey Overview*, conducted for The North Front Range Metropolitan Planning Organization prepared by ETC Institute, Olthe, KS and Bucher, Willis & Ratliff, January 2002.
5. *Northern Colorado Primary Employers Research Project, Final Analysis Report,* prepared by the Northern Colorado Economic Development Corporation, Loveland, Colorado, June, 2003.

The consolidated *Telephone Exchanges* map was prepared by Steve Holmes, Land Records Manager, City of Loveland.

Web sites were "consulted" for basic descriptive and statistical information about the organizations.

- North Front Range Metropolitan Planning Organization http://www.nfrmpo.org/
- Platte River Authority http://www.prpa.org/
- Northern Colorado Water Conservancy District http://www.ncwcd.org/
- Little Thompson Water District http://www.ltwd.org/
- Northern Colorado Economic Development Council http://www.ncedc.com
- Colorado State University http://welcome.colostate.edu/
- University of Northern Colorado http://www.unco.edu/
- Front Range Community College http://frcc.cc.co.us/
- Aims Community College http://www.aims.edu/

All other information was made available by organizations mentioned in the document based on an interview process performed via e-mail, in person, or over the telephone. Interviews were conducted by Renee Wheeler, Assistant to the City Manager, City of Loveland.