

Decision No. R04-0472-I

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 98M-147T

REGARDING THE ADMINISTRATION OF THE COLORADO HIGH COST FUND AND
THE ADOPTION OF A PROXY COST MODEL.

**INTERIM ORDER OF
ADMINISTRATIVE LAW JUDGE
KEN F. KIRKPATRICK
ACCEPTING STATUS REPORT
AND VACATING HEARING**

Mailed Date: May 7, 2004

I. STATEMENT

1. By Decision No. R03-0923-I, August 15, 2003, a status hearing in this matter was scheduled for May 13, 2004. That decision also indicated that “should an adequate status report be filed in advance of [the hearing, it] may be canceled.”

2. On May 5, 2004, Staff of the Commission (Staff) filed its Motion to Accept Staff’s May 2004 Status Report in Lieu of Status Hearing and Request for Waiver of Response Time. Attached to the Motion is Staff’s proxy model status report for May 2004. Staff notes that it served a copy of the status report via email on April 30, 2004. It is further represented that none of the parties indicate any disagreement with the contents of the status report.

3. In the status report itself, Staff notes that work is continuing regarding obtaining additional input data for both the HCPM and HAI models. Staff is currently pursuing two separate options for having geocoding work done, namely, issuance of a request for proposal or a sole source contract.

4. Staff believes that the new geocoding work will not be available to calculate support costs for 2005. Therefore Staff has run the HAI 5.2 model using ARMIS 2003 numbers from Qwest Corporation (Qwest), and run the Colorado High Cost Support Mechanism (CHCSM) spreadsheet updated with 2003 Qwest benchmark revenues and residential and business line counts. Staff will be seeking agreement from the parties of these items to establish support for 2005.¹

5. Finally, Staff recognizes the need for wireless providers to participate, and suggests that at least WWC Holding Company, Inc., and N.E. Colorado Cellular, Inc., could be required to participate in any future docket regarding the CHCSM proxy model.

6. There are no more status reports or hearings scheduled. The parties are reminded of the stipulation accepted in Decision No. R03-0923-I, August 15, 2003. Paragraph 5 of that stipulation states as follows:

2005 CHCSM. In the event that the parties' refinements result in a model acceptable to all parties, the parties will recommend adoption of the refined model to the Commission for use in calendar year 2005. In the event that the parties are unable to reach agreement on modifications to the model and inputs, including modifications to any FCC model developed after FCC model version 2.6, or refinements to the HAI 5.2 model, the parties will litigate the model for the calendar year 2005 high cost fund distribution.

7. Thus, under the terms of the stipulation, it appears that the parties should be preparing to litigate the model or settle this proceeding. The status report indicates that there may be a settlement in the offing. Nonetheless, in the event that a settlement is not filed, there needs to be adequate time to litigate the model to be used for 2005. Therefore the parties will have 30 days from the effective date of this order to file a stipulation concerning 2005 support

¹ The methodology can be established in this proceeding for the 2005 year. However, the parties would have to file stipulation for approval, separate and apart from the status reports filed by Staff.

methodology. If no stipulation is filed within 30 days of this order, a prehearing conference will be scheduled to establish the procedural framework for litigating the model to be utilized for 2005.

II. ORDER

A. It Is Ordered That:

1. Staff of the Commission's Motion to Accept Status Report in Lieu of Status Hearing filed May 5, 2004 is granted. The status hearing scheduled for May 13, 2004 is vacated.

2. The parties to this proceeding shall have 30 days to file a stipulation concerning the cost methodology to be used to calculate 2005 support. If no stipulation is filed within that time period, a prehearing conference will be scheduled to establish the procedural framework for litigating the cost model to be utilized for 2005.

3. This Order shall be effective immediately.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

Administrative Law Judge