Decision No. C25-0327

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25A-0116T

IN THE MATTER OF THE JOINT APPLICATION OF TDS TELCOMMUNICATIONS LLC, EASTERN SLOPE RURAL TELEPHONE ASSOCIATION INC, AND STRASBURG TELEPHONE COMPANY FOR APPROVAL TO EXECUTE A TRANSFER OF OWNERSHIP AND CONTROL OF STRASBURG TELEPHONE COMPANY.

COMMISSION DECISION DEEMING APPLICATION COMPLETE AND GRANTING APPLICATION

Issued Date: April 30, 2025

Adopted Date: April 23, 2025

I. <u>BY THE COMMISSION</u>

A. Statement

1. This matter comes before the Commission for consideration of a Joint Transfer

Application filed on March 20, 2025, by TDS Telecommunications, LLC ("TDS Telecom"),

Eastern Slope Rural Telephone Associate, Inc. ("ESRTA"), and Strasburg Telephone Company

("Strasburg Telephone").

2. The Applicants request Commission authorization to execute a transfer of

ownership and control of Strasburg Telephone to ESRTA. The transfer of ownership and control

to ESRTA will facilitate infrastructure investment, technological development, and economic

expansion in the Strasburg area.

3. We will construe this filing as an application for approval of the transfer of control

of Strasburg Telephone pursuant to 4 Code of Colorado Regulations ("CCR") 723-2-2110 of the

Commission's Rules Regulating Telecommunications Services and Providers of Telecommunications Services.

- 4. TDS Telecom is a limited liability company organized under the laws of the State of Delaware. TDS Telecom does not hold any Commission-issued telecommunications authorities. TDS Telecom is a wholly-owned subsidiary of Telephone and Data Systems, Inc.
- 5. ESRTA is a corporation organized under the laws of the State of Colorado. ESRTA has been an incumbent local exchange carrier and has provided basic local exchange service since 1952. ESTRA's local authority pre-dates the current CPCN requirements and is authorized to provide service pursuant to § 40-15-202(4) C.R.S. ESTRA provides telecommunications services within the exchanges of Hugo, Arriba, Bennett, Eads, Flagler, Genoa, Haswell, Karval, Kit Carson, and Woodrow, Colorado.
- 6. Strasburg Telephone is a rural incumbent local exchange carrier that has provided basic local exchange service that pre-dates the current CPCN requirements. It is authorized to provide service pursuant to § 40-15-202(4) C.R.S. Strasburg is a wholly owned subsidiary of TDS Telecom offering telecommunications services within the community of Strasburg, Colorado, serving 1,036 subscriber access lines.
- 7. Applicants, therefore, request Commission authorization to complete the transfer of ownership and control of Strasburg Telephone to ESRTA. Pursuant to the Purchase Agreement between TDS Telecom and ESRTA, ESRTA will acquire all the Securities, and thereby become the owner, beneficially and of record, of Strasburg Telephone. Strasburg Telephone will continue to be the entity providing local exchange services.

8. On March 21, 2025, a notice of the Joint Application was provided to all persons, firms, or corporations interested in or affected by the grant or denial of the requested relief. Interventions were due on or before April 21, 2025. No interventions were filed.

B. Discussion

- 9. In its Application ESRTA is seeking a partial waiver of Rule 2110, which requires that if a transferee does not hold a Commission-issued Certificate of Public Convenience and Necessity ("CPCN") or Letter of Registration ("LOR"), the transferee shall provide the Commission with the information pursuant to rule 2103, and must receive an appropriate Commission grant of authority to assume the transferor's CPCN as outlined in § 40-15-202(2), C.R.S. ESRTA's authority to provide local exchange service is based on Section 40-15-202(4) C.R.S., which predates the current CPCN requirements. With the inclusion of this information, we find good cause to grant this waiver
- 10. The Commission has jurisdiction over this Joint Application pursuant to §§ 40-5-105, 40-15-204 and 40-15-303, C.R.S.
- 11. The Application contains all of the information required by the applicable Commission Rules and is therefore deemed complete.
- 12. The Application is unopposed and therefore may be considered without a formal hearing, pursuant to § 40-6-109(5), C.R.S.
- 13. The Applicants request Commission approval to complete the transfer of control of Strasburg Telephone to ESTRA.
- 14. The Application represents that because ESTRA has provided telephone service to the eastern slope area of Colorado since 1952, it is familiar with the area, and that Strasburg Telephone's existing customers will continue to receive reliable and high-quality

telecommunications services without interruption. Strasburg Telephone will maintain its existing rates, terms, and conditions of service following the transfer of ownership, which will avoid any adverse impact on existing customers. The transfer of ownership will be seamless, and customers will not experience any degradation in service quality or availability.

- 15. Strasburg Telephone and **ESTRA** are competitive providers with Commission-issued authority. Except for limited circumstances, such as for providers that are recipients of state high-cost support and for the provision of basic emergency services, the Commission no longer regulates certifications to provide basic local exchange services. See § 40-15-401(1)(b), C.R.S. Similarly, the provision of any other emerging competitive services such as advanced features, premium services, intraLATA toll, non-optional operator services, and private line services, except switched access services and basic emergency services, are no longer regulated by the Commission. See §§ 40-15-401(1)(e), (k), (n), (o), (s), (t), C.R.S. Consequently, the Commission does not have the authority to approve the transfers of the CPCNs or those parts of the LORs addressing advanced features, premium services, intraLATA toll, non-optional operator services, and private line services.
- 16. Switched access services and the provision of basic emergency services have not been deregulated. As a result, we have the authority to review and approve/deny the transfers and encumbrances of the part of authorities held by providers that address those services.
- 17. We remind applicants that public utilities remain subject to Commission oversight that includes, but is not limited to, reporting and payment obligations to the Colorado High-Cost Support Mechanism and the Telecommunications Relay Services Program.
- 18. We find that the proposed transfer of control of Strasburg Telephone to ESTRA. is not contrary to the public interest and therefore grant the Joint Application for transfer to that

extent. Entities that hold Commission-issued authorities remain obligated to comply with any applicable requirements or regulations as stated in Article 15 of Title 40.

II. ORDER

A. The Commission Orders That:

- 1. The Joint Application to Transfer filed by TDS Telecommunications, LLC, Eastern Slope Rural Telephone Association, Inc., and Strasburg Telephone Company is deemed complete within the meaning of § 40-6-109.5, C.R.S., and is granted.
- 2. Consistent with the discussion above, the Joint Applicants' request for a partial waiver of Commission Rule 2110, 4 CCR 723-2 is granted.
- 3. TDS Telecommunications, LLC, Eastern Slope Rural Telephone Association, Inc., and Strasburg Telephone Company or their authorized representatives shall jointly notify the Commission if the transfer has been terminated or is not completed within 60 days of the proposed effective date stated in the Application or if the proposed transfer terms are changed prior to the consummation date. The notice shall include the Proceeding and Decision numbers which granted the authority to execute the transfer
- 4. The 20-day period provided for in § 40-6-114, C.R.S., within which to file an Application for Rehearing, Reargument, or Reconsideration begins on the first day following the effective date of this Decision.

- 5. This Decision is effective upon its Issued Date.
- B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING April 23, 2025.

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ATTEST: A TRUE COPY

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

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MEGAN M. GILMAN

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Commissioners

Rebecca E. White, Director