

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

In re investigation into the adequacy and reliability of)
telephone service provided by NEVADA BELL)
TELEPHONE COMPANY, d/b/a SBC NEVADA, to Ione) Docket No. 03-7015
and Reese River Valley, Nevada.)
_____)

NOTICE OF INVESTIGATION AND MOTION TO DISMISS

On July 23, 2003, the Public Utilities Commission of Nevada (“Commission”) voted to open an investigation into the adequacy and reliability of telephone service provided by Nevada Bell Telephone Company, d/b/a SBC Nevada (“SBC”), to Ione and Reese River Valley (“Reese River”), Nevada. This matter has been designated by the Commission as Docket No. 03-7015.

This investigation arose from Docket No. 03-3020, a Petition filed by the Regulatory Operations Staff (“Staff”) of the Commission for an Order to Show Cause why SBC should not be ordered to remedy service problems in Ione and Reese River. Staff argued that SBC’s radio-based telephone service was unreliable and inadequate because equipment problems and chronic breakdowns left customers without service for days or weeks at a time. The Commission found that the Petition was premature and dismissed it without prejudice.

This investigation is being conducted by the Commission pursuant to the Nevada Revised Statutes and the Nevada Administrative Code, Chapters 703 and 704.

On October 6, 2003, SBC filed a Motion to Dismiss Without Prejudice (“Motion to Dismiss”) with the Commission. SBC contends that the investigation should be dismissed because SBC has developed a plan to improve the service to Ione and Reese River. Pursuant to a Stipulation filed in Docket No. 97-4034 and approved by the Commission on September 17, 2003, SBC will replace the radio-based telephone service with fiber optic and copper-based landline facilities. This plan will provide landline service to 61 of the 63 customers located in the Ione and Reese River area. The other two customers will continue to be served by radio-based facilities, but SBC states

that it should have enough spare parts to replace broken radio equipment for these two customers once it retires the other radio equipment.

SBC anticipates completing the plan by the summer of 2004 and estimates that it will cost \$1,275,400. Of this amount, \$500,000 will come from Rural Improvement Project (“RIP”) funds set aside in Docket No. 97-4034. However, the plan is dependent upon environmental assessments and rights of way, which must be granted by various federal agencies. Pursuant to the Stipulation in Docket No. 97-4034, if SBC is unable to start construction of the landline facilities because it cannot obtain the necessary land use authorizations, no RIP funds will be expended and Ione and Reese River customers will continue to be served by the radio-based facilities.

This matter is available for review at the offices of the Commission: 1150 East William Street, Carson City, Nevada 89701 and 101 Convention Center Drive, Suite 250, Las Vegas, Nevada 89109.

By the Commission,

CRYSTAL JACKSON, Commission Secretary

Dated: Carson City, Nevada

10-14-03
(SEAL)