



Federal Communications Commission  
Washington, D.C. 20554

February 6, 2009

Lisa Patton  
Vice President  
Shidler Telephone Company  
P.O. Box 25  
Shidler, OK 74652

DA 09-197

**Re: November 25, 2008 Request of Shidler Telephone Company for  
Approval for Extraordinary Retirement Pursuant to Section 32.2000(g)(5)  
and For Inclusion of the Resulting Deferred Maintenance and Retirement  
Balance in the Interstate Rate Base Pursuant to Section 65.820(c)**

Dear Ms. Patton:

On November 25, 2008, Shidler Telephone Company (Shidler) filed a request for approval for “extraordinary retirement pursuant to section 32.2000(g)(5) and for inclusion of the resulting deferred maintenance and retirement balance in the interstate rate base pursuant to section 65.820(c).”<sup>1</sup> You explained that in 2002, an ice storm struck your serving area, bringing down virtually all of Shidler’s aerial cable and wire facilities (CWF).<sup>2</sup> You stated that you elected not to install any further aerial CWF, and instead relied on construction of underground CWF.<sup>3</sup> You requested permission to make extraordinary retirement of aerial CWF effective January 1, 2008, pursuant to sections 32.2000(g)(4) and (5) of the Commission’s rules, so that Shidler could credit Account 3100 for the amount of the extraordinary retirement and charge Account 1438 (“Deferred Maintenance, Retirements, and Deferred Charges”).<sup>4</sup>

You also requested permission to amortize the resulting Account 1438 balance over five years, and for permission pursuant to section 65.820(c) of the Commission’s rules to include in the interstate rate base the current balance each year of Account 1438 associated with the

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<sup>1</sup> Letter from Lisa Patton, Shidler Telephone Company, to Wireline Competition Bureau, dated November 25, 2008 (November 25, 2008 Request).

<sup>2</sup> *Id.* at ii.

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

extraordinary retirement.<sup>5</sup> You stated that your proposal will have “only *de minimis* effects on access charges and universal service high cost support funds,” and will serve to restore Shidler’s debt to equity ratio to “a more reasonable level.”<sup>6</sup>

Pursuant to section 32.1438 of the Commission’s rules, a company may include charges in Account 1438 “only upon direction or approval from this Commission,” and the company’s application for such approval must give the Commission “full particulars concerning the property retired, the extensive replacements, the amount chargeable to operating expenses and the period over which in its judgment the amount of such charges should be distributed.”<sup>7</sup>

Based upon the showing contained in Shidler’s November 25, 2008 Request, and pursuant to the authority delegated in the Commission’s rules,<sup>8</sup> Shidler is authorized to charge Account 1438 for the net book value of the aerial CWF, amortized ratably over a five-year period beginning on January 1, 2008 and ending on December 31, 2012.<sup>9</sup>

Sincerely,



Albert M. Lewis  
Chief  
Pricing Policy Division  
Wireline Competition Bureau

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<sup>5</sup> *Id.* at ii-iii.

<sup>6</sup> *Id.* at iii.

<sup>7</sup> 47 C.F.R. § 32.1438(a)(1).

<sup>8</sup> 47 C.F.R. §§ 0.91, 0.204, 0.291.

<sup>9</sup> November 25, 2008 Request at ii.