local long distance dsi

DCCV Exhibit 3 Docket No. 06-2419-02

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PO Box 324, Rockland, ID 83271

MEMORANDUM FOR UTAH PUBLIC SERVICES COMMISSION SUBJECT: Waiver Request

On July 8<sup>th</sup>, 2004 Direct Communications Cedar Valley, LLC (DCCV) stipulated to accomplish certain actions as a consequence of the order issued in Docket NO. 04-2419-01. The purpose of this memorandum is to request a waiver of two of those actions.

DCCV stipulated to provide the Division of Public Utilities (DPU) with semi-annual financials statements reflecting DCCV's financial situation. DCCV was unable to accomplish this action as the proceedings to establish the DCCV rate base are not yet complete. Without having Commission approval of the assets purchased it is impossible for DCCV to calculate depreciation expense and thus provide an accurate portrayal of DCCV's financial situation. DCCV is concluding the proceeding to establish the rate base and current financials are in progress based upon an agreed upon rate base. DCCV does not anticipate any future reasons why it would be unable to comply with providing the DPU semi-annual or annual financials.

DCCV also stipulated to begin a traffic study in order to establish cost based EAS costs within one month of taking control of operations in Eagle Mountain. Due to technological reasons, DCCV was unable to initiate the traffic study until December 1, 2006. DCCV submitted its first traffic study to the DPU in January, 2007. DCCV is working to provide the information in the detail and format requested by the DPU. DCCV also does not anticipate any reasons why it would be unable to provide traffic studies to the DPU and Committee of Consumer Services every quarter in order to establish EAS costs.

If there are any questions concerning this matter please contact Kip Wilson, General Manager, DCCV, @ (208) 548-2345

Kip A. Wilson

DCCV

General Manager

CC: Laura Scholl, Manager Telecom Division Utah DPU