

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Rescission of Waiver of)
Commission Rule and Statute by Oregon) File No. IE-2014-0332
Farmers Mutual Telephone Company)

NOTICE ACKNOWLEDGING RESCISSION OF WAIVER – OREGON FARMERS MUTUAL TELEPHONE COMPANY

Issue Date: May 13, 2014

On May 2, 2014, Oregon Farmers Mutual Telephone Company filed a notice indicating its election to rescind its 2012 waiver of Section 392.300, RSMo, and 4 CSR 240-3.520. In doing so, Oregon Farmers intends to opt into Commission regulation over any assignment, lease, sale, or transfer of its Missouri-regulated assets. Oregon Farmers is authorized to elect the waiver of those rules and statutes by Sections 392.245.5(8), 392.420 and 392.461, RSMo (Supp. 2013). Oregon Farmers did not need the permission of the Commission to elect those waivers and does not need permission to rescind its waiver. The rescission of the waiver took effect at the time Oregon Farmers filed its notice.

Oregon Farmers explains that it has rescinded its previous waiver of Commission regulation over the assignment, lease, sale, or transfer of its assets because another entity, Townes Missouri, Inc., is seeking to seize control of those assets in satisfaction of a debt owned by Oregon Farmers. On May 7, Townes Missouri, Inc. filed a response to Oregon Farmers' notice of rescission. Townes explains that the parent company of Oregon Farmers defaulted on a debt owed to the Rural Telephone Finance Cooperative (RFTC). RFTC subsequently assigned the loan agreement and accompanying rights to Townes. Townes is now seeking to take possession of the property that secured the debt.

On May 13, Staff filed a recommendation confirming that the statute allows Oregon Farmers to rescind the waiver it previously elected. Staff advises the Commission to recognize Oregon Farmers' rescission of the waiver, but urges the Commission to note that in recognizing the rescission, the Commission is making no finding or conclusion about whether the Commission has jurisdiction over the transfer of the assets of Oregon Farmers to Townes.

Staff is correct. At this time the only matter before the Commission is Oregon Farmers' notice that it has elected to rescind its previous waiver of the statute and regulation regarding prior Commission approval of the transfer of its regulated assets. The Commission has no authority to either approve or reject that waiver, so it merely acknowledges that the waiver has been rescinded. The question of whether the Commission now has jurisdiction over any asset transfer between Oregon Farmers and Townes has not yet been presented, and the Commission makes no findings or conclusions about that question at this time.

If any action is filed regarding the asset transfer it shall be made in a new file. Consequently, this file shall be closed.

BY THE COMMISSION



A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Morris L. Woodruff, Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 13th day of May, 2014.