

LAW OFFICES
BRYDON, SWEARENGEN & ENGLAND
PROFESSIONAL CORPORATION

DAVID V.G. BRYDON
JAMES C. SWEARENGEN
WILLIAM R. ENGLAND, III
JOHNNY K. RICHARDSON
GARY W. DUFFY
PAUL A. SOUDREAU
SONDRA B. MORGAN
CHARLES E. SMARR
DEAN L. COOPER

312 EAST CAPITOL AVENUE
P.O. BOX 456
JEFFERSON CITY, MISSOURI 65102-0456
TELEPHONE (573) 635-7166
FACSIMILE (573) 634-7431
smorgan@brydonlaw.com

GREGORY C. MITCHELL
BRIAN T. MCCARTNEY
DIANA C. CARTER
JANET E. WHEELER
SCOTT A. HAMBLIN
M. MELISSA MANDA
JAMIE J. COX

OF COUNSEL
RICHARD T. CIOTTONE

September 26, 2005

Judge Morris Woodruff
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Re: The Oregon Farmers Mutual Telephone Company, Case No. TF-2005-0503.

Dear Judge Woodruff:

At the on-the-record proceeding in this case on September 20, 2005, the Commissioners had questions regarding the prior loan of The Oregon Farmers Mutual Telephone Company ("Oregon Farmers") and statements made by counsel in Agenda at the time Case No. IM-2004-0461 was pending. This correspondence will address those questions.

On September 9, 1998, Oregon Farmers was granted authority by the Commission to borrow an amount not to exceed \$800,000 from CoBank, ACB, and to place a lien on the assets of the company in Case No. TF-98-243. The remaining balance of that loan in the amount of \$375,000 was paid off at the time of the transfer of the stock of Oregon Farmers approved in Case No. IM-2004-0461, and that lien was extinguished. Oregon Farmers also had outstanding loan balances from the Rural Utilities Service ("RUS") approved by the Commission in Case No. 14,110 on March 11, 1959, and Case No. 18,270 on January 27, 1975, and those amounts totaling \$196,000 were paid off and the RUS lien extinguished at the same time.

The Commissioners also requested that we review the notes from the Commission's Agenda meetings for statements Mr. England may have made to the Commission regarding the transactions in Case No. IM-2004-0461. We have reviewed the notes, and the only date where Mr. England was present at the Agenda meeting when the Oregon Farmers' transaction was discussed was August 12, 2004. At that time, the Commission was concerned about the identity of the purchasers, and Commissioner Davis asked if it would possible to speak with


the "audience." Mr. England stated that he "would be uncomfortable talking when notice had not been given to all parties." Commissioner Gaw then stated that Mr. England would not be able to discuss the case with the Commissioners, and the Commission decided to issue an order directing filing in order to obtain the information.

The Commission's remaining questions will be addressed in the pleading to be filed on September 27, 2005.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND PC

By:

A handwritten signature in cursive script, appearing to read "Sondra B. Morgan".

Sondra B. Morgan

cc: Mr. Marc Poston
Mr. Mike Dandino
Mr. Pat Eudy