

FILED

NOV 14 2008

BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION

Missouri Public
Service Commission

In the matter of the Application of)
)
Consolidated Communications Operator Services, Inc.)
)
and)
)
Consolidated Communications Public Services, Inc.)
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and)
)
Consolidated Communications Network Services, Inc.)
)
For Approval of a Transfer of Assets Related to an)
Internal Reorganization, Name Change, and Related)
Approvals)

Case No _____

APPLICATION

Pursuant to Section 392.300 of the Missouri Revised Statutes, 4 CSR 240-2.060 and 4 CSR 240.3520, Consolidated Communications Operator Services, Inc (“CCOS”), Consolidated Communications Public Services, Inc (“CCPS”) and Consolidated Communications Network Services, Inc, (“CCNS”) (collectively, the “Applicants”), request approval of transfers of assets related to an internal reorganization, approval of a name change for CCNS, and any other approvals needed to effect such transfers and name change Applicants request that such approvals be granted on or before December 31, 2008 in order to allow the planned reorganization to take effect on January 1, 2009 In support of this application, CCOS, CCPS, and CCNS state as follows

A. Summary of Application

1 CCNS, a sister company of CCOS and CCPS, currently provides interexchange services in the state of Missouri pursuant to Certificate No XA-2004-0020, issued by the Missouri Public Service Commission on August 22, 2003 CCOS, a sister company of CCNS and CCPS, currently provides interexchange services and alternative operator services in the state of Missouri pursuant to Certificate No XA-2003-0456, issued by the Missouri Public Service Commission on May 28, 2003 CCPS, a sister

company of CCNS and CCOS, currently provides interexchange services, alternative operator services and private payphone service in the state of Missouri pursuant to Certificate No TA-96-249, issued by the Missouri Public Service Commission on March 22, 1996

2 CCOS, CCPS and CCNS are all indirect subsidiaries of Consolidated Communications Holding, Inc ("CCH"), a publicly-traded corporation organized under the laws of the State of Delaware

3 In order to simplify its internal corporate structure for accounting, financial and internal management reasons, CCH is planning to combine a number of its existing direct and indirect subsidiaries Under the proposed reorganization, which is further described below, the business and assets of CCOS and CCPS will be transferred to CCNS, and both CCOS's and CCPS's corporate existences will cease In addition, at the time of this internal corporate restructuring, CCNS's corporate name would be changed from Consolidated Communications Network Services, Inc to Consolidated Communications Enterprise Services, Inc ("CCES")

4 CCNS requests, as described below in Section E, approval of a change in name pursuant to 4 CSR 240-2 060(5), to be effective January 1, 2009

5. In all states where CCNS does not have authority to provide telecommunications services and where permitted by law, CCOS and CCNS are seeking authorization to transfer assets from CCOS to CCNS In the same way, in all states where they operate, CCPS and CCNS are seeking appropriate authorizations to transfer assets from CCPS to CCNS

6 Following the internal reorganization, CCNS (to be renamed CCES) will assume CCOS's and CCPS's operations CCNS would thereafter carry on the telecommunications business and provide the telecommunications services currently provided by CCOS and CCPS in Missouri and other states CCNS plans to offer the same services currently offered by CCOS and CCPS in Missouri, at the same prices, terms and conditions as currently offered by CCOS and CCPS CCNS currently has the authority to offer all of

these services with the exception of private pay telephone service. Accordingly, it is also necessary for CCNS to obtain issuance of a Certificate to provide private payphone service in its own name, and as described in Section F below, CCNS will be separately filing an Application requesting that Certificate.

B. Information Required Under 4 CSR 240.2.060(1)

7 As required by 4 C S R 240-2 060(1)(A), CCOS states that it was incorporated under the laws of the State of Delaware, and a copy of CCOS's articles of incorporation is attached as Exhibit 1. As required by 4 C S R 240-2 060(1)(C), CCOS states that it obtained authority to do business in the State of Missouri, and a copy of CCOS's certificate of authority to do business is attached as Exhibit 2. CCOS's mailing address is 350 South Loop 336 West, Conroe, Texas 77304. CCOS's contact information is Telephone 1-936-788-7421, Fax 936-788-1229, e-mail bill.terry@consolidated.com.

8 As required by 4 C S R 240-2 060(1)(H), CCOS states that it is (and CCNS will be) a switchless, non-facilities-based toll reseller in Missouri, with telecommunications services provided over the networks of the underlying carrier Paetec and other wholesale providers. Specifically, in Missouri CCOS is engaged (and after the transfer, CCNS will be engaged) in the provision of operator services and directory assistance. In Missouri, CCOS received its certificate of service authority to provide intrastate interexchange telecommunications services and non-switched local exchange telecommunications services, restricted to providing dedicated private line services, in Certificate No. XA-2003-0456, issued on May 28, 2003.

9 As required by 4 C S R 240-2 060(1)(K), CCOS states that it does not have any pending actions or final unsatisfied judgments or decisions against it in any state or federal agency or court which involve customer service or rates, which action, judgment, or decision occurred within the last three years as of the date of this Application. As required by 4 C S R 240-2 060(1)(L), CCOS further states, to the best of its knowledge, that it has no annual report or assessments fees that are overdue.

10 As required by 4 C S R 240-2 060(1)(A), CCPS states that it was incorporated under the laws of the State of Illinois, and a copy of CCPS's articles of incorporation is attached as Exhibit 3 As required by 4 C S R 240-2 060(1)(C), CCPS states that it obtained authority to do business in the State of Missouri, and a copy of CCPS's certificate of authority to do business is attached as Exhibit 4 CCPS's mailing address is 350 South Loop 336 West, Conroe, Texas 77304 CCPS's contact information is Telephone 1-936-788-7421, Fax 936-788-1229, e-mail bill.terry@consolidated.com

11 As required by 4 C S R 240-2 060(1)(H), CCPS states that it is certificated to resell interexchange telecommunications services in Missouri pursuant to Certificate No TA-96-249, issued on March 22, 1996 Specifically, in Missouri CCPS is engaged (and after the transfer CCNS will be engaged) in the provision of inmate telecommunications services to correctional facilities

12 As required by 4 C S R 240-2 060(1)(K), CCPS states that it does not have any pending actions or final unsatisfied judgments or decisions against it in any state or federal agency or court which involve customer service or rates, which action, judgment, or decision occurred within the last three years as of the date of this Application As required by 4 C S R. 240-2 060(1)(L), CCPS further states, to the best of its knowledge, that it has no annual report or assessments fees that are overdue

13 As required by 4 C S R 240-2 060(1)(A), CCNS states that it was incorporated under the laws of the State of Delaware, and a copy of CCNS's articles of incorporation is attached as Exhibit 5 As required by 4 C S R 240-2 060(1)(C), CCNS states that it obtained authority to do business in the State of Missouri, and a copy of CCNS's authority to do business is attached as Exhibit 6 CCNS's mailing address is 350 South Loop 336 West, Conroe, Texas 77304 CCNS's contact information is Telephone 1-936-788-7421, Fax 936-788-1229, e-mail bill.terry@consolidated.com

14 With respect to 4 C S R 240-2 060(1)(E), CCNS further states that it is also in the process of filing for and obtaining registration of (i) its proposed new corporate name Consolidated Communications Enterprise Services, Inc , and (ii) the trade names (d/b/a) "Consolidated Communications Operator

Services”, “Consolidated Communications Public Services”, and “Consolidated Communications Network Services”, and will make a supplemental filing under 4 CSR 240-2 060(5) when these registrations are received from the Missouri Secretary of State

15 As required by 4 CSR 240-2 060(1)(H), CCNS states that it received its certificate of service authority to provide intrastate interexchange telecommunications services in Missouri in Certificate No XA-2004-0020, issued on August 22, 2003

16 As required by 4 C S R 240-2 060(1)(K), CCNS states that it does not have any pending actions or final unsatisfied judgments or decisions against it in any state or federal agency or court which involve customer service or rates, which action, judgment, or decision occurred within the last three years as of the date of this Application Pursuant to 4 C S R 240-2 060(1)(L), CCNS further states, to the best of its knowledge, that it has no annual report or assessments fees that are overdue

17 As required by 4 C S R 240-2 060(1)(I), Applicants state that the designated contacts for questions and other correspondence concerning this Application are

Bill Terry
Senior Manager – Regulatory
Consolidated Communications Network Services, Inc , to be known as Consolidated
Communications Enterprise Services, Inc
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and

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omacbride@schiffhardin.com
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C. Description of Internal Reorganization Necessitating Transfer of Assets

18 All of the physical and intangible assets of CCOS and CCPS, including property, plant, equipment, contracts, leases, customers accounts receivable and other assets will be transferred to their sister corporation CCNS, so as to permit CCNS to provide all of CCOS's and CCPS's intrastate telecommunications services. Upon such transfer, the corporate existences of CCOS and CCPS will be terminated. CCNS seeks to accomplish this transfer and to begin service on January 1, 2009.

19 It is planned that on January 1, 2009, which is scheduled to be the effective date of the transaction described in this submission, CCNS's corporate name will be changed to CCES. In accordance with the General Corporation Law of Delaware, this change of name will be effected by (i) adoption of a resolution by the Board of Directors of CCNS amending CCNS's articles of incorporation to change the corporate name to CCES, and (ii) filing the amendment to the articles of incorporation with the Delaware Secretary of State.

20 CCNS has six sister corporations, all of which are direct wholly-owned subsidiaries of Consolidated Communications, Inc ("CCI"). CCI, in turn, is a wholly-owned subsidiary of CCH. CCH also owns two other sets of subsidiaries in addition to CCI: (1) Consolidated Communications Acquisition Texas, Inc., which in turn directly owns five companies providing telecommunications services primarily in Texas, and indirectly owns partial interests in three additional companies providing telecommunications

services primarily in Texas, and (2) North Pittsburgh Systems, Inc , which in turn directly owns three companies providing telecommunications services primarily in Pennsylvania Exhibit 7 shows CCH and its current direct and indirect subsidiaries

21 In order to simplify the overall CCH corporate structure, and to reduce and streamline internal and external management, financial, tax and regulatory accounting, recordkeeping and reporting requirements, it is planned that on January 1, 2009, the businesses and assets of a number of the existing direct and indirect subsidiaries of CCH will be combined As a result of this internal corporate restructuring, CCH will have one direct subsidiary, CCI CCI in turn will have five directly-owned subsidiaries, including CCES CCES in turn will have one wholly-owned subsidiary, Consolidated Communications of Pennsylvania Company, and several partially-owned subsidiaries Exhibit 8 shows the corporate structure of CCH and its direct and indirect subsidiaries following the planned internal corporate restructuring

22 The internal reorganization will be transparent to customers CCNS will provide the same services in Missouri that are presently provided by, and in the same manner as provided by CCOS and CCPS In Missouri CCNS will use the d/b/a name of Consolidated Communications Operator Services (for the services formerly provided by CCOS) and Consolidated Communications Public Services (for the services formerly provided by CCPS) to avoid any confusion to or impact upon customers Additionally, CCNS will use the same tariffs currently on file for CCOS (for the services formerly provided by CCOS) and CCPS (for the services formerly provided by CCPS), with no change in prices, terms and conditions

D. Information Required Under 4 C.S.R. 240-3.520

23 With respect to 4 C S R 240-3 520(2)(A), and as further described above, this Application seeks the authorization to transfer all of the assets of CCOS and CCPS to CCNS pursuant to an internal reorganization Upon such transfer, the corporate existences of CCOS and CCPS will be terminated, and CCNS (to be renamed CCES) will assume CCOS's and CCPS's operations

24 With respect to 4 C S R 240-3 520(2)(B), Applicants state that this is an internal reorganization, and there are no written agreements concerning the proposed transfer

25 Under the term of the certificates of service authority issued to them by the Commission, CCOS, CCPS, and CCNS are classified as competitive telecommunications companies Therefore, pursuant to 4 C S R 240-3 520(1), they are exempt from 4 C S R 240-3 520(2)(C)

26 As required by 4 C S R 240-3 520(2)(D), the Applicants submit, in good faith, that the asset transfers requested herein and the internal reorganization they will facilitate are consistent with the public interest because they will simplify the overall corporate structure and streamline internal and external management, financial, tax and regulatory accounting, and recordkeeping and reporting requirements The internal reorganization involves no change in the ultimate ownership or control of the Applicants' operations Nor will the asset transfers, nor the internal reorganization, affect customers, who will continue to receive the same quality services they currently receive from CCOS and CCPS without any changes to the service offerings, rates, or terms and conditions CCNS is fit and able properly to perform the services authorized by the certificates and to comply with all rules, regulations, and requirements of the Commission CCNS, as a sister corporation of CCOS and CCPS, has the managerial, technical, and financial qualifications to acquire the assets of CCOS and CCPS, and to provide the services that CCOS and CCPS previously provided Additionally, pursuant to the internal reorganization, CCNS will acquire the assets, revenues and employees of CCOS and CCPS CCNS will use the d/b/a names of Consolidated Communications Operator Services (in providing the services formerly provided by CCOS) and Consolidated Communications Public Services (in providing the services formerly provided by CCPS) in order to avoid any confusion to or impact upon customers

27. Under the term of the certificates of service authority issued to them by the Commission, CCOS, CCPS, and CCNS are classified as competitive telecommunications Therefore, pursuant to 4 C S R 240-3 520(1), they are exempt from 4 C S R 240-3 520(2)(E)

28 As required by 4 C S R 240-3 520(2)(F), the Applicants state they do not believe or anticipate the proposed transaction will have any impact on the tax revenues of the political subdivisions in which any structures, facilities, or equipment of the Applicants are located The Applicants further state they do not have any structures, facilities, or equipment in the State of Missouri

29 As required by 4 C S R 240-3 530(2)(G), the Applicants have attached a copy of the notifications to be provided to customers as Exhibit 9 with respect to the transfers of the assets of CCOS and CCPS to CCNS

E. Request for Change of Name

30 Pursuant to 4 CSR 240-2 060(5), CCNS hereby requests approval of a change of name under which the company operates in the State of Missouri CCNS respectfully requests the Commission to approve its change of name to CCES In support of this request, CCNS states that it currently operates under the name Consolidated Communications Network Services, Inc and desires to operate under the name Consolidated Communications Enterprise Services, Inc , effective January 1, 2009 CCNS is in the process of filing for and obtaining registration of the change of name and will make a supplemental filing of its registration from the Missouri Secretary of State In addition, after the internal reorganization described in this Application, in Missouri CCES will use the d/b/a names of Consolidated Communications Operator Services (in providing the services formerly provided by CCOS), Consolidated Communications Public Services (in providing the services formerly provided by CCPS), and Consolidated Communications Network Services (in providing the services it provided prior to the internal reorganization) A copy of the notification to be provided to CCNS customers regarding the name change is attached as Exhibit 9

31 Attached as Exhibits 10, 11, and 12 are CCNS's adoption notices and the current Missouri tariffs of CCOS, CCPS and CCNS, with each tariff revised to show the service provider name as "Consolidated Communications Enterprise Services, Inc. d/b/a [Consolidated Communications Operator Services, Consolidated Communications Public Services or Consolidated Communications Network

Services, as applicable] Each revised tariff has an effective date of January 1, 2009, which is not fewer than thirty (30) days after the filing date of this request for approval of a change of name

F. Application for Private Pay Telephone Authority

32 CCNS is separately filing an Application for Authority to Provide Private Pay Telephone Service in Missouri. A copy of that Application is attached as Exhibit 13. In addition, upon the effectiveness of the Authority for CCNS to Provide Private Pay Telephone Service, and completion of the internal reorganization, the existing Authority to Provide Private Pay Telephone Service held by CCPS, as issued June 11, 1996 in Case No. TA-96-369, should be canceled.

G. Conclusion

33 For the reasons stated herein, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. Accordingly, the Applicants respectfully request that the Commission approve the transfer of assets from CCOS and CCPS to CCNS, the name change from CCNS to CCES, and grant any and all other relief as necessary and appropriate to effect the transfer of assets, name change and internal reorganization described herein, on or before December 31, 2008

Respectfully submitted this 14th day of November, 2008

Consolidated Communications Operator Services, Inc ,
Consolidated Communications Public Services, Inc and
Consolidated Communications Network Services, Inc

By 

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STATE OF TEXAS)
)
COUNTY OF MONTGOMERY)

SS

VERIFICATION

Steven L Childers, on oath, deposes and states that he is the Chief Financial Officer of Consolidated Communications Operator Services, Inc , he is duly authorized to act on behalf of Consolidated Communications Operator Services, Inc , and the information set forth in the foregoing "Application" is true and correct to the best of his knowledge, information, and belief

Steven L Childers

Subscribed and sworn to before me
this __ day of _____, 2008

Notary Public

STATE OF TEXAS)
)
COUNTY OF MONTGOMERY)

SS

VERIFICATION

Steven L. Childers, on oath, deposes and states that he is the Chief Financial Officer of Consolidated Communications Public Services, Inc , he is duly authorized to act on behalf of Consolidated Communications Public Services, Inc , and the information set forth in the foregoing "Application" is true and correct to the best of his knowledge, information, and belief

Steven L Childers

Subscribed and sworn to before me
this __ day of _____, 2008

Notary Public

STATE OF TEXAS)
)
COUNTY OF MONTGOMERY)

SS

VERIFICATION

Steven L Childers, on oath, deposes and states that he is the Chief Financial Officer of Consolidated Communications Network Services, Inc , he is duly authorized to act on behalf of Consolidated Communications Network Services, Inc , and the information set forth in the foregoing “Application” is true and correct to the best of his knowledge, information, and belief

Steven L Childers

Subscribed and sworn to before me
this __ day of _____, 2008

Notary Public

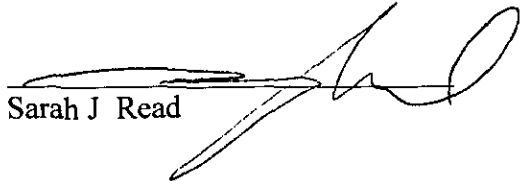
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was hand-delivered or mailed, postage prepaid, this 14th day of November 2008, to the following

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Sarah J Read