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In order to complete the proposed merger, IWL Holdings has formed a wholly owned subsidiary corporation named CapRock Acquisition Corp. (C-Sub). The Agreement provides for C-Sub to merge with and into CapRock. CapRock would survive as a wholly owned subsidiary of IWL Holdings. CapRock will continue to operate as a regulated entity using its existing certificates and tariffs. The merger will be transparent to existing and prospective CapRock customers and will have no adverse impact on CapRock's ability to provide high quality telecommunications services. CapRock states that the proposed merger will have no impact on the tax revenues of any political subdivision of the state of Missouri and that CapRock has no pending or final decisions or judgments against it from any state or federal agency involving service or rates to customers. CapRock states that the proposed merger is in the public interest because it will permit CapRock to operate in a more streamlined and efficient manner, will provide cost savings, and will enhance the overall capacity of the company to provide services for a greater number of consumers in Missouri. CapRock states that the proposed merger will not result in any disruption of service, confusion, or inconvenience to customers.

The Staff of the Commission (Staff) filed a memorandum on June 19, 1998 recommending that the application be granted. Staff pointed out that CapRock will continue to operate using its present certificate and tariff and will maintain its present rate structure. CapRock will continue to offer the same plans, terms, and conditions it currently offers. Staff also recommended that the Commission approve the merger before June 1, 1998.

The Commission has reviewed the application and supporting documentation, the Motion for Expedited Treatment, and the Staff's memorandum. Although Staff's recommendation proposed that the application be approved so the merger could be consummated before June 1, 1998, the memorandum was not filed until June 19. Accordingly, although there may have been good cause to support expedited treatment of this application, the requested approval date has passed and the motion has become moot. The Commission will, however, act as expeditiously as possible under the circumstances.

The Commission finds that, based upon the allegations of the application and Staff's recommendation, CapRock's customers would not be affected by the proposed merger and would be able to continue to receive service under the same terms and conditions, and at the same rates. In addition, the merger would permit certain efficiencies that could result in improvement in CapRock's ability to operate in the competitive marketplace and to provide high quality services. The Commission finds that the proposed merger would not be detrimental to the public interest and will be approved.

IT IS THEREFORE ORDERED:

1. That the application filed by CapRock Communications Corp. on April 28, 1998 is approved.

2. That CapRock Communications Corp. is authorized to take any and all actions necessary to put into effect the transaction described in the Agreement and Plan of Merger and Plan of Exchange submitted along with its application.

3. That CapRock Communications Corp. shall advise the Commission within ten days after the merger is consummated.

4. That this Order shall become effective on July 10, 1998.

BY THE COMMISSION

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Drainer,
Murray and Schemenauer, CC.,
concur.

Wickliffe, Deputy Chief Regulatory Law Judge