

At a session of the Public Service Commission held at its office in Jefferson City on the 22nd day of November, 1994.

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) Case No. TO-93-8
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On August 5, 1992, the Commission issued an order authorizing the Commission Staff to perform a management audit of Orchard Farm Telephone Company (Orchard Farm). The audit was to be a focused management audit of selected management processes and practices with an in-depth review of affiliate transactions, operations, customer service, financial management, and budgeting and long range planning. Staff filed its completed Management Audit Report and Orchard Farm's Audit Recommendation Implementation Plan on October 15, 1993. In its audit report Staff made three recommendations and Orchard Farm addressed the recommendations in its implementation plan. On October 19, 1994, Staff filed an Implementation Review.

Based upon a review of the Implementation Review filed by Staff, it appears that Staff's three recommendations have been addressed to Staff's satisfaction. The first recommendation was that Orchard Farm request Telephone and Data Systems, Inc. (TDS) to perform a comprehensive review of all aspects of Orchard Farm's operations in 1993. Staff's review indicates the TDS audit was completed in March 1994. Second, Staff recommended that Orchard Farm conduct an analysis of current billing service costs to determine if they are being allocated to the proper accounts. This activity was completed by Orchard Farm to Staff's satisfaction. Third, Staff recommended that Orchard Farm conduct a comprehensive cost/benefit analysis of the options available for performing the

billing function. Staff's review indicates that Orchard Farm completed this activity and that TDS is now performing the billing function, with improved efficiency.

Based upon a review of the audit report, the implementation plan and the implementation review, the Commission finds that the purpose of this docket has been fulfilled. An audit of Orchard Farm's telephone operations has been completed and recommendations have been implemented. Commission Staff has indicated it is satisfied with the implementation of the recommendations. Based upon these facts, the Commission will close this case.

IT IS THEREFORE ORDERED:

1. That the management audit of Orchard Farm Telephone Company is hereby complete.
2. That this case file is hereby closed.
3. That this order shall become effective on the 2nd day of December, 1994.

BY THE COMMISSION



**David L. Rauch
Executive Secretary**

(S E A L)

Mueller, Chm., McClure,
Kincheloe and Crumpton, CC.,
concur.
Perkins, C., absent.