BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Joint Application of Cass) County Telephone Company, Limited Partnership,) LEC Long Distance, Inc., d/b/a CassTel Long) Communications. Distance. FairPoint FairPoint Communications Missouri, Inc. d/b/a FairPoint Communications and ST Long Distance, d/b/a FairPoint Communications Distance for Authority to Transfer and Acquire Cass County Telephone Company, Limited) Partnership's and LEC Long Distance, Inc.'s Facilities or Systems Located in the State of Missouri; 2) for Issuance of Certificates of Service Authority to FairPoint Communications Missouri, Inc., d/b/a FairPoint Communications and ST Long Distance, Inc., d/b/a FairPoint Communications Long Distance; and 3) to Designate FairPoint Communications Missouri, Inc., d/b/a FairPoint Communications as a Telecommunications Carrier Eligible to Receive Federal Universal Service) Support

Case No. TM-2006-0306

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation states:

- 1. Cass County Telephone Company, Limited Partnership; LEC Long Distance, Inc., d/b/a CassTel Long Distance; FairPoint Communications, Inc.; FairPoint Communications Missouri, Inc., d/b/a FairPoint Communications; and ST Long Distance, Inc., d/b/a FairPoint Communications Long Distance have filed a joint application asking for various Commission approvals related to the FairPoint companies proposed acquisition of the assets of the CassTel companies.
- 2. Applicable case law provides that the Commission may "not withhold its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the

public interest." State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz, 596 S.W.2d 466, 468 (Mo. App. E.D. 1980), citing State ex rel. City of St. Louis v. Public Serv. Comm'n of Mo., 73 S.W.2d 393, 400 (Mo. Banc 1934).

3. In the attached Memorandum, the Staff opines that the proposed sale is not detrimental to the public interest and therefore recommends approval. The Staff's Memorandum proposes twenty recommended items for inclusion in a Commission Order.

WHEREFORE, the Staff recommends that the Commission grant the various approvals related to FairPoint companies' acquisition of the assets of the Cass Tel companies.

Respectfully submitted,

/s/ William K. Haas
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Deputy General Counsel

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 21st day of April 2006.

/s/ William K. Haas