

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Application of NuVox Communications of)
Missouri, Inc., for Authority to Provide its) Case No. TF-2007-0356
Security in Connection with Financing)

STAFF’S SUPPLEMENTAL RECOMMENDATION

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

1. On March 28, 2007, NuVox Communications of Missouri, Inc. (“NuVox Communications”) filed an Application for authority to provide its guarantee, grant a security interest in its assets and pledge its stock in connection with financings for its parent, Gabriel Communications Finance Company, a subsidiary of NuVox, Inc.

2. On April 26, the Staff filed its Recommendation requesting the Commission to authorize NuVox Communications to participate in the financing transactions described in the Application.

3. On April 27, NuVox Communications filed an Amended Application, and a motion requesting leave to file the Amended Application. The motion states that the amendments reflect that the previously anticipated secondary finance facility has simply been combined into the senior finance facilities and clarify a statement about dividends.

4. In the attached Memorandum, labeled Appendix A, the Staff states that the amendment does not change the Staff’s recommended approval of the financing transaction, and that the use of the loan proceeds to include other distributions and increasing the \$180 million senior secured seven (7) year term loan to \$250 million (and eliminating the \$70 million senior

second lien secured eight (8) year term loan) is reasonable and not detrimental to the public interest.

WHEREFORE, the Staff recommends that the Commission authorize NuVox Communications to participate in the financing transactions described in the Amended Application.

Respectfully submitted,

/s/ William K. Haas

William K. Haas
Deputy General Counsel
Missouri Bar No. 28701

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-7510 (Telephone)
(573) 751-9285 (Fax)
william.haas@psc.mo.gov

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 1st day of May 2007.

/s/ William K. Haas

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. TF-2007-0356, NuVox Communications of Missouri, Inc.

FROM: Ronald L. Bible, Manager, Financial Analysis Department, Utility Services
Division

/s/ Ronald L. Bible 04/30/07 /s/ William K. Haas 04/30/07
Project Coordinator General Counsel's Office

SUBJECT: Supplemental Recommendation for NuVox Communications of Missouri, Inc.
Amended Application for Authority to Provide Its Security in Connection with
Financing for Its parent, Gabriel Communications Finance Company.

DATE: April 30, 2007

Staff recommends that the Commission approve NuVox Communications of Missouri, Inc.'s ("NuVox Communications" or "Petitioner") Amended Application to provide Petitioner's guarantee, grant a security interest in Applicant's assets and pledge Petitioner's stock in connection with its parent's, Gabriel Communications Financing Company ("Gabriel"); borrowing of an amount up to \$260 million (collectively, the "Loans").

The Petitioner has met the filing requirements in accordance with 4 CSR 240-3.530. The Amended Application makes two changes; a change in the use of the loans proceeds from dividend obligations of NuVox, Inc. ("NuVox"), the ultimate parent of NuVox Communications to dividend or other distributions of NuVox, Inc. ("NuVox"), the ultimate parent of NuVox Communications; and increases the \$180 million senior secured 7 year term loan to \$250 million and eliminates the \$70 million senior second lien secured 8 year term loan. The total loan amounts remain \$260 million as in the original Application.

The amendment does not change the Staff's recommended approval of the financing transaction. Staff finds that the use of the loan proceeds to include other distributions and increasing the \$180 million senior secured 7 year term loan to \$250 million is reasonable and not detrimental to the public interest.

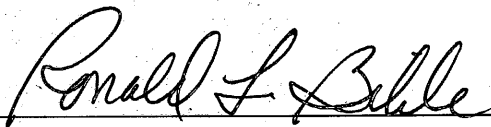
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Application of NuVox Communications of)
Missouri, Inc. for Authority to Provide its Security) Case No. TF-2007-0356
in Connection with Financing)

AFFIDAVIT OF RONALD L. BIBLE

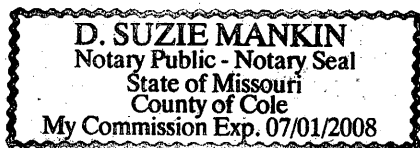
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

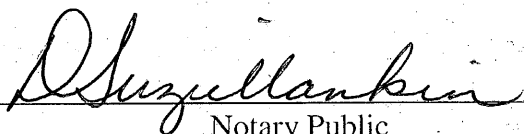
Ronald L. Bible, of lawful age, on his oath states: that he has participated in the preparation of the foregoing Supplemental Staff Recommendation; that the information is given by him; that he has knowledge of the matters set forth; and that such matters are true and correct to the best of his knowledge and belief.



Ronald L. Bible

Subscribed and sworn to before me this 30 day of April, 2007.





Notary Public