

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 20th day of
May, 2008.

In the Matter of the Application of Ellington)	
Telephone Company for Authority to Borrow an)	
Amount Not To Exceed \$3,000,000 from)	<u>Case No. TF-2008-0298</u>
CoBank Under a Twelve (12) Year Secured)	
Credit Facility and in Connection Therewith to)	
Execute a Lien and Security Interest.)	

ORDER GRANTING AUTHORITY TO BORROW FUNDS

Issue Date: May 20, 2008

Effective Date: May 30, 2008

On March 10, 2008, Ellington Telephone Company filed an application with the Missouri Public Service Commission seeking authority to borrow up to \$3 million from CoBank under a twelve-year secured credit facility in the form of a Master Loan Agreement and First Supplement to the Master Loan Agreement. In connection with the borrowing, Ellington proposes to execute and deliver a Promissory Note. The loan will be secured by a Real Estate Deed of Trust and Security Agreement.

On May 12, the Commission's Staff filed a Recommendation and Memorandum regarding Ellington's application. Staff recommends the Commission approve the application, subject to two conditions. The first condition specifies that the Commission's order is not a finding of the value of the transaction for future ratemaking purposes. The second condition requires the company to file the final terms and conditions of the financing after it executes the transaction.

The Commission has considered Ellington's application and the Recommendation and Memorandum of Staff and concludes the proposed borrowing is not detrimental to the public interest and the application should be granted. The Commission will require Ellington to comply with the conditions requested by Staff.

As required by Section 392.310.2, RSMo 2000, the Commission finds that the money, property or labor to be procured or paid for by the issuance of the note proposed in Ellington's application is or will be reasonably required for the purposes specified in the application and that such purposes are not in whole, or in part reasonably chargeable to operating expenses or to income.

IT IS ORDERED THAT:

1. Ellington Telephone Company is authorized to borrow from CoBank an amount not to exceed \$3,000,000, substantially in accordance with the terms and conditions of the Master Loan Agreement and First Supplement to the Master Loan Agreement filed as part of the company's application.

2. Ellington Telephone Company is authorized to execute and deliver a promissory note evidencing the loan substantially in the form of the Promissory Note filed as part of the company's application.

3. Ellington Telephone Company is authorized to execute and deliver a mortgage, security agreement and financing statement for the purpose of placing a lien on its assets and securing the loan substantially in the form of the Real Estate Deed of Trust and Security Agreement filed as part of the company's application.

4. Ellington Telephone Company is authorized to do and perform, or cause to be done and performed all such other acts and things, as well as to make, execute and deliver

any and all documents as may be necessary, advisable or proper to the end that the intent and purposes of this financing may be fully effectuated.

5. Nothing in this order shall be considered a finding by the Commission of the value of this transaction for ratemaking purposes, including, but not limited to, the company's capital structure. The Commission reserves the right to consider the ratemaking treatment to be afforded these financing transactions and their effect on cost of capital, in any later proceeding.

6. Within thirty days of the execution of the authorized transaction, Ellington Telephone Company shall file in this case all terms and conditions of the proposed financing.

7. This order shall become effective on May 30, 2008.

8. This case shall be closed on May 31, 2008.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', is positioned above the printed name and title.

Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Clayton, Jarrett, and Gunn, CC., concur.
Murray, C., dissents.

Woodruff, Deputy Chief Regulatory Law Judge