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CATHLEEN A. MARTIN
STEPHEN G. NEWMAN
JOHN A. RUTH

June 29, 2004

FILED

JUN 29 2004

**Missouri Public
Service Commission**

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

Re: Joint Application of Valu-Line of St. Joseph, Inc. and CommuniGroup of K.C., Inc. to
Transfer Assets

Dear Judge Roberts:

Please find enclosed for filing the original and five copies of an Application.

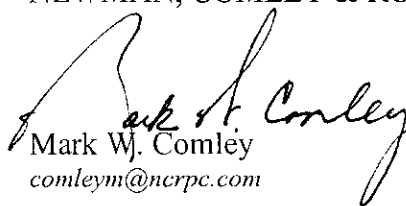
Would you please bring this filing to the attention of the appropriate Commission personnel.

Please contact me if you have any questions regarding this filing. Thank you.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:


Mark W. Comley
comleym@ncrpc.com

MWC:ab
Enclosure

cc: Office of Public Counsel
General Counsel's Office
David L. Jones

BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION

FILED

JUN 29 2004

Joint Application of)
)
VALU-LINE OF ST. JOSEPH, INC.)
)
and)
)
COMMUNIGROUP OF K.C., INC.)
)
For Authority to Transfer Assets)

Missouri Public
Service Commission

Case No. _____

APPLICATION

Valu-Line of St. Joseph, Inc. ("Valu-Line") and Communigroup of K.C., Inc. (CGI) (together "Applicants"), through their undersigned counsel and pursuant to Section 392.300 RSMo 2000, 4 CSR 240-2.060 and 4 CSR 240-3.520 hereby request that the Commission grant the authority to enable Valu-Line to consummate a transaction by which all of Valu-Line's long distance telecommunications and telecommunications services, business, customers, products and support will be transferred to CGI. In support of this request, Applicants state as follows:

A. Description of the Applicants

Valu-Line

1. Valu-Line is a Missouri corporation with its principal business office located at 6950 West 56th Street, Mission, Kansas 66202. Valu-Line's Certificate of Good Standing issued by the Missouri Secretary of State is attached as *Exhibit 1*.

2. Valu-Line is certificated by this Commission to provide interexchange telecommunication services throughout the State of Missouri.

CGI

3. CGI is a Missouri corporation with its principal business office located at 6950 West 56th Street, Mission, Kansas 66202. CGI's Certificate of Good Standing issued by the Missouri Secretary of State is attached as *Exhibit 2*.

B. Contact Information

4. For the purposes of this Application, contacts for the Applicants are as follows:

For Valu-Line:

Jerry W. Hartman
President
6950 West 56th Street
Mission, Kansas 66202
(913) 722-6005 (Tel)
(913) 722-1330 (Fax)

For CGI:

David L. Jones
President
Communigroup of K.C., Inc.
6950 West 56th Street
Mission, Kansas 66202
(913) 722-6005 (Tel)
(913) 722-1330 (Fax)

For Applicants generally:

Mark W. Comley
Newman, Comley & Ruth P.C.
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, Missouri 65102
(573) 634-2266 (Tel)
(573) 636-3306 (Fax)

C. Description of the Transaction

5. Valu-Line and CGI have entered an Asset Purchase Agreement¹ (the Transaction) pursuant to which CGI proposes to acquire the core operations, operating assets, customer base and associated authorizations of Valu-Line. Specifically, CGI proposes to acquire the regulated communications assets associated with Valu-Line's long distance operations, including the associated telecommunications equipment, existing customer base, and federal and state licenses and/or certificates authorizing those operations.

6. Resolutions authorizing the Transaction approved by the shareholders and boards of directors of each company are attached as *Exhibit 3*.

D. Public Interest Considerations

7. The proposed transaction will have no impact on tax revenues of any political subdivision in which structures, facilities or equipment of the Applicants are located.

8. Neither Valu-Line nor CGI has any pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or customer rates, which action, judgment or decision has occurred within three (3) years of the date of this Application.

9. No annual reports or fees are overdue for either company.

10. Applicants respectfully submit that this Transaction is not detrimental to the public interest. Applicants submit that the Transaction will not diminish competition in the Missouri telecommunications market and is designed to minimize disruption of service to existing customers

¹ As competitive companies, the Applicants are exempt from certain filing requirements imposed by 4 CSR 240-3.520, however, a copy of the Asset Purchase Agreement is available upon request.

to whom the Transaction will be virtually transparent.

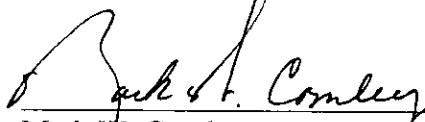
CONCLUSION

For the reasons stated above, Applicants respectfully submit that the Commission approve the transaction described above.

Respectfully submitted,

NEWMAN, COMLEY & RUTH P.C.

By:


_____ #28847

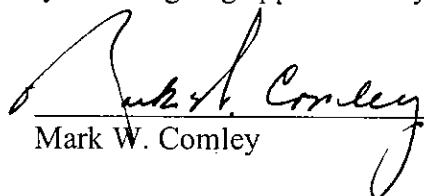
Mark W. Comley
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, Missouri 65102
(573) 634-2266 (Tel)
(573) 636-3306 (Fax)

COUNSEL FOR APPLICANTS

VERIFICATION

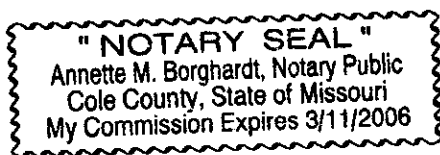
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

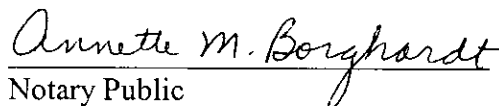
I, Mark W. Comley, being first duly sworn, do hereby certify, depose and state that I am the attorney for **Valu-Line of St. Joseph, Inc.** and **Communigroup of K.C., Inc.**, Applicants in the above captioned proceeding; that I have read the above and foregoing Application and the allegations therein contained are true and correct to the best of my knowledge, information and belief; and I further state that I am authorized to verify the foregoing application by the above said applicant.



Mark W. Comley

Subscribed and sworn to before me, a Notary Public, this 29th of June, 2004.

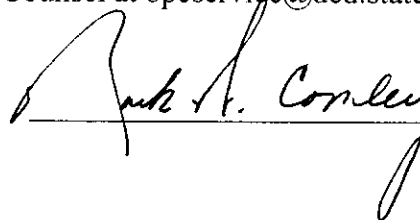




Notary Public

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent via e-mail on this 29th day of June, 2004, to General Counsel's Office at gencounsel@psc.state.mo.us and Office of Public Counsel at opcservice@ded.state.mo.us.



LIST OF EXHIBITS

- Exhibit 1 - Valu-Line's Certificate of Good Standing
- Exhibit 2 - CGI's Certificate of Good Standing
- Exhibit 3 - Resolutions authorizing the Transaction

Exhibit 1

Valu-Line's Certificate of Good Standing

STATE OF MISSOURI



Matt Blunt
Secretary of State

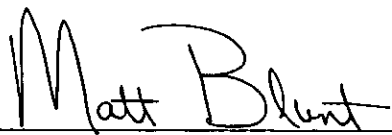
**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

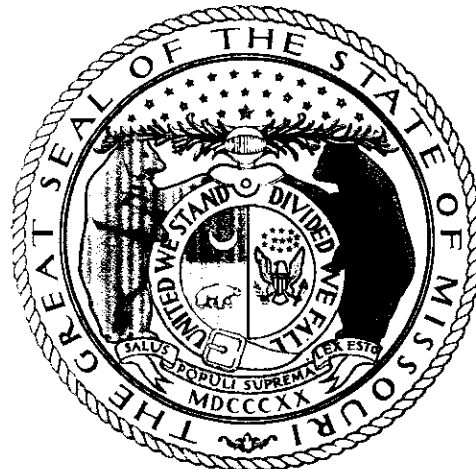
I, MATT BLUNT, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

**VALU-LINE OF ST. JOSEPH, INC.
00249526**

was created under the laws of this State on the 23rd day of February, 1983, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 29th day of June, 2004


Secretary of State



Certification Number: 6827441-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

Exhibit 2

CGI's Certificate of Good Standing



Matt Blunt
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING

MATT BLUNT, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

COMMUNIGROUP OF K.C., INC.
00242537

was created under the laws of this State on the 21st day of June, 1982, and is in good standing having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 24th day of March, 2004

Matt Blunt

Secretary of State

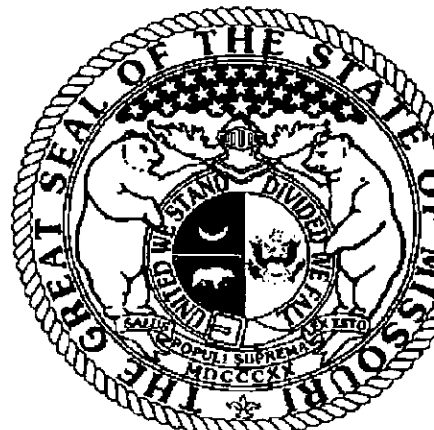


Exhibit 3

Resolutions authorizing the Transaction

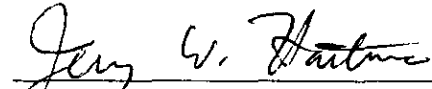
CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
OF
VALU-LINE OF ST. JOSEPH, INC.

APRIL 29, 2004

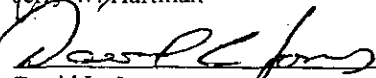
The undersigned, constituting all of the current directors of VALU-LINE OF ST. JOSEPH, INC., a Missouri Corporation (the "Corporation"), hereby consent, pursuant to Section 351.340.2 of the General and Business Corporation Law of Missouri, that the following resolutions shall have the same force and effect as though adopted by the unanimous vote of the directors of the Corporation at a meeting duly convened and held on this date. The secretary or assistant secretary is hereby authorized and directed to file this consent with the minutes of the meetings of the Board of Directors and to certify such resolutions as the formal action of said directors.

RESOLVED, that the Corporation's Application for Sale of Assets before the Public Service Commission of the State of Missouri (the "Application"), in the form examined by the undersigned, pertaining to the sale of the assets to CommuniGroup of K.C., Inc., be, and the same hereby is approved in all respects.


RESOLVED, that the officers of the Corporation be and hereby are authorized and directed to: (i) execute and deliver the Application, or cause the execution and delivery thereof, in the name and on behalf of the Corporation, in substantially the form of the Application reviewed by the undersigned, together with such changes and additions to any of the terms and conditions of the Application as said officers of the Corporation may approve, and the execution and delivery at the direction of said officers shall constitute such approval, and (ii) execute and deliver, in the name and on behalf of the Corporation, all documents, including but not limited to agreements, consents and certifications, and to take such actions and do such other things, as may be required, or as may in their judgment be necessary or advisable, in order to fully effectuate these resolutions and the consummation of the transactions contemplated by the Application.



Jerry W. Hartman



David L. Jones



Laverne M. Jones

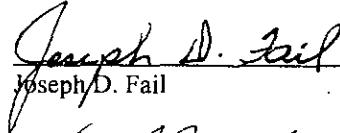
CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
OF
COMMUNIGROUP OF K.C., INC.

APRIL 29, 2004

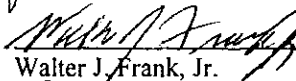
The undersigned, constituting all of the current directors of COMMUNIGROUP OF K.C., INC., a Missouri Corporation (the "Corporation"), hereby consent, pursuant to Section 351.340.2 of the General and Business Corporation Law of Missouri, that the following resolutions shall have the same force and effect as though adopted by the unanimous vote of the directors of the Corporation at a meeting duly convened and held on this date. The secretary or assistant secretary is hereby authorized and directed to file this consent with the minutes of the meetings of the Board of Directors and to certify such resolutions as the formal action of said directors.

RESOLVED, that the Corporation's Application for Sale of Assets before the Public Service Commission of the State of Missouri (the "Application"), in the form examined by the undersigned, pertaining to the acquisition of the assets of Valu-Line of St. Joseph, Inc., be, and the same hereby is approved in all respects.

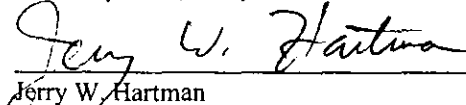
RESOLVED, that the officers of the Corporation be and hereby are authorized and directed to: (i) execute and deliver the Application, or cause the execution and delivery thereof, in the name and on behalf of the Corporation, in substantially the form of the Application reviewed by the undersigned, together with such changes and additions to any of the terms and conditions of the Application as said officers of the Corporation may approve, and the execution and delivery at the direction of said officers shall constitute such approval, and (ii) execute and deliver, in the name and on behalf of the Corporation, all documents, including but not limited to agreements, consents and certifications, and to take such actions and do such other things, as may be required, or as may in their judgment be necessary or advisable, in order to fully effectuate these resolutions and the consummation of the transactions contemplated by the Application.




Joseph D. Fail



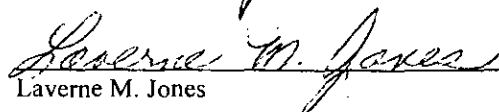
Walter J. Frank, Jr.



Jerry W. Hartman



David L. Jones



Laverne M. Jones