

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

In the matter of the Joint Application of)
New Florence Telephone Company, Tiger)
Telephone, Inc. and Direct)
Communications Rockland, Inc. for an)
Order Authorizing Direct)
Communications Rockland, Inc., to)
Purchase or Acquire, Take or Hold all of)
the Issued and Outstanding Capital Stock)
of Tiger Telephone, Inc.)

Case No. TO-2007-0139

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and respectfully submits its recommendation as follows:

1. On October 2, 2006, New Florence Telephone Company, Tiger Telephone, Inc., and Direct Communications Rockland, Inc., (Applicants) filed with the Missouri Public Service Commission (Commission) a joint application for authority for Direct Communications Rockland, Inc., to acquire the stock of Tiger Telephone, Inc., which owns the stock of incumbent local exchange company New Florence Telephone Company.

2. On January 17, 2007, the Applicants filed an Amended And Supplemental Application that seeks approval for New Florence Telephone Company to give a guaranty and place a lien on its assets as security for a loan being obtained by Tiger Telephone, Inc., to finance the acquisition.

3. On February 16, 2007, the Applicants filed a Second Amended Application that seeks approval for six individuals, designated by and in lieu of Direct Communications Rockland, Inc., to acquire the stock of Tiger Telephone, Inc.

4. The proposed transaction should be approved if it is not detrimental to the public interest. *See, In the Matter of the Joint Application of Mid-Missouri Holding Corp. and Mid-Missouri Telephone Company*, 8 Mo. P.S.C. 3d 400 (1999).

5. In the attached Memorandum the Staff recommends approval of the amended application upon certain conditions.

WHEREFORE, the Staff respectfully recommends that the Commission issue an order approving the amended application and adopting the Staff's proposed conditions.

Respectfully submitted,

/s/ Robert V. Franson

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 26th day of February, 2007.

/s/ Robert V. Franson