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June 19, 2000

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

**FILED<sup>2</sup>**

JUN 19 2000

Missouri Public  
Service Commission

**Re: Case No. TM-2000-748**


Dear Mr. Roberts:

Enclosed please find the original plus eight (8) copies of Reply to Staff's Response to Order Directing Staff to Further Respond to Request for Expedited Ruling for filing on behalf of Joint Applicants, Miller Telephone Company and Townes Telecommunications, Inc. in the above referenced matter. Please bring this matter to the attention of the appropriate Commission personnel. A copy of this filing is being sent to all parties of record.

Thank you for your attention to this matter.

Very truly yours,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:   
Sondra B. Morgan

SBM/k

Enclosures

cc: Office of Public Counsel  
Mr. Robert Franson  
Mr. Robert Prince  
Mr. David Beatty

BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

FILED<sup>2</sup>

JUN 19 2000

Missouri Public  
Service Commission

In the matter of the Joint Application )  
of Miller Telephone Company and )  
Townes Telecommunications, Inc., for )  
an order authorizing Townes )  
Telecommunications Inc., to purchase or )  
acquire, take or hold all of the issued and )  
outstanding capital stock of Miller )  
Telephone Company. )

Case No. TM-2000-748

**JOINT APPLICANTS' REPLY TO STAFF'S  
RESPONSE TO ORDER DIRECTING STAFF TO FURTHER RESPOND  
TO REQUEST FOR EXPEDITED RULING**

Come now Miller Telephone Company ("Miller") and Townes Telecommunications, Inc. ("Townes") (collectively referred to as "Joint Applicants") for their Reply to Staff's Response to Order Directing Staff to Further Respond to Request for Expedited Ruling state to the Missouri Public Service Commission ("Commission") as follows:

1. On May 11, 2000, Joint Applicants filed a Joint Application with the Commission requesting authorization for Townes to purchase all of the issued and outstanding capital stock of Miller. On this same date, Joint Applicants filed a Motion to Expedite consideration and approval of this transaction asking that the Commission expedite its consideration so that the transaction could take place on June 30, 2000. On May 31, 2000, Joint Applicants filed an Amended Joint Application to correct deficiencies noted by the Staff in its review.

2. On June 2, Staff filed a Response to Joint Applicants' request for expedited treatment opposing the request. On June 7, the Commission issued an Order Directing Staff to Further Respond to Request for Expedited Ruling and to provide its best estimate of how quickly it could

provide a recommendation to the Commission. The Commission pointed out in this order that the period for intervention had passed without any requests for intervention being filed.

3. On June 2, the Staff served data requests on Joint Applicants requesting certain financial and other information regarding both applicants. On June 12, counsel for Joint Applicants filed objections to portions of three data requests as to certain information requested of Townes.

4. On June 14, the Staff filed its further Response in which it stated that provided its data requests were "very promptly and fully responded to" Staff could file a recommendation by July 31, 2000.

5. Commission rule 4 CSR 240-2.080(17) requires that a party seeking expedited treatment state "[t]he harm that will be avoided, or the benefit that will accrue, including a statement of the negative effect, or that there will be no negative effect, on the party's customers or the general public, if the commission acts by the date desired by the party[.]" Joint Applicants requested expedited treatment so that the transaction and the transfer of the stock could be accomplished without unnecessary delay and to avoid any negative effects on Miller's customers. The Stock Purchase Agreement between the parties precludes the company from taking certain actions without the consent of the purchaser, and it is not in the best interests of the customers for proceedings to be protracted and the Company to be forced to operate under these conditions.

6. As was pointed out in the Motion to Expedite, Townes currently holds the stock of Choctaw Telephone Company, Inc.<sup>1</sup> When Townes sought authorization for that purchase, the

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<sup>1</sup>Townes also holds the stock of KM Dial, Inc., a Kansas corporation, which in turn holds the stock of Mo-Kan Dial, Inc., a local exchange company with access lines in Missouri.

approval was not granted until nine (9) months after the application was filed.<sup>2</sup> Joint Applicants hoped to avoid a similar situation when they requested expedited treatment.

7. As the Commission stated when approving the purchase of the stock of Choctaw, the standard for consideration of the sale of stock is a determination that the sale is not detrimental to the public. The Commission found that the sale of the stock of Choctaw was not detrimental to the public, and likewise there will be no detriment to the public from the sale of the stock of Miller Telephone. The Staff has requested financial and other information from Townes which Joint Applicants have objected to as not being relevant to the Commission's consideration of this transaction. Staff has stated in its Response that it will not be able to file its recommendation in this case in a timely manner unless Joint Applicants "fully respond" to its request for information. This same issue was a matter of contention in the Choctaw case, and the Commission ultimately decided that it was not necessary for the Staff to examine the books and records of Townes in order to determine that the sale of the stock was not detrimental to the public.<sup>3</sup> Joint Applicants pray that this same matter will not delay the Commission's consideration and approval of this transaction.

Wherefore, Joint Applicants respectfully request that the Commission expedite its consideration of this application and authorize the purchase of the stock of Miller by Townes and for any other relief appropriate in the circumstances.

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<sup>2</sup>The application in Case No. TM-99-79 was filed on August 26, 1998, and the Commission issued its Report and Order authorizing the transfer on April 20, 1999, effective April 30, 1999.

<sup>3</sup>*In the Matter of the Application of Townes Telecommunications, Inc. for an Order Authorizing Townes Telecommunications, Inc. to Purchase or Acquire, Take or Hold, All of the Issued and Outstanding Stock of Choctaw Telephone Company, Inc.*, MoPSC Case No. TM-99-79, p. 5.

Respectfully submitted,

Sandra B. Morgan

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Attorneys for Miller Telephone Company and  
Townes Telecommunications, Inc.

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was hand-delivered this 19<sup>th</sup> day of June, 2000 to:

Mr. Mike Dandino  
Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, Missouri 65102

Mr. Robert Franson  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102

Sandra B. Morgan

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