DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

SCOTT WOODBURY

SUSAN HAMLIN

GARY RICHARDSON

TONYA CLARK

BEV BARKER

WORKING FILE

FROM:TERRI CARLOCK

DATE:SEPTEMBER 27, 1996

RE:ROCKLAND TELEPHONE COMPANY FINANCING FOR PURCHASE FROM U S WEST, CASE NO. ROK-T-94-1

RECOMMEND: APPROVAL

Rockland Telephone Company has filed supplemental information related to the financing for the purchase of the U S WEST exchange of Paris.  The purchase price has been reduced by the switch replacement contribution so the ultimate financing is also reduced.  The proposed closing date is October 17, 1996.  The maturity for the loan would be 15 years with the interest rate to be determined at the time of closing.  The term sheet for Rockland Telephone Company is attached showing Rural Telephone Finance Cooperative (RTFC) as the lender, net purchase price, loan amount, construction loan, interest rate options and other terms.

STAFF RECOMMENDATION

Staff recommends approval of the proposed loan to purchase the exchange.

COMMISSION DECISION

Should the loan authority be approved for the purchase of the exchange?

Terri Carlock

TC:udmemos/dmrokt941.tc