

At a session of the Public Service Commission held at its office in Jefferson City on the 7th day of February, 1996.

ORDER APPROVING MERGER

Applicants state that MFI is an Illinois corporation authorized to do business in Missouri. Applicants further state that MFI is a wholly-owned subsidiary of CNI and that CNI is a wholly-owned subsidiary of Consolidated Communications Inc. (CCI). Applicants state that MFI provides intrastate telecommunications services in many states. Applicants state that CNI is in the business of providing interstate telecommunications services to the public pursuant to the jurisdiction of the Federal Communications Commission. Applicants state that MFI is authorized to provide intrastate interexchange telecommunications service in this state as a nondominant resale carrier. Applicants state that after the merger the successor corporation will provide all

the telecommunications services which MFI is currently certificated to provide in Missouri under the name Consolidated Communications Telecom Services Inc.

Applicants state that there is no written merger or transfer agreement involved in this transaction because this is an internal corporate transaction. Thus, applicants request a waiver of 4 CSR 240-2.060(6)(A) which requires that a copy of the proposed plan and merger agreement be attached to the application.

Applicants state that prior state regulatory approval of this transaction is required in numerous states in addition to Missouri. Applicants state that they are not certain when all the approvals will be obtained. Thus, the applicants request that the requested relief become effective upon notification to the Commission by the successor corporation that it has obtained all requisite state regulatory approvals and has completed the corporate restructuring and name change. Applicants propose that the merger be effective on the effective date of the adoption notice whereby Consolidated Communications Telecom Services Inc. adopts the tariff of MFI.

Applicants state that the merger and name change will have no impact on the quality of service currently provided to the public by MFI, nor will there be an impact on the rates charged for the service.

On January 26, 1996, the Commission's Staff (Staff) filed a memorandum to the Official Case File. Staff indicates that it has no objections to granting the requested waiver from 4 CSR 240-2.060(6)(A). Furthermore, Staff recommends approval of the proposed transactions. Specifically, Staff recommends the Commission: (1) waive 4 CSR 240-2.060(6)(A) which requires that applicants file a copy of the proposed plan and agreement to merge; (2) authorize the transfer of MFI's certificate to CNI; and (3) direct CNI to file an adoption notice showing the adoption of MFI's tariff. Staff states that the merger should become effective on the same date the adoption notice becomes effective.

Based on the application and Staff's memorandum, the Commission finds that the relief requested in the application should be granted. The Commission finds that this is an intracorporate structural change involving no financial consideration. Thus, the Commission will grant the request to waive the requirement of filing a copy of the proposed plan and merger agreement contained in 4 CSR 240-2.060(6)(A). The Commission shall authorize the merger of Consolidated Network Inc. into Midwest Fibernet Inc. with Consolidated Network Inc. being the surviving entity and the surviving entity's name being changed to Consolidated Communications Telecom Services Inc. The Commission shall further authorize the adoption of Midwest Fibernet Inc.'s tariff by Consolidated Communications Telecom Services Inc.

The Commission is aware that other regulatory approvals are necessary before applicants can proceed with these transactions. Thus, it is the Commission's expectation that the timing of actions required to be taken by the applicants and the successor corporation will depend upon the effective date of the merger. The Commission assumes that the effective date of the merger is not fixed at this time.

IT IS THEREFORE ORDERED:

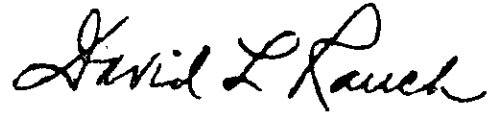
1. That the joint application and request for approval of intracorporate merger filed by Midwest Fibernet Inc. and Consolidated Network Inc. (with Consolidated Network Inc. being the surviving entity) on October 27, 1995 be, and is hereby, approved.

2. That Consolidated Network Inc. be, and is hereby authorized to change its name to Consolidated Communications Telecom Services Inc. effective on the same date as the merger.

3. That Consolidated Telecom Services Inc. shall file an adoption notice indicating adoption of Midwest Fibernet Inc.'s tariff, with such adoption notice to become effective on the same date as the merger.

4. That this order shall become effective on the 21st day of February, 1996.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

McClure, Kincheloe and Crumpton,
CC., concur.
Mueller, Chm., and Drainer, C.,
absent.