

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

In the Matter of the Application of Le-Ru )  
Telephone Company for Authority to )  
Borrow an Amount not to Exceed )  
\$9,164,700 from the Rural Utilities )  
Service, The Rural Telephone Bank, and )  
the Federal Financing Bank, and in )  
Connection Therewith, to Execute an )  
Amending Telephone Loan Contract )  
Amendment, Promissory Notes, and a )  
Restated Mortgage, Security Agreement, )  
and Financing Statement )

Case No. TF-2000-428

**STAFF'S RESPONSE TO FEBRUARY 3, 2006 COMMISSION ORDER**

COMES NOW the Staff (“Staff”) of the Missouri Public Service Commission (“Commission”) and respectfully states as follows:

1. On August 15, 2000, the Commission approved Le-Ru Telephone Company’s (“Le-Ru” or “Company”) request for financing. As a condition of its approval, the Commission ordered Le-Ru to file semiannual surveillance reports beginning January 1, 2003 and ending either on December 31, 2007, or when the Company’s equity-to-capital ratio reached 40%.<sup>1</sup>

2. On February 3, 2006, the Commission issued an Order directing the Staff to file, by February 17, 2006, a pleading indicating whether the semiannual reports should continue to be filed in this case, or whether those reports should be submitted directly to the Staff, without being filed.

3. The Staff would first note that Le-Ru’s equity-to-capital ratio has not reached 40%; therefore, semiannual reports are still required. Staff believes that, at this juncture, with

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<sup>1</sup> On September 21, 2000, the Commission issued a Modified Order Approving Financing, which included the same semiannual filing requirement.

the Company having filed its sixth semiannual report, it would be most efficient for tracking purposes for the Company to continue the practice of filing its semiannual reports for the remainder of the reporting period, or until such time as its equity-to-capital ratio reaches 40%.

WHEREFORE, the Staff respectfully recommends that this case be kept open and that Le-Ru continue to file its semiannual surveillance reports herein, as originally ordered by the Commission.

Respectfully submitted,

/s/ Dennis L. Frey

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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 17<sup>th</sup> day of February 2006.

/s/ Dennis L. Frey