

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-4247
Application of The Randall J.)
Raile Revocable Turst and The)
Kacey L. Raile Revocable Trust,) GRANTED
seeking approval of a change of)
Controlling Interest in Hartman)
Telephone Exchanges, Inc.,)
Haigler.) Entered: March 9, 2010

BY THE COMMISSION:

On January 26, 2010, an application was jointly filed by The Randall J. Raile Revocable Trust ("RJR Trust") and The Kacey L. Raile Revocable Trust ("KLR Trust")(collectively "Applicants"), seeking approval of a change of controlling interest in the Hartman Telephone Exchanges, Inc. ("HTE"), Haigler, Nebraska, whereby the KLR Trust will acquire controlling interest in HTE from the RJR Trust. Notice of the application was published in The Daily Record, Omaha, Nebraska, on February 2, 2010. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

O P I N I O N A N D F I N D I N G S

The Parties:

HTE is a Nebraska corporation with principal offices located in Haigler, Nebraska. HTE is a rural incumbent local exchange carrier in Nebraska serving customers located in the Haigler, Lebanon and Danbury Exchanges in Nebraska under and by virtue of authority heretofore granted by this Commission.¹

RJR Trust is currently a 51% shareholder of HTE, and KLR Trust is currently a 49% shareholder of HTE. Randall J. Raile is the sole Settlor and controlling Trustee of RJR Trust and Kacey L. Raile Harper is the sole Settlor and controlling Trustee of KLR Trust. Both Randall J. Raile and Kacey L. Raile Harper are operators of Benkelman Telephone Company, Inc. and Wauneta Telephone Company in Nebraska and reside in Nebraska.

Description of the Transaction:

According to the application, the Applicants entered into a Stock Purchase Agreement ("The Agreement") whereby RJR Trust

¹ See Authority No. C-4071.

agreed to sell to KLR Trust and the KLR Trust agreed to purchase from the RJR Trust, 2% of the outstanding shares of common stock of HTE. As a result of the purchase, the controlling interest of HTE will transfer from RJR Trust to KLR Trust. The Applicants state that Kacey L. Raile Harper has and will continue to play an integral role in the operation of HTE, as well as Benkelman Telephone Company, Inc. and the Wauneta Telephone Company. She is currently engaged in the telecommunications industry, has the technical, managerial, and financial capability to provide quality telecommunications service to the customers of HTE. Randall J. Raile will continue as an owner and corporate directors of HTE.

The Applicants state the change in ownership of controlling interest in HTE will result in no changes affecting the services provided by HTE, nor will the change have any material affect on the general day-to-day operations of HTE.

The Applicants state that the transaction is in the public interest and will benefit the customers of HTE because it is in the best interest of HTE.

Based on the evidence, we find the Application to be fair and reasonable and in the public interest. The Application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4247 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 9th day of March, 2010.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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//s// Frank E. Landis

//s// Gerald L. Vap