

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DT 09-136

ORDER OF NOTICE

On July 31, 2009, Union Telephone Company d/b/a Union Communications (Union) and TDS Telecommunications Corporation (TDS) filed with the Commission, a notification pursuant to RSA 369:8, II(b) of a Stock and Asset Agreement (Agreement) entered into by the companies on July 27, 2009, pursuant to which Utel, the parent company of Union, will transfer to TDS all of the issued and outstanding shares of capital stock of Union (petition). Additionally, Freedom Ring Communications, LLC (Freedom Ring) and Unex, LLC (Unex), wholly owned subsidiaries of Utel, will transfer to TDS certain assets consisting primarily of the assets associated with providing customers in the Union service area with interstate and international toll service and internet service. The notification also stated that TDS may designate one or more affiliate entities to hold title to the assets being transferred by Freedom Ring and Unex. Following completion of the transaction, TDS will control Union as well as the business of providing interstate toll service, international toll service and internet access service to customers within the Union service territory.

The petition states that, pursuant to RSA 369:8, II , the transfer of Union stock will not have an adverse effect on rates, terms, service or operation of Union within New Hampshire because the corporate structure of Union will not be affected by the transfer and Union will remain a separate corporation which will become a wholly owned subsidiary of TDS. The petition also asserts its tariffs and customer contracts will not be altered or amended by the transfer, its assets, including rate base, will not be altered by the transfer and no acquisition

premium will be recorded as a result of the transfer. Finally, according to the petition, following the transition to TDS's operating functions and systems, Union's customers will receive the benefit of TDS's expertise. The petition asserts that the transition to TDS's systems will be seamless from a customer's perspective.

On August 13, 2009, the Office of Consumer Advocate (OCA) notified the Commission of its intent to participate in the docket on behalf of residential ratepayers pursuant to RSA 363:28.

The filing raises, inter alia, issues related to RSA 369:8 and RSA 374:33 and whether the proposed transaction will have an adverse effect on rates, terms, service or operations and whether the proposed transaction is lawful, proper and in the public interest. Inasmuch as the Commission has not determined whether the petition is governed by RSA 369:8 or 374:33, the Commission will schedule oral argument on this issue. Accordingly, the Commission has extended the time for its initial consideration of the petition pursuant to RSA 369:8, II(b)(4). Each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Prehearing Conference, pursuant to N.H. Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on September 17, 2009 at 10:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and whether the petition is governed by RSA 369:8 or RSA 374:33, and any of the issues set forth in N.H. Admin. Rule Puc 203.15 shall be considered; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, Union, TDS, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition and allow Union and TDS to provide any amendments or updates to its filing; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, Union shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than August 27, 2009, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before September 17, 2009; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Union, TDS and the Office of the Consumer Advocate on or before September 14, 2009, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before September 17, 2009.

By order of the Public Utilities Commission of New Hampshire this twentieth day of August, 2009.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.