

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-3250  
of Leo G. Hartman, Randall J. )  
Raile and Kacey Raile, seeking ) GRANTED  
approval of the change of )  
controlling interest in Hartman )  
Telephone Exchanges, Inc. ) Entered: September 8, 2004

BY THE COMMISSION:

On August 4, 2004, a joint application was filed by Leo G. Hartman (Hartman), Randall J. Raile and Kacey Raile (collectively, Raile), seeking approval of the change of controlling interest in Hartman Telephone Exchanges, Inc. (HTE). Notice of the application was published in The Daily Record, Omaha, Nebraska, on August 6, 2004. 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 privately-held corporation with its headquarters in Haigler, Nebraska. HTE's sole shareholder is Hartman. HTE conducts and operates a general telephone business in Nebraska serving customers located in the Haigler, Lebanon and Danbury Exchanges under and authorized to provide resold intrastate interexchange telecommunications services pursuant to Application No. C-1245, granted on April 23, 1996.

Randall J. Raile and his daughter, Kacey Raile, are individuals who reside in Benkelman, Nebraska. At present, Randall J. Raile and his family are the owners of Benkelman Telephone Company and Wauneta Telephone Company.

Description of the Transaction:

On July 20, 2004, Hartman entered into a Stock Purchase Agreement with Raile, pursuant to which Hartman agreed to sell to Raile, and Raile agreed to purchase all of the outstanding share of common stock of HTE.

Raile, through his companies, is currently engaged in the telecommunications industry, has the technical, managerial and financial capability of providing quality telecommunications service to the customers of HTE, and is fit and proper party to acquire the controlling stock ownership interest in HTE.

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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-3250 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 8th day of September, 2004.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Anne C. Boyle*

Chairman

*Gerald L. Vap*

*Red Jensen*

ATTEST:

*Ad S. P. P. P.*

Executive Director

//s// Gerald L. Vap