

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE JOINT APPLI-)
CATION OF THE SIMLA TELEPHONE)
EXCHANGE, INC., A COLORADO CORPOR-)
ATION, P. O. BOX 218, SIMLA,)
COLORADO, AND THE BIG SANDY TELE-)
PHONE COMPANY, A COLORADO CORPOR-)
ATION, P. O. BOX 128, RAMAH, COLO-)
RADO, FOR AN ORDER OF THE COMMIS-)
SION AUTHORIZING THE MERGER OF THE)
SIMLA TELEPHONE EXCHANGE, INC.,)
INTO THE BIG SANDY TELEPHONE)
COMPANY, THE SURVIVING CORPORATE)
ENTITY TO BE KNOWN KNOWN AS THE BIG)
SANDY TELECOMMUNICATIONS, INC.)

APPLICATION NO. 31880
ORDER OF THE COMMISSION
GRANTING APPLICATION

July 24, 1979

STATEMENT AND FINDINGS OF FACT

BY THE COMMISSION:

On May 21, 1979, joint Applicants Simla Telephone Exchange, Inc. (hereinafter "Simla") and the Big Sandy Telephone Company (hereinafter "Big Sandy") filed Application No. 31880 wherein they request the approval of this Commission authorizing the merger of Simla Telephone Exchange, Inc. into the Big Sandy Telephone Company, with the authority vested in the surviving corporate entity Big Sandy Telecommunications, Inc. to exercise all the rights under the certificates of public convenience and necessity now individually owned and operated by Simla and Big Sandy separately.

Simla is a corporation duly organized and existing under the laws of the State of Colorado, and is a public utility rendering telecommunication service to the public and is subject to the jurisdiction of this Commission. Simla was granted a certificate of public convenience and necessity by this Commission by Decision No. 58358, dated April 12, 1962, to serve an area in Elbert and El Paso Counties, State of Colorado. Attached to the application and marked as Exhibit "A" is a description of the area served by Simla. Also attached to the application and marked as Exhibit "B" is a certified copy of the Articles of Incorporation and all amendments thereto of Simla.

Big Sandy is also a corporation duly organized and existing under the laws of the State of Colorado, and is a public utility rendering telecommunication service to the public and is subject to the jurisdiction of this Commission. Big Sandy was granted a certificate of public convenience and necessity by this Commission by Decision No. 86488 dated March 17, 1975, and by Decision No. C79-434 dated March 27, 1979 to serve an area in Elbert, El Paso and Lincoln Counties, State of Colorado. Attached to the application and marked as Exhibit "C" is a description of the areas served by Big Sandy. A certified copy of the Articles of Incorporation and all amendments thereto to date of Big Sandy are on file with this Commission in a proceeding numbered

Application No. 28016. The Commission takes official notice of said certified copy of the Articles of Incorporation of Big Sandy and all amendments thereto in the above referenced application file.

Attached to application No. 31880 and marked as Exhibit "D" is a copy of the "Agreement and Plan of Merger" of Simla and Big Sandy. On April 18, 1979, Applicants entered into such agreement whereby it was agreed that Simla be merged into Big Sandy and that thereafter, the two separate telephone companies be operated as one corporate entity to be known as Big Sandy Telecommunications, Inc.

Simla and Big Sandy have limited personnel, limited resources, limited telephone plant and limited access to capital, and both applicants are unable individually to adequately operate, maintain and improve the telephone service that they render to the public in the areas which they individually now serve. It is therefore in the best interest of the public and in the public convenience and necessity that Simla Telephone be merged into Big Sandy, and the merger as proposed herein be approved by this Commission.

The Agreement and Plan of Merger, Exhibit "D" has been adopted and approved by the directors and shareholders of Simla Telephone and Big Sandy and should Commission approval of such merger be forthcoming, Articles of Merger will be executed and filed with the Colorado Secretary of State pursuant to statute and the merger will then be consummated. Further, a true copy of the "Certificate of Merger" to be issued by the Colorado Secretary of State will be promptly filed with this Commission subsequent to issuance thereof.

Upon approval of the proposed merger, the surviving corporate entity, Big Sandy Telecommunications, Inc., will adopt, ratify and make as its own, in accordance with Rule 24 of the Rules of Practice and Procedure of this Commission, all tariffs, contracts or other instruments whatsoever filed with the Commission by Simla and Big Sandy. Applicants propose that the surviving corporate entity, Big Sandy Telecommunications, Inc., will operate the three exchanges presently being served by the individual applicants under said tariffs, rules and regulations now in effect for each individual exchange.

Upon completion of the proposed merger, the surviving corporate entity, Big Sandy Telecommunications, Inc., will have an improved financial ability to continue rendering the telephone communications service presently being rendered by the applicants separately. The Commission draws such conclusion of virtue of the balance sheet and operating statements of Simla (Exhibit "E") and Big Sandy (Exhibit "F") both attached to the application. A map of the combined area to be served by the surviving corporate entity, Big Sandy Telecommunications, Inc., is also attached to the application and marked Exhibit "G"

The filing of this application was brought to the attention of Applicants' affected customers by mailing of a copy of notice of proposed merger to each of the customers of Simla and Big Sandy on May 31, 1979. Further, this Commission duly gave notice of filing of the instant application on May 24, 1979.

The joint Applicants herein have not requested a public hearing, and no protest, objections or petitions to intervene have been filed within the time specified in the Notice of the Application Filed. Therefore, in accordance with Rule 17 of the Rules of Practice and Procedure of this Commission, the instant matter should be determined without formal oral hearing and without further notice. The within

application is in the public interest and should be granted as herein-
after ordered.

O R D E R

THE COMMISSION ORDERS THAT:

1. Application No. 31880, being the joint application of the Simla Telephone Exchange, Inc. a Colorado corporation, P. O. Box 218, Simla, Colorado, and the Big Sandy Telephone Company, a Colorado corporation, P. O. Box 128, Ramah, Colorado, for an order of the Commission authorizing the merger of the Simla Telephone Exchange, Inc. into the Big Sandy Telephone Company to the surviving corporate entity to be known as the Big Sandy Telecommunications, Inc., be, and hereby is, granted.

2. Immediately upon the effective date of this Order, the joint Applicants shall execute and file with the Colorado Secretary of State, all documents necessary to effectuate merger of the Simla Telephone Exchange, Inc. into the Big Sandy Telephone Company, with the surviving corporate entity to be known as "Big Sandy Telecommunications, Inc." Immediately upon issuance of the certificate of merger by the Colorado Secretary of State to the joint Applicants, the joint Applicants shall immediately file a true copy thereof with this Commission.

3. The within merger shall become effective only if and when, but not before, the Simla Telephone Exchange, Inc. and the Big Sandy Telephone Company, and Big Sandy Telecommunications, Inc., in writing, have advised the Commission that the merger, as above approved, has been consummated, and that said parties have accepted and in the future will comply with the conditions and requirements of this Order, to be by them, or any of them, kept and performed. Failure to file said written acceptance with the terms of this Order within thirty (30) days from the effective date of this Order shall automatically revoke the authority herein granted to merge the corporate entities as above-described without further order on the part of the Commission unless such time shall be extended by the Commission upon proper application.

4. The tariffs of rates, rules and regulations of the Simla Telephone Exchange, Inc. and the Big Sandy Telephone Company, upon proper adoption notice, shall become and shall remain those of Big Sandy Telecommunications, Inc. until changed according to law and the rules and regulations of this Commission.

5. Big Sandy Telecommunications, Inc., be, and hereby is, granted the authority to exercise all rights under the certificates of public convenience and necessity now held and operated by the Simla Telephone Exchange, Inc. in accordance with Commission Decision No. 58358, dated April 12, 1962, to serve an area in Elbert and El Paso Counties, State of Colorado, and under the certificate of public convenience and necessity of the Big Sandy Telephone Company granted to such entity by Commission Decision No. 86488, dated March 17, 1975, and by Decision No. C79-434, dated March 27, 1979, to serve an area in Elbert, El Paso and Lincoln Counties, State of Colorado. All such areas as specifically described by Exhibits "A" and "B" attached to the instant application and incorporated by reference herein.

6. Big Sandy Telecommunications, Inc. shall operate its telephone system in accordance with this Order, except when prevented by an Act of God, the public enemy or extreme conditions.

7. The Commission retains jurisdiction of the application herein to enter such further order or orders as may be appropriate.

This Order shall be effective forthwith.

DONE IN OPEN MEETING the 24th day of July, 1979.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

W. H. H. H. H.

John H. H.

David E. H.
Commissioners

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