

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE SALE OF THE MAJORITY OF KENNEBEC TELEPHONE COMPANY, INC. STOCK TO ROD AND DONNA BOWAR)))))	ORDER FOR AND NOTICE OF HEARING TC98-114
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On June 9, 1998, the current stockholders of Kennebec Telephone Company, Inc. (KTC) and Rod and Donna Bowar (Bowars), jointly applied to the South Dakota Public Utilities Commission (Commission) for approval of the sale of the majority of KTC stock to Bowars. The joint application stated, "As part of the overall transaction, KTC would redeem certain shares of the stock of the principal shareholder, Delores Johnstone. KTC would continue to operate and provide local telephone service under its existing Certificate of Authority after the stock sale." The KTC consists of the Kennebec and Presho exchanges.

On June 11, 1998, the Commission electronically transmitted notice of the filing and the intervention deadline of June 26, 1998, to interested individuals and entities. No petitions to intervene or comments were filed.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-31, specifically 1-26-17.1, 1-26-18, 1-26-19, 1-26-19.1, 49-31-2, 49-31-3, 49-31-3.1, 49-31-7, 49-31-7.1, 49-31-10, 49-31-11, and 49-31-59. The Commission may rely upon any or all of these or other laws of this state in making its determination.

A hearing shall be held on Tuesday, August 18, 1998, at 2:00 p.m., at the Kennebec Community Room, Kennebec, South Dakota. The issue at the hearing is whether the sale of the majority of KTC's stock to Bowars should be approved.

The public is invited to participate by testifying at the hearing. All persons so testifying will be subject to cross-examination by the parties. The order of the proceeding will be in the following sequence: (1) KTC; (2) Bowars; (3) Staff; and (4) the public in general.

The hearing is an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to attend and represent themselves or be represented by an attorney. However, such rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place set for the hearing, the Final Decision will be based solely on testimony and evidence provided, if any, during the hearing or a Final Decision may be issued by default pursuant to SDCL 1-26-20.

The Commission, after examining the evidence and hearing testimony presented by the parties, shall make Findings of Fact, Conclusions of Law, and a Final Decision. As a result of the hearing the Commission may either approve or reject the proposed sale of

the Kennebec Telephone Company. The Final Decision made by the Commission may be appealed by the parties to the Circuit Court and the South Dakota Supreme Court as provided by law. It is therefore

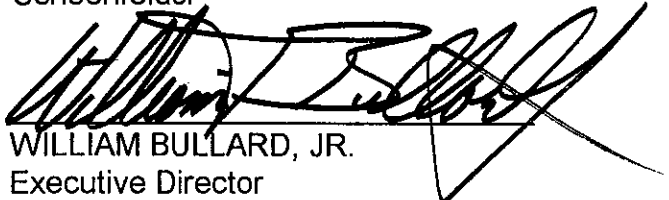
ORDERED that a hearing shall be held on the joint application for approval of the sale of the majority of stock of KTC to Bowars at the time and place specified above.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-332-1782 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 7 day of August, 1998.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u><i>Neiline Kaelo</i></u>
Date:	<u>8/7/98</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:
Commissioners Burg, Nelson and
Schoenfelder


WILLIAM BULLARD, JR.
Executive Director