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March 21, 2008

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Gregory J. Vogt
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Re: Application For Transfer Of Control Of Domestic And International Section
214 Authorizations Held By Lakedale Telephone Company, Lakedale Link, Inc.,
And En-Tel Communications, Inc., WC Docket No. 08-40

Dear Ms. Dortch:

On March 4, 2008, Iowa Telecommunications Services, Inc. ("Iowa Telecom") and Bishop Communications Corp. ("BCC") filed the above-captioned application to transfer control of BCC to Iowa Telecom. Iowa Telecom hereby files this letter as a supplement to this application to provide the following information.

As a result of the proposed transaction, the combined operations of BCC and Iowa Telecom will result in the transferee having a market share in the interstate, interexchange market of less than 10 percent. None of the competitive local exchange operations of BCC and its subsidiaries are located in the same markets where either BCC or Iowa Telecom operate as dominant carriers.

BCC wholly owned subsidiaries, Lakeland LINK, Inc. and EN-TEL Communications, Inc., are both incorporated in the State of Minnesota.

Iowa Telecom's wholly owned subsidiary Montezuma Mutual Telephone Co. provides services solely within the State of Iowa.

The Iowa Utilities Board has adopted an order approving the transaction, a copy of which is attached for your information.

Please let me know if you have any questions.

Sincerely,

/s/ Gregory J. Vogt

Gregory J. Vogt
Counsel for Iowa Telecommunications Services, Inc.

Enclosure
cc: Adam Kirschenbaum

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>IOWA TELECOMMUNICATIONS SERVICES, INC., d/b/a IOWA TELECOM, BISHOP COMMUNICATIONS CORPORATION, AND COMMUNICATIONS SALES AND LEASING, INC.</p>	<p>DOCKET NOS. SPU-08-4 WRU-08-5</p>
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ORDER APPROVING REORGANIZATION AND GRANTING WAIVER

(Issued March 20, 2008)

On February 19, 2008, Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), Bishop Communications Corporation (BCC), and Communications Sales and Leasing, Inc. (CS&L), filed with the Utilities Board (Board) a proposal for reorganization and a request for a waiver of the Board's reorganization review requirement of Iowa Code § 476.77. Iowa Telecom, BCC, and CS&L propose a reorganization where Iowa Telecom will acquire all outstanding capital stock of BCC and CS&L. No objection to the proposed reorganization was filed.

Iowa Code § 476.76 (2007) states that prior to any reorganization, a public utility is required to file with the Board a "proposal for reorganization with supporting testimony and evidence to establish that the reorganization is not contrary to the interests of the public utility's ratepayers and the public interest." However, the Board may waive this requirement if the Board finds that "board review is not necessary in

the public interest." Iowa Code § 476.77. The parties request a waiver of this requirement. The waiver request is identified as Docket No. WRU-08-5.

The Board has established criteria for determining whether to grant a waiver of its own rules. To grant a rules waiver, the Board must find, based upon clear and convincing evidence, that the request meets the four criteria in 199 IAC 1.3. The four criteria are: 1) the application of the rule would cause undue hardship, 2) the waiver would not prejudice the substantial legal rights of any person, 3) the provisions of the rule are not specifically mandated by statute, and 4) substantially equal protection of public health, safety, and welfare will be afforded by a means other than prescribed by the rule. These criteria are not directly applicable to a statutory waiver pursuant to § 476.77, but they provide a useful framework for considering the waiver request in this docket.

The Board finds that a waiver of Iowa Code § 476.77 should be granted based on the Board's review of the information provided by Iowa Telecom, BCC, and CS&L. The Board finds that application of the reorganization review statute would pose an undue hardship on Iowa Telecom. Such a review would require Iowa Telecom, BCC, and CS&L to participate in a potentially expensive proceeding for an acquisition that will not substantially change Iowa Telecom's operations in Iowa. The Board also finds that granting the waiver will not prejudice the substantial legal rights of any other person, as there will not be any change in management or workforce of Iowa Telecom and the reorganization will be transparent to Iowa customers.

The Board also finds that review of this reorganization is not mandated by statute or other provision of Iowa law and that the public health, safety, and welfare will be protected. Following the transaction, Iowa Telecom will continue to provide the same services in Iowa as were provided prior to the reorganization. In addition, Iowa Telecom will have the same managerial structure and the services provided and rates charged by Iowa Telecom will remain the same after the reorganization.

Along with their request for waiver, Iowa Telecom, BCC, and CS&L filed a proposal for reorganization. While the Board is waiving the requirement to formally review the proposed reorganization, the Board has also evaluated the proposal filed by the parties pursuant to the five statutory criteria established in Iowa Code § 476.77(3). According to § 476.77(3), the Board may consider all of the following criteria when reviewing a proposal for reorganization:

- a. Whether the board will have reasonable access to the books, records, documents, and other information relating to the public utility or any of its affiliates.
- b. Whether the public utility's ability to attract capital on reasonable terms, including the maintenance of a reasonable capital structure, is impaired.
- c. Whether the ability of the public utility to provide safe, reasonable, and adequate service is impaired.
- d. Whether the ratepayers are detrimentally affected.
- e. Whether the public interest is detrimentally affected.

The Board finds that there will be no change to the location of the books and records of Iowa Telecom as a result of this reorganization and, as such, the Board will continue to have reasonable access to such records. This satisfies the first criterion.

The Board also finds Iowa Telecom's ability to attract capital on reasonable terms will not be impaired. After the proposed reorganization, Iowa Telecom's earnings before interest, taxes, depreciation, and amortization will improve as a result of purchasing BCC and CS&L, as the purchase will result in an increase in the incremental free cash flow without materially changing Iowa Telecom's overall leverage.

The Board finds that the reorganization will have no impact on Iowa Telecom's ability to provide safe, reasonable, and adequate service. The customer service employees, processes, and procedures of each company will remain separate and the workforce that maintains the companies will remain unchanged.

The Board also finds that Iowa ratepayers will not be detrimentally affected. Iowa Telecom's customers will continue to receive the same service at the same rates following the reorganization. There will not be any impact on customer billing, customer contact numbers, or repair processes.

Finally, the Board finds that the public interest will not be detrimentally affected as a result of this reorganization. Iowa Telecom will benefit from the strengthening of its financial and market position through the growth of its Iowa operations and the reorganization will not have a negative impact on the rates or service levels of either company or the availability of the current products and services, since the companies will be operated separately.

After reviewing the proposed reorganization and based on the information submitted by Iowa Telecom, BCC, and CS&L, the Board finds that following the

transaction Iowa Telecom, BCC, and CS&L will remain separate operating entities, the services and the quality of the services they provide will not be adversely affected, and Iowa Telecom's ability to attract capital on reasonable terms will likely be enhanced by this reorganization. The Board finds that all criteria of Iowa Code § 476.77(3) have been met and, therefore, the proposed reorganization filed by Iowa Telecom, BCC, and CS&L would be approved, if a waiver had not been granted.

IT IS THEREFORE ORDERED:

The "Motion for Waiver or, in the Alternative, Expedited Process of Reorganization Review Requirement" filed by Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, Bishop Communications Corporation, and Communications Sales and Leasing, Inc., on February 19, 2008, and identified as Docket Nos. SPU-08-4 and WRU-08-5, is granted as described in this order.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Sharon Mayer
Executive Secretary, Assistant to

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 20th day of March, 2008.