

working

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL
WORKING FILE**

FROM: TERRI CARLOCK

DATE: MAY 19, 2003

**RE: DIRECT COMMUNICATIONS ROCKLAND LOAN AMENDMENT;
CASE NO. DCM-T-01-1.**

Direct Communications Rockland is ready to finalize this borrowing but due to higher than expected costs in the central office there are some changes being requested to Order No. 28880. There are two primary changes: 1) increase in loan amount from \$3,316,000 to \$4,050,950, and 2) split into two loans, the Rural Utility Service (RUS) loan for \$2,561,000 and a new Rural Telephone Bank (RTB) loan for \$1,489,950. A hardship loan under RUS was not available for this year for the total amount to receive the lowest interest rate. To facilitate construction, the loan was split between the two lenders.

Both loans will be for a 17-year term with payment deferred for up to two years after closing. The interest rates will be established at the time of closing based on the current posted rate for RUS and RTB. All other terms will remain the same.

Staff recommends accepting the requested amendments. The additional fee due is \$83.50 and will be paid prior to issuance of a subsequent order.

COMMISSION DECISION

Should the requested amendments be accepted?



Terri Carlock

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