

Brent Hansen
Intervener (representing self)
254 North 100 East (physical)
P O Box 263 (mailing)
Vernal, Utah 84078
Telephone
435-789-8968 (answer machine only)
435-789-7162
email: brenthansencpa@yahoo.com

-BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH-

STATE OF UTAH

In the Matter of the Application of)	
Uintah Basin Telecommunications)	<u>DOCKET NO, 04-053-03</u>
Association, Inc., and UBET Telecom,)	
Inc., for an Order of the Commission)	
Approving the Combination, Merger)	<u>REQUEST FOR</u>
and Consolidation of UBET Telecom,)	
Inc., and Uintah Basin)	<u>RECONSIDERATION</u>
Telecommunications Association, Inc.)	
)	
)	
)	

Proceeding Time Period

Expiration Date:

January 17, 2005

The Commission has 20 days after filing a request for reconsideration to respond Pursuant to Utah Code Ann. “63-46b-12 and 54-7-15.

1 This is a formal request for reconsideration of the Commission Report and
2 Order dated November 26, 2004, under the terms of the first sentence of
3 item number 7 of that Order.

4 STANDING—The Commission issued an order granting my Petition to
5 Intervene on November 12, 2004. I am also a customer of UBET.

6 REASONS FOR RECONSIDERATION:

7 1. Inadequate informed public involvement in all processes from date of
8 application (August 9, 2004) through the Commission Report and Order
9 (November 26, 2004).

10 2. The applicant (“UBTA-UBET” for short) restricted and minimized
11 informed public involvement starting with its motion for a protective order
12 dated September 20, 2004.

13 3. Commission employees failed to properly handle or respond to paper and
14 email correspondence from the public.

15 4. Commission rules under 746-100 and its July 16, 2004 memo regarding
16 electronic filing requirements severely restrict public involvement in matters
17 brought before the Commission.

18 5. All three public agencies—Division of Public Utilities (the “Division”),
19 Utah Committee of Consumer Services (the “Committee”), and the Public
20 Service Commission (the “Commission”)—failed to protect the public’s

21 interests in this matter. Public (throughout this document) is defined as: all
22 UBTA-UBET members and customers (current and future) as well as
23 potential competitors.

24 6. The approval of the application was hastily done in an effort to meet an
25 unrealistic deadline imposed by the applicant's desire to complete the
26 merger, etc. by December 31, 2004, when the applicant was not willing to
27 negotiate.

28 7. The Commission Order approving the merger does not require
29 UBTA-UTET to disclose any information to UBET subscribers so they can
30 determine what kind of rewards membership could generate for them.

31 8. Not all of the issues associated with this merger application were
32 identified or dealt with.

33 PREAMBLE

34 For the record, let it be noted that the only records that the general public
35 had access to (without a specific request) were articles, advertisements,
36 letters to the editor, and legal notices in the newspapers. The only additional
37 records that I was able to obtain before November 23, 2004 (the day after
38 the Commission hearing) was the November 12th Order Granting
39 Intervention to me from the Commission and a letter from Administrative
40 Law Judge Steven F. Goodwill dated November 17th. No other records

41 were provided nor was I informed of websites where I could find other
42 records even though I had requested such information from the Public
43 Service Commission (PSC). The following is a list of issues that I have
44 identified based on the limited information I have been able to procure
45 (mostly after November 22nd). I have tried to group the issues so that each
46 group related to one of the reasons for reconsideration. This is not a precise
47 grouping of issues and was done only as an attempt to simplify this request
48 and make it easier to follow. It is expected that there are several issues that I
49 have not included in this request for reconsideration because the public and
50 in particular me, the intervener, were denied access to crucial records
51 (detailed financial statements, patronage dividend allocation formula,
52 bylaws, etc.) of UBTA and its holdings (UBET and the non-regulated
53 companies). I hereby request that new issues (not listed in this request
54 because their discovery was not possible due to the information restrictions
55 placed on the public) can be added to this request as the new issues are
56 discovered.

57 ISSUES—(Reasons 1 & 2):

58 1. The public was not adequately informed of its right to participate.

59 2. The public was not given the opportunity to receive any answers to the
60 questions they had.

61 3. The public was not given access to critical information needed to form
62 opinions on issues they had with this application.

63 4. The petition to intervene request was not timely acted upon by the
64 Commission.

65 5. No one recognized the rights of the approved intervener until December
66 6th.

67 6. The individuals that submitted the signature petition at the hearing on
68 November 3rd may not have known that they could have continued to collect
69 signatures up to the November 22nd hearing date.

70 7. The public was never told that some records would be posted on the PSC
71 website that they could read.

72 ISSUES—(Reason 3):

73 8. The intervener was not able to obtain the form (appendix A to protective
74 order) he needed to sign in order to look at protected information until

75 December 6th which was after the Commission issued its Report and Order
76 on November 26th.

77 9. The PSC would not respond to email requests submitted by the
78 intervener.

79 10. The PSC never responded to email and written request from intervener
80 requesting an inventory list of records, office hours, or if any charges for
81 copies, etc. would be assessed.

82 11. The PSC never told the intervener about the inventory list and viewable
83 records posted on its website. Intervener did not find out about this
84 information source until December 6th.

85 ISSUE—(Reason 4):

86 12. The PSC requirement that an electronic version be provided to it with
87 all paper documents unduly limits and restricts public involvement.

88 ISSUES—(Reason 5):

89 13. The Committee and/or Division agreed to provisions in the Stipulation
90 dated November 15th even though they had serious concerns with it.

91 14. The Committee and Division did not respond to the November 19th
92 response from Mr. Stanley K. Stoll on issues not covered by the Stipulation.

93 15. Items 24, 26 and 27 of the Stipulation suggest that the agreement may
94 not be in the public's best interest.

95 16. Items 13 and 21 of the Stipulation do not recognize that losses, need for
96 capital, and negative cash flows for the non-regulated operations of UBTA

97 would affect the amount and ability of UBTA-UBET to pay patronage
98 dividends.

99 17. One board member per district does not provide fair representation for
100 the members of the merged entity.

101 18. The appointment of the UBET exchange board members rather than
102 the election of them, for the first one to three years is not fair to the new
103 UBET members and possibly the UBTA members.

104 19. District wide voting for all directors in the general election does not
105 provide fair and desired representation of the members.

106 ISSUES—(Reason 6):

107 20. The Commission's November 5th refusal to modify the schedule put
108 unrealistic constraints on the Committee and/or the Division to come to a
109 fair compromise of the terms in the Stipulation agreement.

110 21. The November 15th Stipulation changed the merger agreement
111 approved earlier in 2004 by the UBTA board and its members so that
112 UBTA would have to adopt a revised merger plan before the merger could
113 take place. Has the merger plan with the new provisions been approved by
114 UBTA's board and members yet?

115 ISSUES—(Reason 7):

116 22. There is no requirement for UBTA to provide any financial statements

117 to the subscribers of UBET before they have to make membership choice.

118 23. There is no requirement for UBTA to provide UBET subscribers with

119 examples of how the patronage dividends will be allocated to the many

120 different types of members before they have to make membership choice.

121 24. Did UBTA provide its members with examples of what effect the

122 merger would have to the amount of patronage dividends they would

123 receive before the UBTA members voted to approve the merger plan on

124 April 29, 2004?

125 ISSUES—(Reason 8):

126 25. In-person voting by members will not provide fair results when there

127 is a substantial increase in voting members.

128 26. There should be a minimum required percentage of cast ballots for an

129 election to be valid.

130 27. How much did UBET pay QWest Communications on April 6, 2001,

131 for the three exchanges? How does this amount compare to the total

132 membership fee that UBTA would receive if every customer in UBET paid

133 the \$200 membership fee? Are the UBET subscribers paying a premium

134 or a discount for having UBET act as intermediary in getting subscriber

135 ownership of their exchange?

136 28. What is the possibility that there could be a different rate structure for

137 UBTA-UBET members (class A & B) and the non-members?

138 For example: Assume the non-regulated companies owned by UBTA are

139 having financial difficulty and are hurting the financial condition of

140 UBTA-UBET. Could the rates be raised for the members (investors) but

141 not on the non-members (customers) to keep UBTA-UBET from going

142 bankrupt?

143 29. Who does the patronage dividend formula benefit? Does it reward

144 customers that only generate marginal or negative returns for

145 UBTA-UBET or does it reward customers that are very profitable to

146 UBTA-UBET operations?

147 30. The merger does not have to take place by December 31st, 2004 to be a

148 viable goal of UBTA-UBET.

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157 INFORMATION ANALYSIS

158 PREAMBLE

159 This is my analysis of the information that I was able to procure to date.
160 Some of these comments may have already been made by someone else
161 and are already in the records. I have limited knowledge of what is in the
162 records so the only option I have is to fill in the blanks that I currently see.
163 I have decided to provide my analysis of the records one at a time rather
164 than to provide support for each issue in the order it was listed. This
165 format should reduce the length of this section.
166 Some of the issues listed previously were general issues. This analysis
167 section provides more detail and, therefore, adds more issues which are in
168 addition to the other issues listed on pages 5 through 9.

169 ANALYSIS:

170 1. a. In reference to the Notice of Proceedings issued September 28th and
171 the legal public notices printed in the local newspapers on October 5, 6,
172 12, and 13 to notify the public of the merger request before the PSC:
173 b. The location for the meeting in Vernal on November 3rd was
174 incorrect. The meeting was held in the Court Room rather than the
175 County Commissioner Chambers. Did some of the public miss the
176 meeting because they went to the wrong part of the building?

177 1. c. The Scheduling Order issued October 5th by the Commission (page 2
178 second paragraph from bottom) stated that individuals could participate
179 by telephone in the hearings. This was not included in the public notices
180 nor was it disclosed at the November 3rd hearing.

181 d. A valid petition to intervene did not have to meet the multiple copy
182 or the electronic version rules adopted by the PSC since these
183 requirements were not listed.

184 e. The letter dated October 19th that I mailed to the PSC met all of the
185 legal requirements listed in the public notice. The Commission should
186 have approved my petition to intervene in October rather than on
187 November 12th. Particularly since the merger application was on the fast
188 tract.

189 2. a. Due to the late approval of my petition to intervene, I was not able to
190 benefit from any of the rights afforded an intervener.

191 b. As an intervener, I should have automatically received a packet of
192 information from the applicant. Preferably before the November 3rd
193 hearing so that I could have made some informed comments on the
194 record.

195 c. I should have been notified and invited to the meeting on November
196 12th with the Applicant, Division, and Committee where the Stipulation

197 agreement dated November 15th was forged.

198 3. The motion for Protective Order dated September 20th by Mr. Stanley
199 K. Stoll and the granting of the protective order by the Commission on
200 September 23rd severely reduced and limited public involvement. Several
201 individuals at the November 3rd hearing requested more information and
202 expressed concern that UBTA-UBET would not release any meaningful
203 information so that the proposed merger could be evaluated by the public.

204 4. a. The PSC employee never told me, the intervener, about any special
205 filing requirements with the PSC until December 6th. Things like: the
206 original paper document, five paper copies, and one electronic copy (not
207 in PDF format) had to be given to the PSC.

208 b. The PSC had ample opportunity to notify me of there rules and the
209 records it had.

210 c. How would a little old lady that missed the computer revolution
211 participate when she has never used a computer and the PSC will not
212 provide her a copy of there rules?

213 5. a. It appears from item 2 of the Motion for Extension of Time from the
214 Committee dated November 3rd and the response to this motion from
215 Mr. Stanley K. Stoll on November 4th, item 2, that the Committee
216 eventually decided to give up some protections for the public so that

217 UBTA-UBET could get Commission approval as soon as possible.

218 5. b. Items 26 and 27 of the Stipulation dated November 15th are designed

219 to keep future cases from benefiting from unreasonable compromises

220 made to UBTA-UBET.

221 c. Item 24 of the Stipulation is a gag order designed to prevent

222 discovery of any compromises that should not have been agreed to.

223 d. The above statements can not be proven without access to the

224 records. I sincerely doubt that I would ever be given access to the

225 records needed to prove my suspicions. Even with the records, it may

226 not be possible to prove anything if everyone remains silent.

227 e. I raise this issue to show that there may be several issues that I have

228 not listed in this Request for Reconsideration because I can never

229 discover these unknown issues without access to the records.

230 6. a. Item 21 of the Stipulation dated November 15th does not protect

231 UBET members. I assume that UBET's customer rates are based strictly

232 on UBET's operations. UBTA's customer rates are based on all of the

233 holdings of UBTA (regulated and non-regulated).

234 b. Item 21 says that only the regulated operations will be considered for

235 rate determinations. But, this will be based on the combined operations

236 of UBTA-UBET. If UBET is very profitable and UBTA is operating at

237 a loss, then UBET customer rates will be higher than without the merger
238 so they can subsidize UBTA customers. And, vice versa if profitability
239 of the two units is reversed.

240 6. c. If the operations of the non-regulated companies were profitable,
241 then the UBTA customers (in an un-merged company) might receive
242 rate cuts because of the overall profit in UBTA. By excluding those
243 non-regulated profits, then UBTA customers could see a rate increase
244 instead.

245 7. a. The declaration and payment of dividends will be dependent on the
246 profitability of the combined operations of UBTA (regulated and
247 non-regulated).

248 b. If one or more of UBTA's non-regulated companies has financial
249 problems (losses, negative cash flow, need for large borrowing), then
250 this would most likely result in a much smaller or no patronage
251 dividend. With a merged company item 21 of the Stipulation would
252 prevent a rate increase to UBTA customers, but UBET members would
253 not receive a dividend either.

254 c. Item 13 of the Stipulation does not provide UBET members any
255 protection under this example. If UBET were treated as a separate
256 company, it could have paid its members a dividend. But, UBET

257 members would suffer with the UBTA members because of the overall
258 operations of UBTA.

259 7. d. I have not seen any financial statements of UBTA, etc. This was one
260 of the requests that the public expressed at the November 3rd hearing.

261 The individual operations financial statements need to be released to the
262 public.

263 8. a. In Mr. Stanley K. Stoll's response dated November 19th to letter
264 from Administrative Law Judge Steven F. Goodwill, he explains why
265 each exchange should only have one board member. (page 1 paragraph
266 2)

267 b. How other cooperatives are operated in Utah or the Nation has no
268 relevance in how UBTA-UBET should be operated other than to provide
269 examples of what is available, in use, and how effective it is.

270 c. If the Vernal exchange was a homogenous group, and all the
271 exchanges were of equal land size where telephone service is provided,
272 then one board member per exchange could be argued for. However, the
273 views of people in Vernal City, Naples City, Jensen, and the remainder
274 of the customers in the Vernal exchange are not the same.

275 d. Ideally, all of the exchange boundaries for UBTA-UBET would be
276 redrawn to create several districts which were similar in size based on

277 population and/or telephone service area. But, since it is unlikely that
278 UBTA would agree to this kind of a change before Vernal's membership
279 is several thousand strong, we can dismiss this option.

280 8. e. The current workable option would be to break the Vernal and
281 possibly the Roosevelt exchanges into smaller exchange areas, each
282 with its own board member. This would be done when the voting
283 membership of an exchange reached a certain number like 5,000. In
284 other words, an exchange would have one board member for every
285 2,500 members. As Vernal's membership increases from zero to 5,000,
286 it would only have one board member. It would be split into two voting
287 districts while its membership was between 5,000 and 7,500.

288 f. I would recommend that the current board member(s) in an exchange
289 that was to be split would be allowed to serve out his (their) full term.
290 Therefore, a region that was split would have one section that does not
291 have a board member in it. It would be that region that would have an
292 election for someone that lives within its boundaries.

293 9. a. I can see where UBTA members would not want to have their
294 control on the board diluted by allowing population to dictate the
295 number of representatives, but it is not equitable to let the minority
296 control the majority either.

297 9. b. If a small company wanted to take over IBM, and the only thing
298 they were going to give the existing IBM shareholders for their interest
299 was stock in their small company, then it is obvious that the IBM
300 shareholders would have majority control of the combined company.

301 c. In Mr. Stoll's letter dated November 19th, he states that there are
302 4,000 UBTA members and 17,000 UBET subscribers. UBTA is
303 obviously the small company if you just look at the number of
304 customers. But, UBTA may be much closer in equal value if you look
305 at capital investment, etc. It may not be fair to allocate board members
306 based on population and land area alone. But, it is equally unfair to
307 ignore these realities.

308 10. a. In Mr. Stoll's reponse dated November 19th (bottom of page 1 and
309 top of page 2) states how beneficial it is that all members get to vote on
310 the two finalists of each district. Mr. Stoll states in the second
311 paragraph on page 2 that denying a district the right to select its own
312 board member is a good thing.

313 b. I think this is a bad idea and is not fair to any of the members or the
314 board candidates. I mentioned this problem at the November 3rd
315 hearing in Vernal. I said that I could not believe that the UBTA
316 members understood what they were giving up when they approved the

317 proposed merger plan.

318 10. c. Even though UBTA covered several communities, most of the

319 members had an idea on who the candidates in the other exchanges

320 were. So the better candidates probably won more often than not.

321 This is not likely to be the case when Vernal and Roosevelt are added

322 to the mix.

323 d. Elections could be decided based on whose name is first on the

324 ballot, whether they are an incumbent, or any other non-beneficial

325 selection method. For example: Vernal members could choose to vote

326 for their incumbent and the non-incumbent for all of the other

327 exchanges. This would make the Vernal board member more powerful

328 than the others because of his seniority and experience. You always

329 hear politicians say how important it is that they be re-elected because

330 they have seniority. How many of Utah's senior senators would still be

331 in office if the nation had the right to vote in Utah's general elections.

332 e. For example: Assume that New York has ten votes and Utah has

333 twenty votes. Assume that Hillary Clinton got seven of the ten votes in

334 the NY primary election. Assume that all twenty of Utah's votes are for

335 the other NY candidate. Clearly Mrs. Clinton was the preferred choice

336 in her state, but she lost because Utah was allowed to dictate who NY

337 could have as its representative.

338 10. f. Can and will such results happen with the proposed voting method
339 for UBTA-UBET? Absolutely. Will it happen very often? Who
340 knows. Does it really matter who is actually elected to be a board
341 member? UBTA thinks so. Why else are they so adamant that they be
342 allowed to appoint the board members for the UBET exchanges?

343 11. a. The second issue Mr. Stanley K. Stoll responded to on November
343 19th (third paragraph on page 2) was the appointment of UBET's
344 directors for the first few years. He claims it must be a good method
345 since it was used by South Central Utah Telephone Association, Inc. I
346 bet if you asked any board member of any large corporation whether the
347 board members or the shareholders would make a better choice for
348 replacement board members, almost one hundred percent would tell you
349 that appointment is the best method by far. You never know what you
350 might get with an election. Besides the appointed board member may
351 feel he has a debt to the other board members.

352 b. One of the rights that citizens of the United States have is to elect its
353 representatives. Most people do not exercise their right to vote or take
354 the time to become an informed voter. And, people unqualified for the
355 job can and do get elected. That is the price we pay to have this right.

356 Despite these problems, the majority of US citizens are not willing to
357 give up their right to vote for their representative just because the
358 government thinks it could appoint better representatives for them.

359 11. c. Why should the members of UBET give up their right to vote even
360 if it is only for one to three years? The individuals that are currently
361 serving can run for office just like anyone else. If they can convince the
362 members to vote for them, then they can continue to serve.

363 d. I doubt that there will be very many voting UBET members for the
364 first couple of years because they will not pay the fifty dollar
365 membership fee. Therefore, if all of the members of UBTA-UBET get
366 to vote for the UBET board members, then I would expect that most of
367 UBTA members would vote to retain the existing board members over
368 any challengers while the merger transition is worked through.

369 e. I believe the candidates for director would generally prefer that only
370 those members in their exchange could elect them. This would reduce
371 the cost of campaigning since they may be able to avoid advertising in
372 two different local newspapers and less popular radio stations for their
373 exchange members. The members in their exchange are more likely to
374 know them whereas they may be unknown in other exchanges.

375

376 12. Mr. Stanley K. Stoll mentions in his November 19th letter (paragraph 5
377 page 2) that the UBTA members would need to have a new election to
378 approve any changes to the plan that the members previously approved.
379 The Stipulation agreement approved by the Commission on November
380 26th has different provisions for Class A and B membership. This is not
381 what the UBTA members approved. I think that UBTA already is legally
382 bound to resubmit the merger plan to its members or at least the board of
383 directors for approval. It depends on what the articles of incorporation and
384 the bylaws said before they were amended with the merger plan approval.
385 (I have not been given access to these records yet).

386 13. a. A new issue that is not addressed in any of the records I have seen
387 is how voting takes place. With only 4,000 members UBTA has been
388 able to hold in-person voting at its meetings. I do not think that it
389 would be able to hold such an election with 21,000 members. Even if
390 only ten percent showed up to vote, this would be a major crowd and
391 require a long waiting period to actually vote. UBTA-UBET could
392 have separate meetings within each exchange or group of exchanges.
393 b. The other problem with just one voting place is that the long distance
394 required for some to attend the meeting would reduce voter turnout. I
395 believe that mail-in ballots should be required for the final election of

396 board members. The primary elections where each exchange reduces
397 the candidates down to two could continue to be done by in-person
398 voting except in Vernal and possibly the Roosevelt exchanges which
399 should be converted to mail-in voting when their membership exceeds a
400 set number.

401 14. The proposed amendments to the articles of incorporation and the
402 bylaws approved by the UBTA members (see the revised plan of merger,
403 item 6) does not say if there is a minimum required percentage of voting
404 members for an election to be valid. I believe that a minimum percentage
405 of members need to vote for an election to be valid. At least in major
406 things like amending the bylaws. The minimum percentage should be low
407 enough so that it would be rare for the company to need to hold a new
408 election or be required to beg for people to return their ballots. But, it
409 needs to be high enough to at least require some participation of the
410 members.

411 15. a. Mr. Stanley K. Stoll's response dated November 4th to the
412 Committee's motion for Extension of Time (item 3 page 2) claims that
413 the merger needed to be completed by December 31, 2004 and that any
414 delays that prevented this from happening could cause the applicant to
415 withdraw its request.

416 15. b. It may be true that some of the yearly benefits of the merger could
417 be lost. But, if there truly are benefits from the merger, then there
418 would still be a reason for completing the merger by the end of 2005.
419 There is nothing in the records I have seen that shows that the merger
420 only makes sense if it is done by December 31, 2004, and no other day
421 or year will work.

422 c. UBTA has been working to do this merger since it acquired UBET
423 from QWest according to Raymond A. Hendershot's testimony on
424 behalf of UBTA-UBET (lines 135 and 136 of his testimony). Bruce
425 Todd, also, testified that the merger has been a long term objective of
426 UBTA and its members. (See his answer on page 5 of his testimony to
427 question on the third step in the process). UBTA-UBET is not going to
428 withdraw its merger application because of a delay in approving it.

429 16. UBTA-UBET has not been willing to provide any detailed financial
430 information to the UBET subscribers. This should have been required
431 along with the notification of the membership provisions as specified in
432 item 22 of the Stipulation dated November 15th. You are requiring people
433 agree to pay \$200 for a membership in a corporation without knowing
434 anything about the financial condition of the company. If someone tells
435 me that they want to buy a business, but the seller will not provide any

436 financial statements; my answer will always be to run, don't walk, the
437 other way as fast as you can. If the seller has something to hide, then you
438 do not want any part of the deal.

439 17. a. UBTA-UBET has not disclosed how the patronage dividends are
440 to be allocated to the members. The formula is a secret. In the
441 statement UBTA-UBET mailed to UBET customers under item 22 of
442 the Stipulation dated November 15th, UBTA-UBET acknowledged that
443 UBET members may have to wait several years before their
444 membership would be paid off through patronage payments. (See the
445 fourth paragraph from bottom of page of the statement).

446 b. Real examples need to be presented to UBET customers before they
447 have to decide if they want to be a member. And, if so, then if they
448 want Class A or B status.

449 c. UBET customers may think that they will start receiving large
450 checks within a very short time period. I do not think this will be the
451 case for most customers. (I have not been given access to any of this
452 information). The customers need to know what to expect in the way of
453 patronage before they make a decision on membership to
454 UBTA-UBET.

455

456 SUMATION:

457 Several of the issues and concerns that I have raised have to do with
458 voting control, how elections are conducted, and non-regulated operations.
459 I assume that the Commission, the Division, and the Committee generally
460 do not get involved with these types of issues because it may not be their
461 directive to tell a company how to manage its affairs. The reason why the
462 Commission has to dictate some management terms in this case is because
463 it is determining who has the power with the merger approval. And, once
464 the power is allocated, those without power will be at the mercy of those
465 with the power.

466 The Commission needs to envision what the combined company will
467 ideally look like twenty years from now. It then needs to approve the
468 governance issues that the company will need at that future date, now. If
469 the power, etc. is not properly allocated at the time of merger, then the path
470 to that ideal company may not even exist or be so obscure that it is not
471 likely to be traveled.

472 It is like trying to help a runaway child heading down the wrong path in
473 life. You can give him a dollar and hope that he will find a better path to
474 follow. Or, you can tell him about a job opening, available housing,
475 sources of food, etc. Of course, the runaway child can choose to take the

476 wrong paths, but at least he will now have access to the newly created
477 paths you presented to him.

478 UBTA is the head and UBET is the body. The Commission is the
479 surgeon that will attach the body to the head. Does the Commission want
480 to create a Frankenstein or an Adam (as in Adam and Eve)? It is the minor
481 details that will determine the final outcome.

482 I stated that I would not be attending the November 22nd hearing in my
483 Petition to Intervene dated October 19th. At that time, I had been told that
484 UBTA-UBET had turned down citizen requests for information. So I did
485 not expect to be able to say much more than I did at the November 3rd
486 hearing. One does not make a seven hour trip and pay for a hotel room just
487 to restate concerns already expressed.

488 Unknown to me, my petition to intervene was a method that could have
489 permitted me to obtain enough knowledge to justify my attendance at the
490 November 22nd hearing. Having the right to obtain information and
491 actually getting it are two different things. Most of the knowledge used to
492 write this Request for Reconsideration was obtained after November 22nd.
493 So I had nothing new to add to the proceedings held on that date.

494 I realize that this Request for Reconsideration is longer than you would
495 like. The issues are imbedded throughout the document rather than listed

496 in one section. I have included arguments (substantiated and
497 unsubstantiated) when this may not be allowed at this time. I have taken
498 these liberties in the interest of justice, which is the real reason why the
499 Commission exists.

500 If I had submitted a very brief request, then the Commission would not
501 fully understand my complaints and it would be very easy for it to believe
502 that its Report and Order issued on November 26th did more good than
503 harm. I hope that my analysis, etc. has shed new light on this proposed
504 merger.

505 I fully expect UBTA-UBET, and probably the Division and the
506 Committee will want to respond to this Request for Reconsideration. By
507 including my comments in this report, then the interested parties will have
508 a better idea of how they want to respond.

509 The Commission only has twenty days to decide how to respond to this
510 Request for Reconsideration. This time constraint would have prevented
511 meaningful rebuttals to take place because a simple statement like: (He
512 doesn't know what he's talking about. These issues were fully discussed
513 and the Stipulation agreement was the best outcome of those discussions.)
514 may have been plausible. I hope the Commission can see that this is not
515 the case, and will take the necessary actions to protect the public.

516 CONCLUSIONS:

517 1. The public was denied adequate participation.

518 2. The public was denied access to critical information.

519 3. The public's interests were not adequately protected in the final Order
520 of the Commission.

521 4. Not all of the important issues were identified nor addressed in the final
522 Order of the Commission.

523 5. UBET customers will not be able to make an informed decision on
524 selecting membership in UBTA-UBET without having detailed financial
525 and dividend allocation information.

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536 RECOMMENDATIONS:

537 1. Withdraw the Commission's Report and Order dated November 26th.

538 2. Reopen the public comment period and provide the public with the
539 critical information it needs and wants to see before having another public
540 hearing.

541 3. Reopen the discovery period so that I, as the intervener, can have access
542 to the records I should have been given.

543 4. Have the parties that created the Stipulation agreement start negotiating
544 a new agreement that addresses all of the issues (old and new). One that
545 they do not have to put a gag order restriction on. I, as the intervener,
546 should be permitted to influence the Stipulation agreement as it is being
547 created.

548 5. A "Stay" on the Commission's Order dated November 26th should be
549 done. The Stay could be limited to the combining of the accounting
550 records, etc. Things that once merged would be difficult to undo. Filing
551 papers with the State of Utah and the Internal Revenue Service to make the
552 merger effective for December 31st could continue, since missing deadlines
553 would be critical and new papers probably could be filed to reverse or
554 correct the filings done before a revised merger order from the
555 Commission.

556 NOTICE OF ATTACHED EXHIBITS:

557 Exhibits 1, 2, 3, 4, 5, and 6 are to be considered part of this Request for
558 Reconsideration. Exhibit 1 is a history timeline. It provides some of the
559 correspondence steps I was a party to. This exhibit was used to reference
560 exhibits 2 through 6, which most of the participants in Docket No.
561 03-053-04 are probably not aware of.

Dated this 27th day of December, 2004

By _____

Brent Hansen

Intervener (representing self)

254 North 100 East (physical)

P O Box 263 (mail)

Vernal, Utah 84078