

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1363
of Avery Communications, Inc. of)
Grand Prairie, Texas, seeking)
authority to acquire control of) GRANTED
Home Owners Long Distance, Inc. of)
San Antonio, Texas.) Entered: September 17, 1996

PRELIMINARY MATTERS

On June 13, 1996, an application was filed by Avery Communications, Inc. of Grand Prairie, Texas, seeking authority to acquire control of Home Owners Long Distance, Inc., of San Antonio, Texas. Notice of the application was published in the Omaha Daily Record on June 17, 1996. No protests were received; therefore, we will process this application pursuant to the Commission's Rule of Modified Procedure.

O P I N I O N A N D F I N D I N G S

Avery Communications, Inc. ("ACI") is a publicly-held Texas corporation that was formed in 1995 to provide residential and commercial telecommunications services. ACI is a regional telecommunications company that provides, through its subsidiaries, domestic resold, interstate and intrastate long distance services, international and cross border (Mexico) communications, and telecommunications and equipment installation.

Home Owners Long Distance, Inc. ("HOLD") is a privately-held Texas corporation that provides telecommunications services within the State of Nebraska pursuant to Commission authority granted to HOLD in Application No. C-987, on August 2, 1993.

HOLD and ACI have determined that they would recognize significant economic and marketing efficiencies by establishing HOLD as a wholly-owned subsidiary of ACI. Accordingly, HOLD and ACI have negotiated an Agreement and Plan of Merger ("Agreement") whereby ACI intends to acquire HOLD.

Pursuant to the proposed transaction, the stockholders of HOLD will tender all of the issued and outstanding shares of HOLD in exchange for cash and common stock in ACI as part of the merger between HOLD and Avery Acquisition Sub, Inc., a wholly-owned subsidiary of ACI created specifically for the purpose of consummating the transaction. HOLD will be the surviving entity following the merger, and will become a wholly-owned subsidiary of ACI.

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Upon consummation of the transfer of control. HOLD will continue operating under its name and will remain the inter-exchange certificate holder. The proposed transaction will not involve a change in the manner in which the company provides telecommunications services.

O R D E R


IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1363 be, and it is hereby granted that Avery Communications, Inc. is hereby authorized to acquire control of Home Owners Long Distance, Inc.

IT IS FURTHER ORDERED that Home Owners Long Distance, Inc. shall continue to operate under its name and remain the inter-exchange certificate holder.

IT IS FURTHER ORDERED that Avery Communications, Inc. and/or its subsidiary, Home Owners Long Distance, Inc. shall file annually, in accordance with the applicable statutes, a report with this Commission consisting of (a) a copy of any reports filed with the Federal Communications Commission and the Security and Exchange Commission, (b) the annual report to stockholders, and (c) for the State of Nebraska on a combined interstate-intrastate basis, the investment in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, expenses and taxes by April 30th of each year.

MADE AND ENTERED at Lincoln, Nebraska, this 17th day of September, 1996.

COMMISSIONERS CONCURRING:


//s//Rod Johnson
//s//Frank E. Landis
//s//James F. Munnelly
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:


Executive Director