

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of Zenex Long Dis- ) Application No. C-1602  
tance, Inc., Oklahoma City, Okla- )  
homa, ACG Acquisition VI Corp. and )  
Advanced Communications Group, ) GRANTED  
Inc., both of Houston, Texas, )  
jointly seeking approval of agree- )  
ment and plan of merger and )  
related transactions. ) Entered: September 9, 1997

BY THE COMMISSION:

On August 6, 1997, an application was filed by Zenex Long Distance, Inc. (Zenex) of Oklahoma City, Oklahoma, ACG Acquisition VI Corp. (ACG) and Advanced Communications Group, Inc. (Advanced), both of Houston, Texas, jointly seeking approval of an agreement and plan of merger. Notice of the application was published in The Daily Record, August 7, 1997. No protests were filed; therefore, we 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

Zenex received a Certificate of Public Convenience and Necessity to provide intrastate interexchange services in Nebraska on July 16, 1996, in Application C-1317. ACG is a corporation organized under the laws of Delaware and is a wholly-owned subsidiary of Advanced. Neither ACG nor Advanced are certificated to provide intrastate telecommunications services in Nebraska.

The applicants jointly request authority to merge ACG with and into Zenex, thus leaving Zenex as the surviving entity and a wholly-owned subsidiary of Advanced. The issued and outstanding capital stock of Zenex will be converted into shares of a series of Advanced's preferred stock and that preferred stock will be convertible into shared of Advanced's common stock. Zenex will be the surviving corporation of the merger, and the separate existence of ACG will cease. A copy of the merger was included in the application. The agreement was unanimously approved by the shareholders of Zenex.

Zenex will continue to operate under its own name and the transaction will not not disrupt service to its customers. Further, the merger will result in little change in the management or officers of Zenex. The merger will allow Zenex and its prospective corporate parent, Advanced, to realize significant economic and marketing efficiencies in the provision of high-quality, low-cost telecommunications services and to compete effectively in the marketplace.

Application No. C-1602

PAGE TWO

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds the application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1602 be, and it is hereby granted.

MADE AND ENTERED at Lincoln, Nebraska, this 9th day of September, 1997.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



Chairman



ATTEST:

//s//Rod Johnson  
//s//Frank E. Landis  
//s//Daniel G. Urwiller

  
Executive Director