

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint Application of Firstel, Inc., Advanced Communications Group, Inc., and Advanced Communications Corp. for Approval of an Agreement and Plan of Exchange and Related Transactions. ) Application No. C-1675  
)  
)  
) GRANTED  
) Entered: December 9, 1997

BY THE COMMISSION:

On October 27, 1997, Firstel, Inc. (Firstel) of Sioux Falls, South Dakota, Advanced Communications Group, Inc. (ACG), and Advanced Communications Corp. (Advanced) both of Houston, Texas, filed an application seeking approval for ACG to acquire control of both Firstel and Advanced. Notice of the application was published in The Daily Record, on November 6, 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

Firstel first received a Certificate of Public Convenience and Necessity to resell telecommunications services in Application No. C-1029 on February 8, 1994. It received a subsequent Certificate of Public Convenience and Necessity to provide local exchange services in Nebraska on April 29, 1997, in Application No. C-1380. Advanced is incorporated under the laws of Delaware and has its principal place of business in Houston, Texas. ACG is a wholly-owned subsidiary of Advanced and is incorporated under the laws of Delaware with its principal place of business in Houston, Texas.

The application requests authority for ACG to acquire 100% of Firstel's common stock, thereby leaving Firstel to become a wholly-owned South Dakota subsidiary of ACG. Simultaneously with the acquisition of Firstel, Advanced Communications Group Acquisition, Inc., a wholly-owned subsidiary of ACG, will merge into Advanced, with Advanced being the surviving entity. As a result of this merger, Advanced will become a wholly-owned subsidiary of ACG, thereby reversing their current positions.

The proposed acquisition will result in a few changes in the management and officers of Firstel. Rod K. Cutsinger will serve as the Chairman of the Board and other directors of ACG may be nominated to serve on the Firstel Board. Persons currently serving as officers in Firstel are generally expected to continue performing the same duties as ACG evaluates its overall management structure. Otherwise, the transaction will not change the operations, quality of service or rates of Firstel, thereby being virtually transparent to customers. The transaction simply

will result in a change in the ultimate corporate parent of Firstel, and will not involve a change in the manner in which Firstel provides service. Firstel will continue to operate in Nebraska without a change in name.

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.

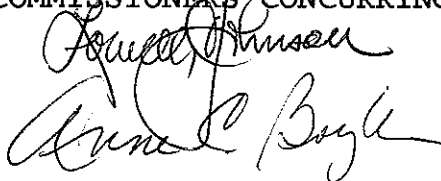
O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1675 be, and it is hereby, granted.

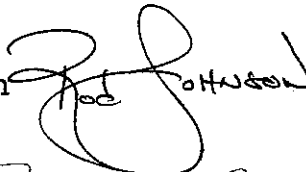
MADE AND ENTERED at Lincoln, Nebraska, this 9th day of December, 1997.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

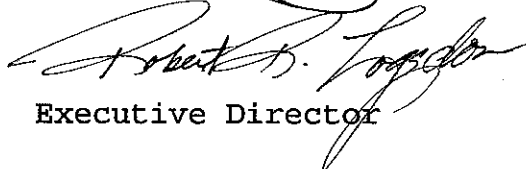


Chairman



ATTEST:

//s//Rod Johnson  
//s//Frank E. Landis

  
Executive Director