

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1743
Phoenix Network, Inc. and Qwest Com-)
munications Corp. of Golden, Colo-)
rado, and Denver, Colorado, respect-) GRANTED
ively, seeking authority to transfer)
control of Phoenix Network to Qwest)
Communications Corp.) Entered: March 10, 1998

BY THE COMMISSION:

By application filed January 30, 1998, Phoenix Network, Inc. (Phoenix) and Qwest Communications Corp. (Qwest) of Golden, Colorado, and Denver, Colorado, respectively, seek authority to transfer control of Phoenix to Qwest. Notice of the application was published in The Daily Record, Omaha, Nebraska, on February 4, 1998, pursuant to the rules of the Commission. No protests were filed.

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

Qwest is a Delaware corporation and is a wholly-owned subsidiary of Qwest Corporation, which is a wholly-owned subsidiary of Qwest Communications International, Inc. Qwest received authority to offer intrastate interexchange services in Nebraska pursuant to Application C-1121 on December 20, 1994.

Phoenix is a Delaware corporation authorized to offer intrastate interexchange services in Nebraska pursuant to Application C-880, dated April 16, 1991.

The applicants request authority to transfer control of Phoenix to Qwest. The transaction will be accomplished through an exchange of cash and shares of stock. No additional funding will be required to complete the merger.

After completion of the merger, Phoenix will become a wholly-owned subsidiary of Qwest Communications International; however, pursuant to a series of internal stock transfers, Phoenix will ultimately become a wholly-owned subsidiary of Qwest.

Phoenix will survive the merger and will continue to operate using its name. Phoenix customers will continue to be served and billed by Phoenix pursuant to rates, terms and conditions of Phoenix's tariff. Phoenix customers will be notified of the merger in writing. There will be little change in operation; however, the directors and officers of Qwest will become the directors and officers of Phoenix.

The proposed transaction will enable the carriers to provide customers with comprehensive long distance services and will strengthen the companies' abilities to provide high quality, low cost telecommunications services.

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Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1743 be, and it is hereby, granted and Qwest Communications Corp. is hereby authorized to acquire control of Phoenix Network, Inc.

MADE AND ENTERED at Lincoln, Nebraska this 10th day of March, 1998.

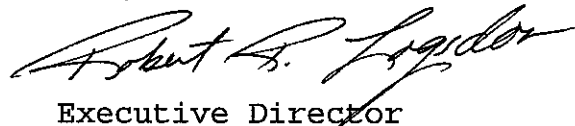
COMMISSIONERS CONCURRING:

//s//Lowell C. Johnson
//s//Frank E. Landis
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION


Chairman

ATTEST:


Executive Director