

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1778
Qwest Communications International,)
Inc., LCI International, Inc., LCI)
International Telecom Corp. and USLD)
Communications, Inc. of Denver,) GRANTED
Colorado, McLean, Virginia, and San)
Antonio, Texas, jointly seeking ap-)
proval for a transfer of control.) Entered: April 27, 1998

BY THE COMMISSION:

By application filed March 18, 1998, Qwest Communications International, Inc. (Qwest) of Denver, Colorado, and LCI International, Inc. (LCII) and LCI International Telecom Corp. (LCIT) of McLean, Virginia, and USLD Communications (USLD) of San Antonio, Texas, jointly seek authority to transfer control of LCIT and USLD from the current shareholders of LCII to Qwest. Notice of the application was published in The Daily Record, Omaha, Nebraska, March 19, 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

A wholly-owned subsidiary of Qwest, Qwest Communications Corporation (QCC) provides interexchange service in Nebraska. QCC received authority to offer intrastate interexchange services in Nebraska pursuant to Application C-1121 on December 20, 1994.

LCII has a wholly-owned subsidiary, LCIT, which provides interexchange service in Nebraska. LCIT received authority to provide intrastate interexchange service in Nebraska in Application C-909 on February 19, 1992, and in Application C-1015 on January 10, 1994 (adding operator services).

USLD is a wholly-owned subsidiary of LCII. USLD was acquired by LCII in December 1997 pursuant to approval granted by this Commission in Application C-1637. USLD provides interexchange service in Nebraska pursuant to authority obtained in Application C-1035 on January 31, 1994.

On March 8, 1998, Qwest and LCII entered into an agreement and plan of merger whereby Qwest will acquire LCII by purchasing all the company's outstanding shares from the current LCII shareholders. The acquisition will result in a change of control as LCIT and USLD, wholly-owned subsidiaries of LCII, will become wholly-owned subsidiaries of Qwest.

The boards of directors of Qwest and LCII have approved the merger agreement. At this time, it is planned that LCIT and USLD will continue to serve and bill customers under current rates, terms and conditions contained in their respective tariffs.

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Qwest's capital, fiber optic network and various service offerings will improve service for LCIT and USLD's customers. Further, Qwest will make more efficient use of its network, as it will benefit from LCII's sizeable customer base and large traffic volumes. The transaction will assist the companies to compete more effectively against other carriers.

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-1778 be, and it is hereby, granted.

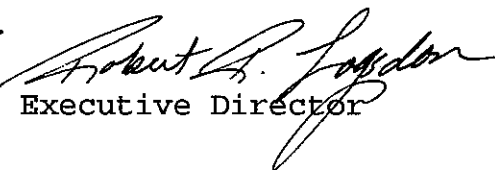
MADE AND ENTERED at Lincoln, Nebraska, this 27th day of April, 1998.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:


Chairman

ATTEST:


Executive Director

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