

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the application)	Application No. C-1965
of Net2000 Group, Inc. of McLean,)	
Virginia, seeking authority to)	GRANTED
complete a corporate reorganization,)	
to change its name and to guarantee)	
certain debt obligations.)	Entered: March 30, 1999

BY THE COMMISSION:

On December 22, 1998, an application was filed by Net2000 Group, Inc. (Applicant) of McLean, Virginia, seeking authority to complete a corporate reorganization, to change its name, and to guarantee certain debt obligations. Notice of the application was published in The Daily Record, Omaha, Nebraska, on December 28, 1998. 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

Applicant is a privately-held Delaware corporation which operates as a reseller of 1+ interexchange services in 42 states, including Nebraska, pursuant to Application No. C-1820. Applicant also provides local resale services in eight states.

Net2000 Communications is a recently-incorporated privately held Delaware corporation. Net2000 Communications is the ultimate corporate parent of the Net2000 companies and functions as a holding company.

Net2000 Holdings is also a recently-incorporated privately held Delaware corporation. It is a wholly-owned subsidiary of Net2000 Communications and the corporate parent of Net2000 Communications Group.

Net2000 Communications Group is another recently-incorporated privately-held Delaware corporation. Net2000 Communications Group functions exclusively as a holding company, holding the stock of the Net2000 companies' three operations subsidiaries, including Net2000.

As a result of the proposed corporate reorganization, Applicant would become a wholly-owned subsidiary of Net2000 Communications Group. Net2000 Communications Group is a wholly-owned subsidiary of Net2000 Holdings, which itself, is a wholly-owned subsidiary of Net2000 Communications.

The operations and management of the Applicant will be unaffected by the reorganization. Applicant will continue to provide the same service offerings, rates, terms, and conditions as it

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previously offered and will introduce new service offerings over time.

Applicant also seeks authority to change its name to Net2000 Communications Services, Inc. The change of name will clearly identify Net2000 as a provider of communications services. Applicant is not yet serving customers in Nebraska. Applicant has obtained authority from the Nebraska Secretary of State to change its corporate name to Net2000 Communications Services, Inc.

Applicant further seeks approval of a \$120 million term loan and a \$20 million revolving line of credit. Net2000 Holdings will pledge all of its stock and assets in order to secure the loans. Applicant's pledge of stock and assets will not affect its ability to provide excellent service to its customers.

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-1965 be, and it is hereby, granted.

IT IS FURTHER ORDERED that Net2000 Group, Inc. is hereby authorized to change the name of its operating authority to Net2000 Communications Services, Inc.

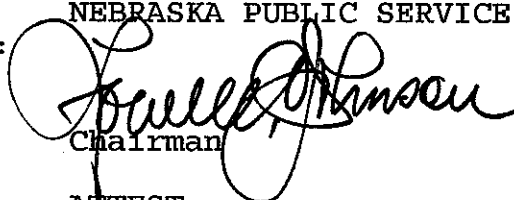
IT IS FURTHER ORDERED that applicant file an updated tariff reflecting the change in name within thirty days from the date of this order.

MADE AND ENTERED at Lincoln, Nebraska, this 30th day of March, 1999.

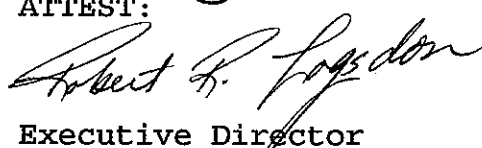
COMMISSIONERS CONCURRING: NEBRASKA PUBLIC SERVICE COMMISSION



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


Chairman

ATTEST:


Executive Director