

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-2073
of Primus Telecommunications, Inc.)
of McLean, Virginia, and Telegroup,)
Inc. of Fairfield, Iowa, seeking) GRANTED
permission for the sale and)
transfer of assets of Telegroup,)
Inc., to Primus Telecommunications,)
Inc.) Entered: September 21, 1999

BY THE COMMISSION:

By application filed June 25, 1999, Primus Telecommunications, Inc. (Primus) of McLean, Virginia, and Telegroup, Inc. (Telegroup) of Fairfield, Iowa, seek permission for the sale and transfer of assets of Telegroup to Primus. Notice of the application was published in The Daily Record, Omaha, Nebraska, on June 28, 1999. No protests were filed; therefore, this application is processed 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

Primus is a Delaware corporation located in McLean, Virginia. Primus is a wholly-owned subsidiary of Primus Telecommunications Group, Inc. (PTG), a publicly-held Delaware corporation. Primus was granted authority to operate as a resale common carrier of interexchange telecommunications services on November 12, 1996, pursuant to Docket No. C-1398.

Telegroup is an Iowa corporation located in Fairfield, Iowa. Telegroup is publicly traded as an over-the-counter stock under the symbol "TGRPQ". Telegroup provides interstate and intrastate long distance voice, data, and value-added services in 49 states and around the world. Telegroup was authorized to provide resold intrastate interexchange service in Nebraska on June 30, 1993, pursuant to Docket No. C-981.

Telegroup is currently in the process of reorganizing under the terms of their bankruptcy filing in the U.S. Bankruptcy Court for the District of New Jersey. As a part of this reorganization, an agreement between PTG and Telegroup was reached whereby Primus would acquire most of Telegroup's assets, including all assets used in the provision of telecommunications services in Nebraska. Upon consummation of the reorganization, Telegroup will no longer provide telecommunications service in Nebraska; for that reason, and pursuant to Telegroup's own request, the certificate granted to Telegroup in Docket No. C-981 will be revoked.

Although the transaction will result in the transfer of Telegroup's assets to Primus, current customers of Telegroup will experience no significant changes in the manner in which they

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receive services. Customers will continue to receive services from Primus under the existing Telegroup tariff, and will receive adequate notice of the change in carrier.

The transaction is in the public interest because the combination of assets of Primus and Telegroup will allow Primus to more effectively compete against existing carriers, and thus enhance competition in the telecommunications industry.

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-2073 be, and it is hereby, granted.

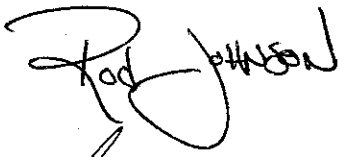

IT IS FURTHER ORDERED that the certificate of operating authority previously granted in Docket No. C-981 be, and it is hereby, revoked.

IT IS FURTHER ORDERED that Primus Telecommunications, Inc. file an updated tariff reflecting any new or discontinued services within thirty days of the date of this order.

MADE AND ENTERED at Lincoln, Nebraska, this 21st day of September, 1999.

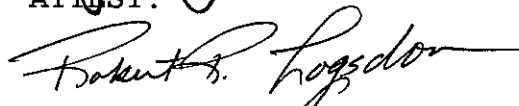
NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:


Chairman

ATTEST:


Executive Director

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