

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint Application of International Exchange Communications, Inc., dba IE Com of Burlingame, California, and International Telecommunications Corp., aka CTN Telephone Network of San Diego, California, seeking approval of an asset purchase agreement.) Application No. C-2101
) GRANTED
) Entered: November 4, 1999

BY THE COMMISSION:

By joint application filed August 12, 1999, International Exchange Communications, Inc., dba IE Com (IE Com) of Burlingame, California, and International Telecommunications Corp., aka CTN Telephone Network (ITC) of San Diego, California, seek approval of an asset purchase agreement. Notice of the application was published in The Daily Record, Omaha, Nebraska, on August 13, 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

IE Com is a Delaware corporation and is a wholly-owned subsidiary of Pacific Gateway Exchange, Inc., a publicly-traded Delaware corporation. IE Com provides a variety of telecommunications services in all 50 states. IE Com received authority from this Commission to operate as a reseller of interexchange telecommunications services on February 9, 1999, pursuant to Docket No. C-1961.

ITC is a privately-held Nevada corporation. Application No. C-1442, dated February 27, 1997, granted authority to ITC to act as a reseller of interexchange telecommunications services in Nebraska.

Under the asset purchase agreement reached by the parties, ITC will sell, transfer and assign to IE Com all of ITC's assets, including ITC's customer accounts. Following the transfer, IE Com will continue to provide service to the former customers of ITC pursuant to the operating authority of IE Com. Customers of ITC will be notified of the change in carrier and will not experience a change in rates due to the transaction. Because ITC will no longer offer service in Nebraska, their certificate of operating authority should be withdrawn.

The significant financial, technical and managerial abilities of IE Com and its parent, Pacific Gateway Exchange, ensure that the asset purchase will not adversely affect the quality of service currently being provided. Furthermore, the asset purchase is in the public interest because it will allow IE Com to achieve greater operating efficiencies and will provide customers with a wider range of services to choose from.

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.

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O R D E R

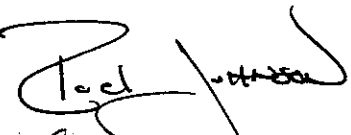

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2101 be, and it is hereby, granted.

IT IS FURTHER ORDERED that the certificate of operating authority granted to International Telecommunications Corp. in Docket No. C-1442 be, and it is hereby, withdrawn.

MADE AND ENTERED at Lincoln, Nebraska, this 4th day of November, 1999.

NEBRASKA PUBLIC SERVICE COMMISSION

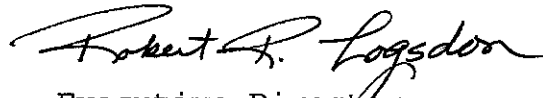
COMMISSIONERS CONCURRING:

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


Chairman

ATTEST:


Executive Director