

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-2154
of RCN Telecom Services, Inc.,)
formerly RCN Telecom Services of)
Pennsylvania, Inc., and RCN Long)
Distance Company of Princeton,) GRANTED
New Jersey, seeking authority to)
merge and to transfer license as)
part of a pro forma corporate)
restructuring.) Entered: January 26, 2000

BY THE COMMISSION:

On November 10, 1999, an application was filed by RCN Telecom Services, Inc., formerly RCN Telecom Services of Pennsylvania, Inc. (RCN TS), and RCN Long Distance Company (RCN LD) of Princeton, New Jersey, seeking authority to merge and to transfer license as part of a pro forma corporate restructuring. Notice of the application was published in The Daily Record, Omaha, Nebraska, on November 12, 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

RCN Corporation is a publicly-held Delaware corporation and is the parent corporation of RCN TS. RCN TS is, in turn, the corporate parent of RCN LD. RCN LD, then doing business as Commonwealth Long Distance Company, was granted authority from this Commission to provide resold intrastate interexchange telecommunications services in Nebraska on August 20, 1996, pursuant to Application No. C-1333.

The proposed restructuring will result in RCN LD merging with and into RCN TS. RCN LD will no longer exist as a legal entity following the merger and RCN TS will assume the operating authority presently held by RCN LD.

The proposed transaction satisfies the Commission's standards for granting approval. The acquiring entity, RCN TS, possesses sufficient financial resources by way of their relationship with RCN Corporation. The technical and managerial capabilities of RCN TS are also not in doubt; RCN TS will be led by the same personnel that led RCN LD, and the customers of RCN LD will continue to receive service under the same rates, terms and conditions they presently receive service under. The application is in the public interest because it will result in significant operational and administrative efficiencies for the RCN family, which will allow RCN TS to better compete in the telecommunications market.

Based on the evidence, we find the application to be fair and reasonable and in the public interest. 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-2154 be, and it is hereby, granted.

IT IS FURTHER ORDERED that RCN Telecom Services, Inc. be, and it is hereby, authorized to provide telecommunications services in accordance with the certificate of operating authority previously granted in Application No. C-1333.

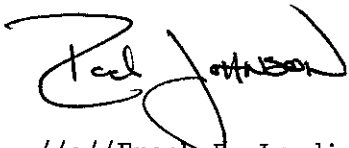
IT IS FURTHER ORDERED that the certificate previously granted in Application No. C-1333 be, and it is hereby, revoked.

IT IS FURTHER ORDERED that the applicants file an updated tariff reflecting the restructuring within thirty days from the date of this order.

MADE AND ENTERED at Lincoln, Nebraska, this 26th day of January, 2000.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

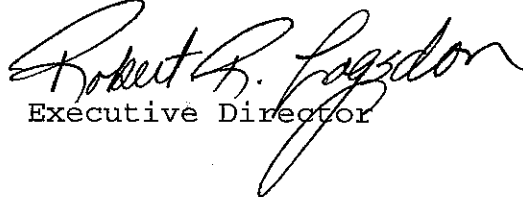


//s//Frank E. Landis

//s//Daniel G. Urwiller


Chairman

ATTEST:


Executive Director