

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-2278
of Telscape International, Inc.)
of Houston, Texas; Telscape USA,)
Inc. of Houston, Texas; and) DISMISSED FOR LACK OF
Pointe Communications Corporation) JURISDICTION
of Roswell, Georgia, seeking)
approval of transfer of control)
of Telscape USA, Inc. and related)
transactions.) Entered: June 14, 2000

BY THE COMMISSION:

On April 19, 2000, a joint application was filed by Telscape International, Inc. (Telscape) of Houston, Texas; Telscape USA, Inc. (USA of Houston, Texas; and Pointe Communications Corporation (PointeCom) of Roswell, Georgia, seeking approval of the transfer of control of Telscape USA, Inc. and related transactions. Notice of the application was published in The Daily Record, Omaha, Nebraska, on April 21, 2000. 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

Telscape is a publicly-traded Texas corporation with its principal offices located in Houston, Texas. Telscape, through its subsidiaries, provides a variety of telecommunications services to customers in the United States and in Latin America. Telscape is a holding company and does not hold federal or state telecommunications authorizations.

USA is a wholly-owned subsidiary of Telscape. USA was granted authority to provide resold intrastate interexchange telecommunications services on November 12, 1996, pursuant to Application No. C-1413.

PointeCom is a publicly-traded Nevada corporation with its principal offices located in Roswell, Georgia. PointeCom specializes in providing telecommunications services to Hispanic customers in the United States. PointeCom is not a certificated carrier in Nebraska.

The current application stems from a proposed merger whereby PointeCom will be merged into a newly-formed subsidiary of Telscape. Following the merger, PointeCom will survive as a wholly-owned subsidiary of Telscape. Of significance for purposes of this application, the merger will have no impact on the ownership of USA, which will still exist as a wholly-owned subsidiary of Telscape and will continue to provide service in Nebraska as it presently does.

In Docket No. C-1746/PI-19, the Commission examined the situations in which it has authority to approve, condition or deny

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mergers, acquisitions and other transfers of control. The Commission concluded that, based on the pertinent statutes, rules and regulations, the Commission's authority over transfers of control extends only to transactions involving certificated carriers in Nebraska.

The Commission's authority is further limited to transfers which directly affect the ownership or control of the certificated carrier. Transactions having only indirect effects on the securities of a certificated carrier, such as those involving entities at the holding company level or above, typically do not affect the actual ownership or control of the certificated entity and thus escape Commission jurisdiction.

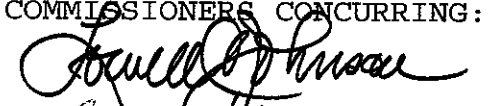
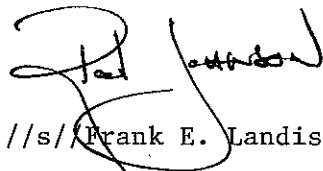

In the present application, the transaction for which approval is sought does not directly involve the securities of the certificated entity in Nebraska. USA will continue to be directly and wholly-owned and controlled by its parent corporation, Telscape. Because the proposed merger does not involve the transfer of control of an entity certificated in Nebraska, the Commission does not have the authority to express an opinion over the transaction. The application should be dismissed.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2278 be, and it is hereby, dismissed.

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of June, 2000.

COMMISSIONERS CONCURRING:



//s/ Frank E. Landis

NEBRASKA PUBLIC SERVICE COMMISSION


Chairman

ATTEST:


Executive Director