

SECRETARY'S RECORD; NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint ) Application No. C-2388  
Application of NorthPoint Com- )  
munications, Inc.; and NorthPoint )  
Communications Group, Inc., both )  
of San Francisco, California and ) GRANTED  
Bell Atlantic Corporation, d/b/a )  
Verizon Communications of Irving, )  
Texas, seeking approval of )  
transfer of control. ) Entered: October 31, 2000

BY THE COMMISSION:

By joint application filed September 11, 2000, NorthPoint Communications, Inc. (NPC) and NorthPoint Communications Group, Inc. (NorthPoint), both of San Francisco, California, and Bell Atlantic Corporation, d/b/a Verizon Communications (Verizon) of Irving, Texas, seek approval of a transfer of control of NorthPoint to Verizon. Notice of the application was published in The Daily Record, Omaha, Nebraska, on September 13, 2000. 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

NorthPoint is a Delaware corporation and the parent corporation of NPC. NPC, also a Delaware corporation, is a facilities-based provider of local exchange and interexchange telecommunications services. NPC is authorized to provide service in 39 states, including Nebraska (see Application No. C-2183, entered May 16, 2000). Verizon is a Delaware corporation which also provides a variety of telecommunications services in many states through its subsidiaries. Verizon is not a certificated entity in Nebraska.

NorthPoint and Verizon have reached an agreement whereby Verizon will contribute various assets and cash to a wholly-owned subsidiary, "Sub 1." These assets, primarily related to Verizon's DSL services, and cash will then be transferred from Sub 1 to NorthPoint. In exchange, NorthPoint will be merged with and into "Sub 2," a wholly-owned subsidiary of Sub 1, with NorthPoint surviving. Thus, NorthPoint, the 100 percent owner of NPC, will in turn be 100 percent owned by Sub 1. Sub 1 will then issue to Verizon a sufficient number of shares to give Verizon a 55 percent ownership interest in Sub 1.

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The transaction will deliver public interest benefits with no realistic risk of countervailing competitive harm in any segment of the telecommunications marketplace. Furthermore, the proposed transaction will further strengthen NPC's ability to serve customers in Nebraska.

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds that the application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2388 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 31st day of October, 2000.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Frank E. Landis*  
*Anne C. Boyle*  
*Paul Johnson*

*Frank E. Landis*  
 Chairman

ATTEST:

*Frank E. Landis*  
 Executive Director

//s//Frank E. Landis  
 //s//Daniel G. Urwiller