

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application        ) Application No. C-2463  
of Globalcom, Inc. of Chicago,         )  
Illinois, seeking approval of         ) GRANTED  
pro forma corporate reorganization. ) Entered: February 6, 2001

BY THE COMMISSION:

By application filed December 27, 2000, Globalcom, Inc. (Globalcom or Applicant) of Chicago, Illinois, seeks approval of a pro forma corporate reorganization. Notice of the application was published in The Daily Record, Omaha, Nebraska, on December 28, 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

Globalcom is an Illinois corporation authorized by this Commission to provide facilities-based and resale competitive local exchange telecommunications services in Nebraska pursuant to Application No. C-2245, entered on July 18, 2000. Globalcom's customers are predominantly small- and medium-sized businesses.

In conjunction with certain new financing arrangements, Globalcom is participating in a proposed corporate reorganization. Pursuant to this plan, Globalcom Holdings, Inc. will be created as Globalcom's parent company. Additionally, a company with ownership rights over Globalcom's telecommunications equipment will be created. This company will be known as Globalcom Equipment, Inc. and it, along with Globalcom, will become wholly-owned subsidiaries of Globalcom Holdings. The shareholders will receive voting shares in Globalcom Holdings.

The proposed reorganization will be transparent to Globalcom's customers. Globalcom will continue to serve its customers with the same team of qualified individuals and will continue to provide services at the same rates, terms and conditions.

The applicant avers that approval of this application will serve the public interest by promoting competition among providers of intrastate telecommunications services. The proposed reorganization will also provide the Globalcom companies with greater access to capital. Furthermore, the reorganization is in the public interest because of the numerous efficiencies Globalcom may realize following the pro forma transaction.

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Upon review of the evidence, the Commission finds the application to be fair and reasonable and in the public interest. The application should be granted.

O R D E R

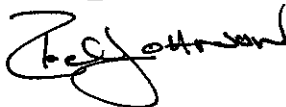
IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2463 be, and it is hereby, granted.

IT IS FURTHER ORDERED that the applicant file a revised tariff reflecting any changes resulting from the pro forma reorganization as described herein prior to offering services in the state of Nebraska.

MADE AND ENTERED at Lincoln, Nebraska, this 6th day of February, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



//s//Daniel G. Urwiller

  
Chairman

ATTEST:

  
Executive Director