

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint)	Application No. C-2658
Application of Winstar Wireless,)	
Inc. of Herndon, Virginia, and)	
Winstar Communications L.L.C. of)	
Newark, New Jersey, seeking)	GRANTED
approval of the assignment of)	
assets and authorization to)	
provide telecommunications)	
services.)	Entered: March 5, 2002

BY THE COMMISSION:

On January 18, 2002, a joint application was filed by Winstar Wireless, Inc. of Herndon, Virginia, and Winstar Communications L.L.C. of Newark, New Jersey, seeking approval of the assignment of assets and authorization to provide telecommunications services. Notice of the application was published in The Daily Record, Omaha, Nebraska, on January 23, 2002. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

The Parties:

Winstar Communications L.L.C. (New Winstar) is a Delaware Corporation with its headquarters in Newark, New Jersey. New Winstar is authorized by the Secretary of State to transact business in Nebraska as a foreign corporation. New Winstar is a direct subsidiary of Winstar Holdings L.L.C., which is 95 percent owned by IDT Advanced Communications, L.L.C., a wholly-owned subsidiary of IDT Corporation. The other five percent of Winstar Holdings L.L.C. is owned by the Old Winstar bankruptcy estate. IDT Corporation is authorized by this Commission to provide resold interexchange telecommunications service in Nebraska pursuant to Application No. C-1895 granted on November 24, 1998.

Winstar Wireless, Inc. (Old Winstar) is a Delaware Corporation with its headquarters in Herndon, Virginia. Old Winstar provides facilities-based and resale telecommunications services, as well as private line and switched local and inter-exchange services. Winstar Wireless of Nebraska was granted authority by this Commission to operate as a resale carrier of intrastate interexchange intraLATA and interLATA services and private line services on December 19, 1995, pursuant to Application No. C-1868.

Description of the Transaction:

Pursuant to this transaction, Winstar Holdings, L.L.C. is acquiring the core domestic telecommunications assets of Winstar Communications, Inc. (WCI), the parent company of Old Winstar, and certain of WCI's operating subsidiaries, including those of Old Winstar pursuant to Section 363 of the Bankruptcy Code. Winstar Holdings, L.L.C. will operate those assets through certain newly formed subsidiaries including New Winstar, which will operate the assets in Nebraska. In order to complete the transaction, Winstar Holdings L.L.C. entered into an Assets Purchase Agreement with WCI and certain of its core business subsidiaries, including Old Winstar, for the sale of substantially all of the assets utilized by WCI's operating subsidiaries to operate its domestic telecommunications business. This purchase agreement was approved the Bankruptcy Court on December 19, 2001.

This transaction will be transparent to the customers of Old Winstar. New Winstar will operate under the Winstar name and will adopt the existing tariffs so that the customers can continue to receive the same rates and services during the transition to New Winstar. New Winstar has informed customers by letter of the transaction and has given assurances regarding the continued provision of Winstar service.

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.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2658 be, and it is hereby, granted.

IT IS FURTHER ORDERED that Winstar Communications L.L.C., within 30 days of the close of the transaction, file an amended tariff reflecting any change in name, rates, terms or conditions, if such changes are made.

MADE AND ENTERED at Lincoln, Nebraska, this 5th day of March 2002.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director