

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-2982
of Business Telecom, Inc. of)
Raleigh, North Carolina, seeking) GRANTED
authority for an approval of a)
Pro Forma transfer of control.) Entered: August 26, 2003

BY THE COMMISSION:

On July 11, 2003, an application was filed by Business Telecom, Inc. (BTI) of Raleigh, North Carolina, seeking authority for an approval of a Pro Forma transfer of control. Notice of the application was published in The Daily Record, Omaha, Nebraska, on July 24, 2003. 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

The Parties:

BTI is a privately held corporation with its headquarters in Raleigh, North Carolina. BTI is authorized to provide resold intrastate interexchange telecommunications services pursuant to Application No. C-1245, granted on April 23, 1996.

Welsh, Carson, Anderson & Stowe VIII L.P. (Walsh Carson) and WCAS Information Partners, L.P. are limited partnerships organized under the laws of Delaware. These partnerships hold ownership interests in telecommunications companies as well as other companies in the information services and healthcare industries.

Description of the Transaction:

BTI requests Commission approval for a proposed transaction that will result in a pro forma transfer of control of BTI. BTI's indirect controlling shareholder, Welsh Carson, proposes to make BTI and its parent holding company, BTI Telecom, subsidiaries of ITC Holding Company. After consummation of the proposed transaction, BTI Telecom, BTI's parent, will be a wholly owned direct subsidiary of ITC. Welsh Carson will continue to be BTI's indirect controlling shareholder.

BTI does not propose to change the name under which BTI currently operates or any other aspect of the manner in which BTI currently offers service in the state of Nebraska. This transaction will be transparent to the customers of BTI with respect to the services that they receive.

Based on the evidence, we find 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-2982 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 26th day of August, 2003.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director