

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-3438
of Acceris Management and)
Acquisition, LLC, Minneapolis,)
Minnesota seeking authority to) GRANTED
acquire certain assets of)
Acceris Communications) Entered: September 7, 2005
Corporation.

BY THE COMMISSION:

On June 22, 2005, an application was filed by Acceris Management and Acquisition, LLC (AMA), Minneapolis, Minnesota, seeking authority to acquire assets of Acceris Communications Corporation (ACC), Pittsburgh, Pennsylvania. Notice of the application was published in The Daily Record, Omaha, Nebraska, on July 7, 2005. 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:

AMA is a limited liability company organized under the laws of the state of Minnesota and is a wholly owned subsidiary of NCE. NCE is a privately owned holding company with experience in the telecommunications industry. AMA is currently not authorized to provide telecommunications in any jurisdiction, but is in the process of obtaining authority to provide interexchange and/or local exchange services throughout the United States. Concurrent with this application, AMA filed Application No. C-3442 with this Commission requesting certification to operate as an interexchange carrier of telecommunications services in the State of Nebraska.

ACC is a corporation organized under the laws of the state of Delaware. ACC is authorized to provide, and is currently providing domestic interstate and international telecommunications services throughout the United States. ACC also has authority to provide, and is currently providing, intrastate, interexchange telecommunications services in the contiguous 48 states, Hawaii and the District of Columbia. Pursuant to Application No. C-2346, ACC is certified to provide competitive local exchange service in the state of Nebraska.

Description of the Transaction:

Pursuant to an Asset Purchase Agreement executed May 19, 2005, ACC has agreed to sell to AMA, and AMA has agreed to purchase all telecommunications assets and operations of ACC, including but not limited to: (1) all PUC/PSC/FCC licenses, CPCN's and tariffs authorizing Seller to provide telecommunications services in all relevant states to the extent assignable or transferable; and (2) the customer base as of the Closing Date. A copy of the Asset Purchase Agreement was attached to the Application.

The Applicants state that the transaction will enable AMA to achieve increased economies of scale. Moreover, the addition of AMA's managerial team will provide ACC the ability to become more competitive in the telecommunications marketplace which will subsequently lead to lower prices and the availability of more products and services to the consumer.

ACC will relinquish its operating authority and AMA will file a tariff establishing rates, terms, and conditions identical to those in ACC's tariff, which the Applicants claim will provide a seamless transition for existing ACC customers. This will be in the public interest by avoiding inconvenience and confusion to ACC customers. Also, AMA claims that with its managerial, technical and financial resources it can provide quality services to current and existing customers.

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-3438 be, and it is hereby, granted.

IT IS FURTHER ORDERED that Applicant file its current tariff prior to offering service pursuant to the authority granted in this order.

IT IS FINALLY ORDERED that this order be, and it is hereby made, the Commission's official certificate of authority to furnish the service authorized herein as a common carrier.

MADE AND ENTERED at Lincoln, Nebraska, this 7th day of
September, 2005.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director