

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-3544
Application of Arlington)
Telephone Company, The Blair)
Telephone Company, Eastern)
Nebraska Telephone Company,)
Rock County Telephone Company) GRANTED
and HunTel Cablevision, Inc.)
d/b/a HunTel Communications,)
Blair, for authority to issue)
Collateralized Guaranties of)
Long-Term Indebtedness.) Entered: March 29, 2006

BY THE COMMISSION:

By application filed January 17, 2006, Arlington Telephone Company, The Blair Telephone Company, Eastern Nebraska Telephone Company, Rock County Telephone Company and HunTel Cablevision, Inc. d/b/a HunTel Communications (collectively referred to as the Applicants), Blair, seek authority to issue collateralized guaranties of long-term indebtedness. Notice of the application was published in the Daily Record, Omaha, Nebraska, on January 25, 2006. 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 Applicants each hold a Certificate of Public Convenience and Necessity to provide telecommunications services in Nebraska. HunTel Cablevision, Inc. d/b/a HunTel Communications operates as a competitive local exchange carrier in the state of Nebraska. The Applicants are Nebraska corporations with their principal offices located in Nebraska.

The Applicants request that the Commission grant approval of the present application pursuant to Neb. Rev. Stat. § 75-148, which states in pertinent part,

A common carrier may issue stock, bonds, notes, or other evidence of indebtedness, payable at periods of more than twelve months after the date thereof, when necessary for the acquisition of property, the construction, completion, extension or improvement of facilities, the

improvement or maintenance of its service, or the discharge or lawful refunding of its obligations if the common carrier first secures from the Commission an order authorizing such issue and the amount thereof and stating that in the opinion of the Commission the use of the capital to be secured by the issue of such stock, bonds, notes, or other evidence of indebtedness is reasonably required for the purposes of the carrier.

Applicants have entered into a transaction in which the issued and outstanding stock of the Applicants' parent company, HunTel Systems, Inc. (HunTel) is to be acquired by Noble Holdings, Inc. (NHI). This change in control was approved in Application No. C-3521. NHI anticipates that the lender or lenders from which it will obtain financing to complete the proposed acquisition will require that the applicants each issue collateralized guaranties in connection with the indebtedness to be incurred by NHI.

By this application, Applicants request authority from the Commission to issue the collateralized guaranties to secure the financing for the acquisition of the stock of HunTel by NHI. Applicants filed a Revised Exhibit "A" on March 13, 2006. According to the Revised Exhibit, Applicants request authority for the issuance of a guarantee of payment of up to \$60,000,000 of indebtedness. The collateralized guaranties will not be issued if the acquisition is not completed.

Upon review of the evidence, the Commission finds the application to be in the public interest and to be reasonably required for the purposes of the Applicants. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-3544 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 29th day
of March, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director