

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint	)	Application No. C-3568
Application of CTC	)	
Communications Group, Inc., CTC	)	
Communications Corp., and Choice	)	
One Communications, Inc.,	)	
Waltham, Massachusetts, seeking	)	GRANTED
approval of a change in	)	
ownership of an authorized	)	
telecommunications provider in	)	
connection with a merger	)	
transaction.	)	Entered: May 10, 2006

BY THE COMMISSION:

On February 23, 2006, a joint application was filed by CTC Communications Group, Inc. (CTC), CTC Communications Corp. (CTC Communications), and Choice One Communications, Inc. (Choice One), Waltham, Massachusetts, seeking approval of a merger. Notice of the application was published in The Daily Record, Omaha, on March 17, 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

I. The Parties

CTC is a Delaware corporation with its headquarters in Waltham, Massachusetts. CTC is a wholly owned subsidiary of Columbia Ventures Broadband, LLC (CVB), which is, in turn, a wholly owned subsidiary of Columbia Ventures Corporation (CVC).

CTC Communications, a Massachusetts corporation, is a subsidiary of CTC. CTC Communications is a privately held company with its business office located in Waltham, Massachusetts. CTC Communications was granted authority to provide intrastate interexchange service by this Commission on October 7, 1998, in Application No. C-1883. CTC Communications is also authorized to provide interexchange telecommunications services virtually nationwide.

Choice One is a Delaware corporation with its headquarters in Rochester, New York. Choice One and its subsidiaries are common carriers that provide communications and information services to small and medium businesses predominately in the Northeast and Midwest regions.

## II. The Transaction

CTC will merge with and into Choice One, resulting in the Surviving Corporation, the name of which has yet to be determined. Post-transaction, CTC Communications will be a subsidiary of Surviving Corporation.

After the transaction, 50 percent of the outstanding capital stock of Surviving Corporation will be owned by CVB and the remaining 50 percent will be held by the stockholders of Choice One. Following the closing CVB may obtain up to an additional 20 percent of the voting stock. In other words, CVB will hold between 50 and 70 percent of Surviving Corporation. As a result, CVB may obtain majority control of Surviving Corporation.

## III. Public Interest

Applicants state that if CVB becomes the majority owner, there will be no impact on the customers of CTC Communications. Further, the Commission has already reviewed and approved of CVB's qualifications as a parent of a carrier in connection with the original certification request of CTC Communications, Inc.

Applicants' further state that the CTC Communications will continue to offer the same services, rates, terms and conditions. As such, the transaction will be transparent to consumers in Nebraska and will not have an impact on them. Finally, the merger will allow CTC Communications to operate more efficiently.

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 C-3568 be, and is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 10<sup>th</sup> day of May, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director