

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the ) Application No. C-3687  
Application of Acceris )  
Management and Acquisition, )  
LLC, San Diego, California, ) GRANTED  
seeking a transfer of Assets )  
to First Communications, LLC, )  
Akron, Ohio. )  
) Entered: October 24, 2006

BY THE COMMISSION:

On July 31, 2006, an application was jointly filed by Acceris Management and Acquisition, LLC ("Acceris") of San Diego, California, and First Communications, LLC ("First Communications"), of Akron, Ohio, (together "Applicants") seeking approval of an Asset Purchase Agreement (the "Agreement") in which Acceris will transfer certain assets to First Communications. Notice of the application was published in The Daily Record, Omaha, Nebraska, on August 28, 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 Parties:

Acceris is a Minnesota limited liability company with its principal offices located in San Diego, California. Acceris is a broad based communications company, serving residential, small and medium-sized business and large enterprise customers throughout the United States. Acceris provides resold long distance telecommunications services in the State of Nebraska under and by virtue of authority heretofore granted by this Commission<sup>1</sup>.

First Communications is a privately held Ohio limited liability company with its principal offices located in Akron, Ohio. First Communications was granted authority to provide resold long distance telecommunications services in

<sup>1</sup> See Application No. C-3442, *In the Matter of the Application of Acceris Management and Acquisition LLC, Minneapolis, Minnesota, seeking authority to operate as an interexchange carrier of telecommunications services within the State of Nebraska*, Granted (September 7, 2005).

this State under and by virtue of authority heretofore granted by this Commission<sup>2</sup>.

Description of the Transaction:

Upon execution of the Agreement, First Communications will acquire certain assets of Acceris relating to its large business customer enterprise business ("Business"). The assets acquired include personal property such as equipment and switches, customer contracts and working capital (including accounts receivable), but not including any federal or state telecommunications authorizations. After consummation of the transaction, First Communications will provide telecommunication services to Acceris customers directly pursuant to its own telecommunications authorizations. Acceris will retain its authorization to provide telecommunications services in Nebraska in order to provide service to its customers not related to the Business.

Acceris's Business customers will not experience any loss or impairment of services and will continue to receive their existing services at the same rates, terms and conditions as at present. First Communications filed an initial tariff with the Application that includes the same Business services, rates, terms and conditions as the existing Acceris tariff. Future changes in the rates, terms and conditions of service will be made consistent with Commission requirements. The only material change will be in the customers' service provider. Notice of the change will be provided to customers in accordance with Commission and federal rules.

First Communications is currently engaged in the telecommunications industry, has the technical, managerial and financial capability to provide quality telecommunications services to the customers of Acceris, and is a fit and proper party to acquire the Business assets of Acceris.

The parties submit that the public interest will be served because the transaction will create downward pressure on prices, increase consumer choice, improve the

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<sup>2</sup> See Application No. C-3686, *In the Matter of the Application of First Communications, LLC, Akron, Ohio, seeking authority to provide resold interexchange telecommunications services throughout the state of Nebraska*, Granted (September 26, 2006).

quality of service and customer responsiveness, encourage innovation in service offerings, and give consumers increased access to advanced telecommunications technology.

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-3687 be, and it is hereby, approved.

MADE AND ENTERED at Lincoln, Nebraska, this 24th day of October, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director