

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the)	Application No. C-3700
Application of Newcastle)	
Holdings, Inc., (NHI))	
Charlotte, North Carolina,)	
seeking approval to transfer)	
NHI's authority to operate as)	
an interexchange carrier of)	GRANTED
telecommunications services)	
within the State of Nebraska)	
to its wholly-owned)	
subsidiary, Dalton)	
Telecommunications, Inc.,)	
(DTI) Charlotte, North)	
Carolina.)	Entered: November 28, 2006

BY THE COMMISSION:

On October 6, 2006, an application was jointly filed by Newcastle Holdings, Inc., ("NHI") of Charlotte, North Carolina, and Dalton Telecommunications, Inc. ("DTI") of Charlotte, North Carolina, (together "Applicants") seeking approval to transfer NHI's authority to operate as an interexchange carrier of telecommunications services within the State of Nebraska to DTI. Notice of the application was published in The Daily Record, Omaha, Nebraska, on October 10, 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:

NHI is a North Carolina company with its principal offices located in Charlotte, North Carolina. NHI is switchless, non-facilities based resale provider of interexchange telecommunication services. NHI was granted authority to provide resold long distance telecommunications services in the State of Nebraska by this Commission in Application No. C-3528 on February 22, 2006¹.

¹ See Application No. C-3528, *In the Matter of the Application of Newcastle Holdings, Inc., Charlotte, North Carolina, seeking authority to operate as an interexchange carrier of telecommunications service within the state of Nebraska*, Granted (February 22, 2006).

DTI is a wholly-owned subsidiary of NHI and was created to accept the transfer of NHI's interexchange operating authority. DTI is a North Carolina corporation with its principle offices also located in Charlotte, North Carolina. DTI has been authorized by the Nebraska Secretary of State to transact business in Nebraska. DTI proposes to operate as a switchless, non-facilities based resale provider of interexchange telecommunications services.

Description of the Transaction:

NHI will transfer its interexchange operating authority to DTI for the reason that NHI desires to become solely a holding company of its wholly-owned subsidiaries, Elsie Communications, Inc. and Dalton Telephone Company, Inc. which are carriers duly authorized by this Commission to conduct business in Nebraska, and DTI which will become a carrier subject to the jurisdiction of this Commission if and when the Commission approves the above-captioned Application.

DTI's affiliates are currently engaged in the telecommunications industry and have the technical, managerial and financial capability to provide quality telecommunications services. The management personnel with the same summary of professional qualifications as provided by NHI as Exhibit C to Application No. C-3528, will be the management personnel that operate DTI.

The Applicants submit that the public interest will be served because the transaction will increase competition in the intrastate telecommunications market. Increased competition will benefit Nebraska telecommunications users by providing more choice in services and providers, providing lower-priced and better quality services, innovative telecommunications service and equipment offerings, and encouraging efficient use of existing telecommunications facilities, and increased diversification and reliability of the current supply of telecommunications services.

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-3700 be, and it is hereby, approved.

MADE AND ENTERED at Lincoln, Nebraska, this 28th day of November, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director