

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-3864
of Long Lines Siouxland LLC,)
South Sioux City, Iowa, seeking)
approval to participate in) GRANTED
certain debt financing)
arrangements.) Entered: December 4, 2007

BY THE COMMISSION:

On September 28, 2007, an application was filed by Long Lines Siouxland LLC (Siouxland or Applicant), South Sioux City, Iowa, seeking approval to participate in certain debt financing arrangements. Notice of the application was published in the Daily Record, Omaha, Nebraska, on October 17, 2007. 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

Upon consideration of the application, the evidence submitted, and being fully advised, the Commission is of the opinion and finds:

Siouxland is a Nebraska corporation with its principle office located in South Sioux City, Iowa. Applicant is an authorized provider of local exchange telecommunication services in Nebraska. Siouxland was issued a Certificate of Public Convenience and Necessity in Docket C-3753 on March 13, 2007.¹

Applicant seeks approval and authority to issue collateralized guaranties of long-term indebtedness 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

¹See *In the Matter of the Application of Long Lines Siouxland LLC, South Sioux City, Iowa, seeking authority to provide facilities based Competitive Local Exchange Telecommunication Services in the State of Nebraska*, (March 13, 2007).

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.

The debt financing arrangement proposed would involve Applicant acting as a guarantee of the indebtedness of its parent, Long Lines LLC, Sergeant Bluff, Iowa (Long Lines). General Electric Capital (Lender) will make available to Long Lines, a revolving, term, and delayed draw term credit facilities of up to Forty-Seven Million Dollars (\$47,000,000) in the aggregate. The credit facilities will be secured by, among other things, a pledge of Applicant's assets. In particular, Siouxland will grant liens upon all of its rights, titles, and interests in, to and under all personal property and other assets.

Applicant believes that the expansion of capital will ultimately benefit Applicant's customers in Nebraska. Applicant's participation in the financing arrangements described herein will not involve a transfer of authorization, assets, or customers and its participation will be transparent to its customers in Nebraska.

Based upon the above information, the Commission finds the application to be in the public interest and to be reasonably required for the purposes of Siouxland and its parent company, Long Lines. Therefore, the application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-3864 be, and is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 4th day of December, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director