

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-4062.1
Application of Global Capacity)
Group, Inc., Chicago, Illinois,)
and GC Pivotal, LLC, Phoenix,) GRANTED
Arizona, seeking authority to)
transfer authority and assets to)
GC Pivotal, LLC.) Entered: April 12, 2011

BY THE COMMISSION:

On March 2, 2011, an application was jointly filed by Global Capacity Group, Inc. ("GCG"), of Chicago, Illinois, and GC Pivotal, LLC ("Pivotal"), of Chicago, Illinois, (collectively "Applicants"), seeking approval of a transfer assets from GCG to Pivotal. Notice of the application was published in The Daily Record, Omaha, Nebraska, on March 3, 2011. 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:

GCG is a Texas corporation with principal offices located in Chicago, Illinois. GCG is a wholly owned subsidiary of Global Capacity Holdco, LLC, ("GC Holdco"), a Delaware limited liability company with principal offices located in Chicago, Illinois. GCG provides local exchange, interexchange, and other telecommunications services in Nebraska under and by virtue of authority heretofore granted by this Commission.¹

Pivotal is a Delaware limited liability company with its principal place of business located in Phoenix, Arizona. Pivotal is a newly formed operating company formed to facilitate the ability of its indirect parent, FFN Investments, LLC, ("FFN") to acquire the telecommunications assets currently held by GCG and then operate those assets. FFN is an Arizona limited liability company with principle offices located in Phoenix, Arizona. Pivotal offers resold data circuits, but no voice services, for business customers. Pivotal is not a regulated telecommunications entity in Nebraska or any other state.

Description of the Transaction:

According to the application, GCG commenced voluntary Chapter 11 bankruptcy proceedings. By order entered on January

¹ See Authority No. C-3840 (September 18, 2007).

26, 2011, the Bankruptcy Court for the District of Delaware approved the sale of substantially all of the assets of GCG to Pivotal. Upon completion of the proposed transaction, the Applicants state GCG will continue to offer service at the same rates, terms and conditions in Nebraska as it does currently. The Applicants state there will be no adverse impact on customers due to the transaction. Upon closing of the transaction, Pivotal intends to change its name to Global Capacity, LLC. Pivotal and GCG state they will submit all necessary regulatory filings with the Commission to reflect the name change of Pivotal.

The Applicants state that the transaction is in the public interest and will benefit the customers of GCG because it will be economically stronger and allow the company to expand its service offerings to a broader customer base in Nebraska. Further, the transaction will strengthen the company's competitive position to the benefit of Nebraska consumers and the telecommunications marketplace.

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-4062.1 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 12th day of April, 2011.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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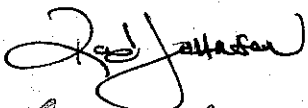
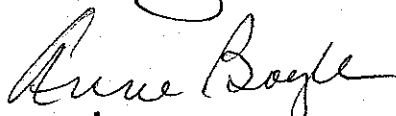

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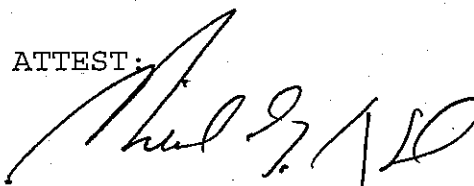
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//s// Frank E. Landis
//s// Tim Schram