

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application)	Application No. C-4081.1
of Ionex Communications North,)	
Inc. d/b/a Birch Communications,)	
Atlanta, Georgia, seeking)	GRANTED
approval for financing entered)	
into by Ionex's parent company,)	
Birch Communications, Inc.)	Entered: July 10, 2012

BY THE COMMISSION:

On May 24, 2012, an application was filed by Ionex Communications North, Inc. d/b/a Birch Communications ("Ionex" or "Applicant"), Atlanta, Georgia, seeking approval for financing transactions entered into by Ionex's parent company, Birch Communications, Inc. Notice of the application was published in The Daily Record, Omaha, Nebraska, on May 29, 2012. 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

Ionex is a South Dakota corporation with its principal headquarters located in Atlanta, Georgia. Ionex is a wholly-owned subsidiary of Birch Communications, Inc. ("Birch"). Ionex has been authorized by the Commission to provide local exchange and interexchange telecommunications services in the State of Nebraska pursuant to Docket C-970.

Birch is a Georgia corporation with its headquarters in Atlanta, Georgia. Birch and its subsidiaries provide local exchange and interexchange telecommunications services in 34 states.

On May 17, 2011, the Commission issued an order granting Ionex authority to amend a prior financial agreement in order to lessen the aggregate amount of financing previously approved and to make Bank of America the administrative agent for Ionex to obtain senior secured credit facilities. In the same order, the Commission approved a second financing arrangement under which Ionex obtained senior subordinated unsecured notes.

In this application, Ionex seeks to refinance a portion of the outstanding loans and commitments under its senior secured credit facilities and to increase those facilities. Also, Ionex intends to seek certain amendments to the terms of its senior subordinated unsecured notes to make such terms more favorable.

Ionex expects the new per annum interest rates applicable to both the senior secured credit facilities and the senior subordinated unsecured notes to be consistent with market conditions for similar financing transactions.

Ionex states that the proceeds will be used by Birch for several purposes, including, but not limited to, capital expenditures, future acquisitions, general working capital purposes, and other lawful corporate purposes. Additionally, Ionex states that the transaction will not result in any changes in rates, services, or operations in Nebraska.

Ionex requests that the Commission grant approval of the present application 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 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.

Upon review of the evidence, the Commission finds that the application filed herein is in compliance with the applicable Nebraska statutes and that the financial transaction is reasonably required for the aforementioned purpose. The application is fair, reasonable, and in the public interest and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4081.1 be, and is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 10th day of July, 2012.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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MADE AND ENTERED at Lincoln, Nebraska, this 10th day of July, 2012.

NEBRASKA PUBLIC SERVICE COMMISSION

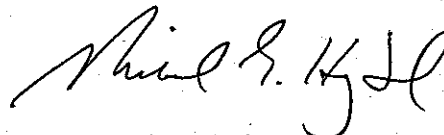
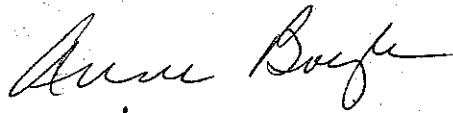
COMMISSIONERS CONCURRING:



Chairman



ATTEST:



Executive Director

//s// Rod Johnson