

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application)	Application No. C-4311
of Ionex Communications North,)	
Inc., Atlanta, Georgia, seeking)	
approval to guarantee and pledge)	
its assets in connection with)	GRANTED
financing transactions entered)	
into by its parent company,)	
Birch Communications, Inc.,)	
Atlanta, Georgia.)	Entered: December 7, 2010

BY THE COMMISSION:

On October 22, 2010, an application was filed by Ionex Communications North, Inc. ("Ionex" or "Applicant") of Atlanta, Georgia, seeking approval to guarantee and pledge its assets in connection with financing transactions entered into by its parent company, Birch Communications, Inc. ("Birch"), Atlanta, Georgia. Notice of the application was published in The Daily Record, Omaha, Nebraska, on November 3, 2010. 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 office in Atlanta, Georgia. Ionex has been certified by the Commission to operate in Nebraska as a local exchange and interexchange carrier.

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

Ionex seeks approval of a financial transaction in which it will guarantee and pledge the stock and substantially all of its assets to secure senior credit facilities for Birch. Additionally, the senior credit facilities will be secured by a first priority lien on the stock and substantially all of the assets of Birch and its directly and indirectly owned subsidiaries, as well as substantially all the assets of Ionex and Birch's parent company, Birch Communications Holdings, Inc.

Ionex states that the proceeds will be used for debt repayment, future acquisitions, and general working capital purposes. Additionally, Ionex states that the transaction will not result in any changes in rates, services, or operations in Nebraska.

Ionex seeks approval from the Commission 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-4311 be, and is hereby granted.

MADE AND ENTERED at Lincoln, Nebraska, this 7th day of December, 2010.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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COMMISSIONERS CONCURRING:

Chairman

Gerald L. Vap

ATTEST:

Michael J. St.

Executive Director

David Johnson

Anne C. Boyle

Tim Schram

//s// Frank E. Landis

//s// Gerald L. Vap