

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

| | | |
|----------------------------------|---|---------------------------|
| In the Matter of the Application |) | Application No. C-4324 |
| of Northeast Nebraska Telephone |) | |
| Company, Jackson, seeking |) | |
| approval of and authority to |) | |
| execute (1) the Loan Agreement |) | |
| with the United States of |) | |
| America; (2) the Promissory Note |) | GRANTED |
| made payable to the United |) | |
| States of America; and (3) the |) | |
| Restated Mortgage, Security |) | |
| Agreement and Financing |) | |
| Statement with the United States |) | |
| of America, the Rural Telephone |) | |
| Bank and the Rural Telephone |) | |
| Finance Cooperative. |) | Entered: January 25, 2011 |

BY THE COMMISSION:

On December 13, 2010, an application was filed by Northeast Nebraska Telephone Company ("Northeast" or "Applicant"), Jackson, Nebraska, seeking approval of and authority to execute (1) the Loan Agreement with the United States of America; (2) the Promissory Note made payable to the United States of America; and (3) the Restated Mortgage, Security Agreement and Financing Statement with the United States of America, the Rural Telephone Bank and the Rural Telephone Finance Cooperative. Notice of the application was published in The Daily Record, Omaha, Nebraska, on December 17, 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

Northeast is a Nebraska non-profit corporation with its principal office located in Jackson, Nebraska. Northeast has been certified by the Commission as a local exchange and interexchange carrier to offer and provide telecommunications services to individuals, businesses, and governmental entities within a fourteen county area in Central Nebraska.

Northeast 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.

Northeast seeks authority to execute and deliver three documents: a loan agreement dated November 12, 2010, under which Northeast would borrow \$68,824,000 from the United States of America; the promissory note dated November 12, 2010, made by Northeast and payable to the United States of America in the principal amount of \$68,824,000; and a Restated Mortgage, Security Agreement and Financing Statement dated November 10, 2010, made by Northeast with the United States of America, the Rural Telephone Bank and the Rural Telephone Finance Cooperative. Northeast plans to use the funds to make improvements to Northeast's operations and telephone facilities and construct new facilities to provide new and improved services to 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 Northeast Nebraska Telephone Company. 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-4324 be, and is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 25th day of
January, 2011.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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MADE AND ENTERED at Lincoln, Nebraska, this 25th day of January, 2011.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Red J. Johnson

Gerald F. Vay

//s//Tim Schram

Tim Schram

Chairman

ATTEST:

Phil S. J. J.

Executive Director