

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-4607
of Ionex Communications North,)
Inc., Atlanta, Georgia, seeking) GRANTED
financing approval.)
) Entered: July 9, 2013

BY THE COMMISSION:

On May 30, 2013, 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 June 4, 2013. 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.

In April 2011, Birch entered into a Commitment Letter with Bank of America N.A. ("Bank of America") for Bank of America to act as the sole administrative agent for Birch to obtain secured credit facilities from various financial institutions. Those financing arrangements were approved by the Commission on May 17, 2011 in Docket C-4348. In May 2012, Birch entered into a second Commitment Letter with Bank of America to re-finance outstanding loans and commitments under its Senior Credit Facilities and to increase such Senior Credit Facilities. Those financing arrangements were approved by the Commission on July 10, 2012 in Docket C-4081.1. In November 2012, Birch sought authority to exercise an "accordion" provision in the Second Commitment Letter. Those financing arrangements were approved by the Commission on January 8, 2013, in Docket C-4537.

Birch now seeks to re-finance its outstanding loans and commitments with Bank of America to change the terms of its Senior Credit Facilities. Birch intends to use a portion of the

proceeds of the Total Senior Credit Facilities to pay off its remaining Senior Subordinated Notes. The remaining portion of the Total Senior Credit Facilities will be used by Birch for future planned acquisitions 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 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-4607 be, and is hereby granted.

MADE AND ENTERED at Lincoln, Nebraska, this 9th day of July, 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director

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NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Tim Schram

Frank E. Landis

Gerald L. Vay

//s//Anne C. Boyle
//s//Frank E. Landis

Anne Boyle

Chair

ATTEST:

Steve Meredith

Executive Director