

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the)	Application No. C-4716
Application of MegaPath)	
Corporation and GC Pivotal,)	
LLC d/b/a Global Capacity for)	GRANTED
Approval to Participate in an)	
Asset Transfer Transaction.)	
)	Entered: November 24, 2014

BY THE COMMISSION:

On September 24, 2014, an application was filed by MegaPath Corporation ("MegaPath"), of Pleasanton, California, seeking authority and GC Pivotal, LLC d/b/a Global Capacity ("GC Pivotal") of Chicago, Illinois, seeking approval to participate in an asset transfer transaction. Notice of the application was published in The Daily Record, Omaha, Nebraska, on September 29, 2014. 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

I. The Parties:

MegaPath is a Virginia corporation with its principal offices in Pleasanton, California. MegaPath is a provider of integrated voice and data communications. MegaPath offers commercial DSL, Voice over IP (VoIP), T1 Ethernet, Web hosting, managed security, IP and dial-up, wireless broadband, and bundled VoIP and data services to small and medium-sized businesses, as well as enterprise businesses. In Nebraska, MegaPath is authorized to provide local exchange and interexchange telecommunications services pursuant to Commission authorization issued in Docket C-2241 on June 14, 2000. MegaPath is also authorized by the Federal Communications Commission ("FCC") to provide international and domestic interstate telecommunications services as a non-dominant carriers.

GC Pivotal is a Delaware limited liability company with its principal offices located in Chicago, Illinois. GC Pivotal is authorized to provide local exchange and interexchange telecommunications services by virtue of the approval of Application No. C-4714 on November 24, 2014.

II. The Transaction:

MegaPath and GC Pivotal entered into a Membership Interest Purchase Agreement dated September 5, 2014 (the "Agreement") whereby GC Pivotal plans to obtain certain network assets and certain customers served by MegaPath. The assets to be transferred consist of MegaPath's network, composed of equipment in the company's collocation spaces, applications used to provide service, equipment related to the company's points of presence and transport, wholesale and certain direct access customers and their respective contracts, and other associated assets. MegaPath does not intend to transfer its certificates or other authority to provide telecommunications services nor will it undergo a transfer of control as a result of this transaction. MegaPath will no longer require its authority to provide telecommunications in the state following the close of the transaction. MegaPath requests the Commission cancel its authority upon notice of consummation of the transaction.

The Applicants state the customers being transferred are data broadband service customers and not telephone voice service customers. As no voice service customers are being transferred to GC Pivotal, the FCC's anti-slamming rules do not apply to the customer transfer taking place. Applicants will notify customers of the assignment of their service and contracts to GC Pivotal at least thirty (30) days prior to such transfer. All customers will continue to receive service from GC Pivotal under the same rates, terms and conditions previously provided by MegaPath.

III. Public Interest:

The Applicants stated the proposed transaction is consistent with the public interest and will not impair the ability of the Applicants to perform services to the public. According to the Applicants, the transaction will result in the assignment of assets and customers to a company with a history of providing high-quality communications services. The transaction will be virtually transparent and seamless to the affected customers.

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-4716 be, and it is hereby, approved.

MADE AND ENTERED at Lincoln, Nebraska, this 24th day of November, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Anne Boyle
Tim Schram
Pat Jensen
Gerald L. Vaz

Frank E. Landis
Chairman

ATTEST:

Steve Meraditz
Executive Director

//s//Frank E. Landis