

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint                    ) Application No. C-4804  
Application of ALLO                            )  
Communications, LLC, Imperial,                )  
and Nelnet, Inc., Lincoln,                    ) GRANTED  
seeking Approval for a                         )  
Transfer of Control.                            )  
  ) Entered: December 22, 2015

BY THE COMMISSION:

On November 16, 2015, a joint application was filed by ALLO Communications, LLC ("ALLO"), of Imperial, Nebraska, and Nelnet, Inc. ("Nelnet"), of Lincoln, Nebraska, (collectively "Applicants"), seeking approval of a transfer of control. Notice of the application was published in The Daily Record, Omaha, Nebraska, on November 19, 2015. 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

**The Parties:**

ALLO is a Nebraska limited liability company with its business headquarters located in Imperial, Nebraska. ALLO is authorized to transact business in the State of Nebraska. ALLO was granted authority to operate as a local exchange and interexchange carrier of telecommunications services within the State of Nebraska by Order of the Commission dated January 7, 2003, in Docket C-2844. ALLO requested designation as a Nebraska eligible telecommunications carrier (NETC) and access to universal service support for supported services provided in Qwest Corporation exchanges in Docket NUSF-36, which was granted by Commission Order entered on August 26, 2003. On June 24, 2014, the Commission granted ALLO statewide authority to operate as a competitive local exchange carrier.

Nelnet, Inc. is a Nebraska corporation formed in 1978 with its principal office in Lincoln, Nebraska. Nelnet provides educational services in loan servicing, payment processing, education planning, and asset management. Nelnet does not hold a certificate of public convenience and necessity to provide telecommunications services in Nebraska.

**Description of the Transaction:**

On November 16, 2015, ALLO agreed to transfer a majority of its Membership Interests to Nelnet pursuant to a Membership Unit Purchase Agreement. ALLO will become a subsidiary of Nelnet but

will retain its brand identity and ALLO's leadership. Brad Moline and Jeff Kuenne, and their teams, will continue to lead the company. According to the Applicants, the transaction will enable ALLO to leverage Nelnet's financial strength and liquidity, infrastructure, and customer service capabilities in a growing operating business with recurring revenue and strong management.

ALLO and Nelnet affirm the terms of the transaction will have no effect on ALLO's technical ability to continue to operate, maintain, and expand existing service offerings in Nebraska. ALLO states it has already demonstrated the required technical and managerial qualifications to provide services under its certificate. Applicants state both ALLO and Nelnet are financially qualified to provide telecommunications services. Copies of financial statements are provided under seal with the Application.

Applicants state approval of the application will serve the public interest. Following the consummation of the transaction, ALLO states, it will continue to offer the same high quality services to Nebraska residents. According to the Application, approval of the Transaction will have the following key benefits: (1) leveraging customer service strengths and financial investment to expand services to Nebraska consumers (2) a commitment to providing broadband access to nonprofit organizations and to low income subscribers.

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-4804 be, and it is hereby, granted.

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ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 22nd day of December, 2015.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Tim Schram*

Chairman

*Gerald L. Vap*

*Frank E. Landis*

ATTEST:

*J. L. Riley*

Executive Director

//s//Frank E. Landis

//s//Gerald L. Vap