

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application	)	Application No. C-4815
of Primus Telecommunications,	)	
Inc., Cedar Rapids, Iowa,	)	
seeking transfer of customer	)	GRANTED
base to Ionex Communications	)	
North, Inc., d/b/a Birch	)	
Communications, Atlanta,	)	
Georgia.	)	Entered: April 5, 2016

BY THE COMMISSION:

On February 18, 2016, an application was filed by Primus Telecommunications, Inc., ("Primus") of Cedar Rapids, Iowa, seeking to transfer its customer base to Ionex Communications North, Inc., d/b/a Birch Communications ("Birch") of Atlanta, Georgia. Notice of the application was published in The Daily Record, Omaha, Nebraska, on February 24, 2016. 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

**Description of the Applicants:**

Ionex is a South Dakota corporation with headquarters located in Atlanta, Georgia. Ionex was authorized by the Commission to provide local exchange and interexchange services in Dockets C-970, C-1380, C-2224 and C-2270. Ionex is a wholly owned subsidiary of Birch Communications, Inc. ("BCI"), a Georgia corporation. BCI and its subsidiaries are authorized to provide telecommunications services to both business and residential customers in 50 states and the District of Columbia.

Primus is a Delaware corporation with headquarters located in Cedar Rapids, Iowa. Primus is authorized to provide interexchange telecommunications services in Nebraska pursuant to the authority granted by the Commission in Docket C-1398. On January 21, 2016, Primus filed a petition under Chapter 15 of the United States Bankruptcy Code which resulted in the pro forma assignment of Primus' telecommunications authorization from Primus Telecommunications, Inc. to Primus Telecommunications, Inc., debtor-in-possession. During the restructuring process, Primus will continue to operate as debtor-in-possession in the ordinary course of business. No substantive change in ownership or control of Primus has taken place as a result of the bankruptcy filing.

**Description of the Transaction:**

On January 19, 2016, BCI and Primus entered into an Asset Purchase Agreement pursuant to which BCI will purchase certain assets and customers of Primus, including certain customer accounts and receivables, certain customer agreements and contracts, certain vendor agreements and contracts, certain equipment, and certain intellectual property. BCI, however, will not assume any of Primus' pre-closing liabilities or obligations.

The ownership of BCI and Ionex will not be affected by the Transaction. Upon consummation of the Transaction and after completion of the customer transfer, Ionex will provide Primus customers with the same service quality they have come to expect and all billing will be handled by Ionex using the Birch Communications name. Consummation of the Transaction is contingent upon, among other things, receipt of all necessary regulatory approvals.

Following the proposed Transaction, Ionex will file revised tariff sheets incorporating Primus' current services and rates so that affected customers will continue to receive the same services that they currently receive without any immediate changes to their service offerings, rates, or terms and conditions. Ionex will provide services to Primus customers utilizing its existing interconnection agreements, 911 arrangements, and numbering arrangements. Applicants will provide a joint notice of the transfer to Primus customers at least 30 days prior to the transfer. Upon completion of the Transaction and migration of customers to Birch, Primus will no longer offer telecommunications services in Nebraska.

Approval of the proposed Transaction serves the public interest. The proposed Transaction will ensure that affected customers enjoy continuity of high-quality telecommunications service. Primus will give customers prior written notice of the transfer. The affected customers will continue to receive services consistent with the services currently provided by Primus that will be supported by Ionex's management team. As a result, the proposed Transaction will not have a negative impact on the public interest, services to Nebraska customers, or competition.

Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted.

Application No. C-4815.

Page 3

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4815, be, and it is hereby, granted.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 5th day of April, 2016.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Gerard L. Vop*

*Capital Knoderer*

*Red Johnson*

*Tim Schram*

Chairman

ATTEST:

*Jeffrey L. Puley*

Executive Director

//s//Frank E. Landis

//s//Tim Schram