

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-2586  
of Covista Communications, Inc. )  
of Little Falls, New Jersey and )  
Capsule Communications, Inc. of )  
Bensalem, Pennsylvania, seeking ) GRANTED  
authority to transfer control of )  
Capsule Communications, Inc. )  
pursuant to an agreement and plan )  
of merger. ) Entered: October 30, 2001

BY THE COMMISSION:

By application filed, August 29, 2001, Covista Communications, Inc. (Covista) of Little Falls, New Jersey and Capsule Communications, Inc. (Capsule) of Bensalem, Pennsylvania, seeking authority to transfer control of Capsule Communications, Inc. pursuant to an agreement and plan of merger. Notice of this application was published in The Daily Record, Omaha, Nebraska, on August 30, 2001. 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

Capsule is a Delaware Corporation that is authorized by the Commission to provide resold intrastate interexchange telecommunications services pursuant to Application No. C-2202.

In its current request, Capsule asks the Commission to approve a transaction in which Capsule will become a wholly-owned subsidiary of Covista Communications, Inc. In this transaction, CCI Acquisitions Corp. (CCI) was created specifically for the purpose of conducting the transfer. CCI will merge with and into Capsule, with Capsule surviving. After the completion of the transaction, Capsule will be a sister corporation of CCI's operating subsidiary, Covista, although the companies will have a close operating relationship by contract.

Although the proposed acquisition will result in a transfer of control of Capsule, the agreement will not involve a change in the manner in which Capsule's customers will receive service. This transaction will be transparent to the customers. As a result, the proposed transaction will not adversely affect service, in that there will be no change in rates, terms and conditions of the services that the customers receive.

Upon review of the evidence, the Commission finds the application to be fair and reasonable and in the public interest. The application should be granted.

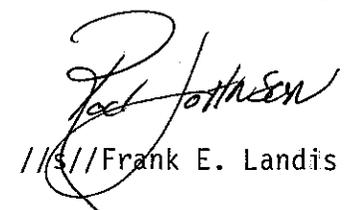
O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2586 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 30th day of October, 2001.

Nebraska Public Service Commission

COMMISSIONERS CONCURRING:

  
//s//Frank E. Landis  
Chairman

ATTEST:



Executive Director