

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-3362
of ATX Licensing, King of)
Prussia, Pennsylvania, seeking)
authority to operate as an) GRANTED
interexchange carrier of)
telecommunications services)
within the state of Nebraska.) Entered: June 28, 2005

BY THE COMMISSION:

By application filed February 18, 2005, ATX Licensing (ATX or Applicant), King of Prussia, Pennsylvania, seeks authority to provide interexchange telecommunications services within the State of Nebraska. Notice of the application was published in The Daily Record, Omaha, Nebraska, on March 14, 2005. 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

ATX is a Delaware corporation with its headquarters in King of Prussia, Pennsylvania. Applicant is authorized by the Secretary of State to operate in Nebraska as a foreign corporation.

Applicant intends to provide switchless, non-facilities based interexchange resale services to residential and business customers. Applicant does not own or lease facilities. All services will be provided over the networks of underlying carriers. Applicant's underlying long distance carriers will be Qwest, Sprint, AT&T, Global Crossing, Witel Communications and other Commission-certificated carriers.

Applicant provides services on a non-prepaid basis and bills customers directly on a monthly basis. ATX intends to offer a full range of interexchange telecommunications services, including MTS, WATS, toll-free and calling card services primarily to its customers in other states with satellite office locations in Nebraska. ATX will not collect advance payments or deposits from Nebraska customers.

Applicant filed this application upon notice that it had been offering interexchange telecommunications service without proper authority. Applicant had been conducting due diligence related to its impending emergence from bankruptcy when it learned it was not authorized to offer interexchange

telecommunications services in Nebraska. ATX has been subject to formal complaints in Illinois and Pennsylvania for failure to timely file an annual report. ATX had its certification revoked in January 2002 by the Illinois Commission for failure to file an annual report. ATX is named as a defendant in a formal complaint before the Federal Communications Commission on a pay-per-call compensation issue. ATX has also been the subject of six formal complaints filed by customers with the Pennsylvania Commission. Those customer complaints have been resolved.

Applicant states it possesses the requisite managerial, technical and financial abilities to offer the proposed service. ATX's management team has extensive managerial and technical experience in provisioning telecommunications services. ATX states further that it has access to the requisite financing and capital to provide telecommunications services in Nebraska. In response to the Commission staff's request, ATX provided the financial statements of its parent company, Leucadia.

Finally, ATX states that a grant of this application would serve the public interest. ATX's participation in the Nebraska market will serve the public interest by creating greater competition in the telecommunications marketplace and by permitting customers to achieve increased efficiencies and cost savings.

Interexchange reseller applications are subject to Commission jurisdiction under Neb. Rev. Stat. §§ 86-128 and 86-129 and Title 291 of the Commission's Rules and Regulations, Chapter 5, Rule 003.12. From examination of the application filed herein and of the most recent 10-k submitted by Leucadia National Corporation, the parent company of ATX the Commission finds that ATX provided all the information required by the Commission, possesses adequate financial resources to provide the proposed service. The Commission further finds that ATX possesses adequate managerial and technical competency to provide the proposed service. The Commission finds public interest would be served by a grant of this application. Accordingly, this application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-3362 be, and it is hereby, granted and ATX Licensing, Inc. is authorized to provide interexchange telecommunication services within the state of Nebraska.

IT IS FURTHER ORDERED that the applicant shall file, in accordance with the applicable statutes on or before April 30th of each year, an annual report with this Commission consisting of: (a) a copy of any report filed with the Federal Communications Commission; (b) a copy of any annual report to stockholders; and (c) a copy of the latest Form 10-K filed with the Securities and Exchange Commission. If these are not available, applicant shall submit a balance sheet and income statement for the previous year of operation, as well as the investment made in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues and expenses and taxes.

IT IS FURTHER ORDERED that, to the extent applicable, the applicant shall comply with all laws pertaining to, and all rules and regulations promulgated under, the Telecommunications Relay System Act (Neb. Rev. Stat. §§ 86-301 to 86-315) and the Nebraska Telecommunications Universal Service Fund Act (Neb. Rev. Stat. §§ 86-316 to 86-329).

IT IS FURTHER ORDERED that applicant file its current tariff, along with the appropriate fee, prior to offering service pursuant to the certificate granted in this order.

IT IS FINALLY ORDERED that this order be, and it is hereby made, the Commission's official certificate of authority to furnish the service authorized herein as a common carrier.

MADE AND ENTERED at Lincoln, Nebraska, this 28th day of June, 2005.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Lowell Johnson

Chairman

Gerald F. Vap

Ann C. Boyle

ATTEST:

Red Johnson

And J. Pollock
Executive Director

//s// Frank E. Landis

//s// Gerald L. Vap