

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-2593
Application of Teligent Services)
Inc. of Vienna, Virginia and TAC)
License Corp. of Herndon,) GRANTED
Virginia, seeking authority to)
consummate a Chapter 11)
Re-Emergence Plan.) Entered: November 6, 2001

BEFORE THE COMMISSION:

In the application filed September 6, 2001, Teligent Services, Inc. (Teligent) of Vienna, Virginia, and TAC License Corp. (TAC) of Herndon, Virginia, seeking authority to consummate a Chapter 11 Re-Emergence Plan. Notice of this application was published in The Daily Record, Omaha, Nebraska, on September 7, 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

Parties in this Transaction:

Teligent Services, Inc. (Teligent) is a corporation organized under the laws of the state of Delaware, headquartered in Vienna, Virginia. Teligent currently provides a variety of facilities-based local, long distance and broadband data services as well as resold long distance offerings through its network of fixed wireless and leased wireline facilities in selected markets in the U.S. Teligent was granted authority to operate as a resale carrier of interexchange intraLATA and interLATA telecommunications services on January 27, 1998, pursuant to Application No. C-1714. On April 14, 1998, pursuant to Application No. C-1715, Teligent was granted authority to provide resold interexchange and local exchange services in Nebraska.

TAC License Corp. (TAC) is a recently formed Delaware corporation headquartered in Herndon, Virginia. TAC is certified to transact business in the state of Nebraska by the Secretary of State. TAC was formed specifically to facilitate the proposed funding and acquisition of the core operations, including those in Nebraska, of Teligent Services, Inc., necessitated by their current Chapter 11 status. TAC will have the same managerial and technical resources necessary to operate Teligent's Nebraska operations.

History:

Teligent, Inc. and its subsidiaries filed for bankruptcy on May 21, 2001, and currently operate under the protection of Chapter 11 Bankruptcy Code before the U.S. Bankruptcy Court for the Southern

District of New York. Teligent then notified the Commission of its Chapter 11 filing via facsimile and United States mail, dated the same day.

Teligent and TAC request that the Commission grant such authority as may be necessary or required to enable Teligent to consummate a transaction arising out of its Chapter 11 status which will enable its current Nebraska operations to continue without further interruption through a new corporate entity. This transaction contemplates the assignment of all Nebraska operations and assets including the associated operating authority held by Teligent to TAC, a wholly owned subsidiary of Teligent Acquisition Corp. Teligent Acquisition and TAC were formed to acquire the domestic core telecommunications business of Teligent, Inc., the parent company of Teligent through the bankruptcy proceeding.

In this transaction new investors, together with the senior management of Teligent, will fund TAC and Teligent Acquisition to operate the core domestic telecommunications operations of Teligent pursuant to the certificates and related equipment and operations of Teligent, including those in Nebraska. This transaction is subject to the completion of Teligent Acquisition's financing, the conclusion of a Chapter 11 bankruptcy auction and approval by the Bankruptcy Court, the FCC and a number of state regulatory Commissions, including Nebraska.

Description of the Transaction:

TAC proposes to acquire the core operations, operating assets and associated authorizations of Teligent, including those in Nebraska. Specifically, TAC has been formed in connection with a reorganization in the bankruptcy of Teligent. This is part of a plan to permit Teligent's core facilities-based telecommunications business operations to emerge from bankruptcy and continue as a going concern.

In order to complete this transaction and obtain Bankruptcy Court approval, TAC has entered into an asset purchase agreement with Teligent, pursuant to which TAC will acquire substantially all of Teligent's facilities-based telecommunications assets and the operations and existing customer base associated therewith. Upon closing of the transaction, TAC plans to change its name to and operate under, the name "Teligent Services, Inc." and will continue to operate the same services pursuant to the same rates, terms and conditions of services currently provided by Teligent to its customers. The transaction will, therefore, be transparent to customers because they will experience no change as a result of the transaction. However if any customers wish to change carriers as

a result of this transaction, the applicants shall cover any PIC costs associated with the change.

Upon consideration of the application, we find that the proposed Re-Emergence plan is in the public interest. In light of the above considerations, the application should be approved.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2593 be, and it is hereby, granted and Teligent Services, Inc. and TAC License Corp. are authorized to consummate a Chapter 11 Re-Emergence Plan.

IT IS FURTHER ORDERED that customers of the applicant be fully informed of this transaction at least 30 days prior to its implementation.

IT IS FINALLY ORDERED that if any customer wishes to change carriers as a result of this transaction, the applicant shall pay any primary interexchange carrier (PIC) cost associated with this change.

MADE AND ENTERED at Lincoln, Nebraska, this day of 6th day of November, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

James Johnson
David L. Vay

Anne C. Boyle

Frank E. Landis
//s//Frank E. Landis

Frank Sauer
Chairman

ATTEST:

And S. Pollack
Executive Director

