

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of OneStar Long) Application No. C-3296
Distance, Inc., Evansville, Indiana,)
seeking approval of an asset) GRANTED
purchase agreement and transfer of)
customers with Telrite Corporation,)
Covington, Georgia.) Entered: January 4, 2005

BY THE COMMISSION:

By application filed November 3, 2004, OneStar Long Distance, Inc. (OneStar) of Evansville, Indiana, seeking approval of an asset purchase agreement and transfer of customers with Telrite Corporation (Telrite) of Covington, Georgia. Notice of the application was published in The Daily Record, Omaha, Nebraska, on November 4, 2004. 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

OneStar is an Indiana corporation located in Evansville, Indiana. OneStar is authorized to provide local exchange services throughout the state of Nebraska. OneStar was granted authority from this Commission to provide competitive local exchange carrier services in Nebraska on July 11, 2000, pursuant to Application C-2271.

Telrite is a Georgia Corporation located in Covington, Georgia. Telrite is a foreign corporation, authorized by the Secretary of State to conduct business within the state. The Commission granted Telrite a certificate to provide long distance telecommunications services in Docket C-3274. Upon approval of the asset purchase agreement, Telrite will acquire substantially all of the assets of OneStar.

Since February 3, 2004, OneStar has been operating under the protection of the United States Bankruptcy Court. On July 16, 2004, the Bankruptcy Court determined that Telrite won the auction for OneStar's assets and issued an order approving the sale of OneStar's assets to Telrite. Following the consummation of the asset purchase transaction, Telrite will operate OneStar exactly as it operated before the acquisition. Customers of OneStar will be informed of its acquisition and will be given the opportunity to switch their service from Telrite to a different carrier. Accordingly, the applicants assert approval of this agreement will not in any way be detrimental to the public interest of this State.

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds the application should be granted. Telrite possesses sufficient managerial and technical abilities to add the customers of OneStar to its own current customer base. Finally, the application is in the public interest because it will ensure that current OneStar customers maintain uninterrupted service, notwithstanding OneStar's financial difficulties.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-3296 be, and it is hereby, granted and the asset purchase agreement between OneStar Long Distance, Inc., and Telrite Corporation is approved.

IT IS FURTHER ORDERED that Telrite Corporation file an amended tariff reflecting any change in the rates, terms, conditions or services offered to former OneStar's customers that are not presently included in OneStar's tariff.

MADE AND ENTERED at Lincoln, Nebraska, this 4th day of January, 2005.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Lowell Johnson

FRANK E. LANDIS

//s// Frank E. Landis
//s// Gerald L. Vap

Chairman

Gerald L. Vap

ATTEST:

John Burdette

Acting Executive Director