

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-3291
Application of GE Business)
Productivity Solutions, Inc. and)
Business Productivities)
Solutions, Inc. for expedited)
approval of (i) the transfer of)
assets including the customer) GRANTED
base of BE Business Productivity)
Solutions, Inc.; (ii) the)
Transfer of GE Business)
Productivity Solutions, Inc.'s)
Operating Authority in Nebraska)
to Business Productivity)
Solutions, Inc.; and (iii) GE)
Business Productivity Solutions,)
Inc.'s Voluntary Discontinuance)
of Service in Nebraska.) Entered: December 1, 2004

BY THE COMMISSION:

On October 26, 2004, GE Business Productivity Solutions, Inc. (GEBPS) and Business Productivity Solutions, Inc. (BPS) filed a joint application seeking authority to transfer the assets, including the customer base of GEBPS to BPS, to transfer the operating authority of GEBPS to BPS and to approve the voluntary withdrawal of GEBPS from the Nebraska market. Notice of the application was published in The Daily Record, Omaha, Nebraska, on October 28, 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

The Parties:

GEBPS is a Georgia Corporation and is a wholly-owned subsidiary of General Electric Capital Corporation, which is a direct, wholly-owned subsidiary of General Electric Capital Services, Inc., which is a direct and wholly-owned subsidiary of the ultimate parent corporation, General Electric Company. GEBPS was authorized to provide resold interexchange telecommunications services in this state on pursuant to Application No C-2513. Once the agreement is approved and consummated, GEBPS will cease providing telecommunications services and will no longer require its authorization to provide telecommunications services in Nebraska. Accordingly, GEBPS requests that its certificate be withdrawn.

BPS is a newly-formed Minnesota corporation with its principal place of business in Minneapolis, Minnesota. BPS is a direct, wholly-owned subsidiary of Eschelon Operating Company (OPCO), a Minnesota corporation which in turn is a direct, wholly-owned subsidiary of ETI, a Delaware corporation, the ultimate parent corporation (collectively Eschelon). OPCO has several direct, wholly-owned subsidiaries that offer telecommunications services in various states. BPS plans to offer resold long distance telecommunications services in Nebraska after acquiring GEBPS's certificate of authority. Eschelon is one of the fastest growing telecommunications companies in the nation. It possesses sufficient managerial, financial and technical qualifications needed to provide telecommunications services to Nebraska customers.

Description of the Transaction:

GEBPS and BPS request Commission approval for a transaction that resulted in transfer of assets, including customers, from GEBPS to BPS. After the approval and consummation of the transaction, GEBPS will no longer offer telecommunications services in Nebraska. The proposed transaction is not expected to result in any loss or impairment of service to any of the customers of GEBPS. Customers will continue to receive their existing services at the same rates, terms and conditions and any future changes will be made consistent with Commission requirements.

To ensure a seamless transition and avoid customer confusion or inconvenience, applicants will provide advance written notice to the affected customers at least thirty (30) days prior to the transfer, explaining the change in service provider and the requirements for changing the customers presubscribed carrier. A copy of the notification letter was attached to the application as "Exhibit C".

Applicants state that BPS possesses the requisite financial, technical and managerial qualifications and further provide that a grant of this application is in the public interest.

BPS plans to adopt the tariff provisions used by GEBPS. As GEBPS's existing tariff will be subject to only a minor name change to reflect the new name of the issuing carrier, BPS, applicants request the Commission to allow the tariff to take effect at the time of the customer transfer to BPS to avoid any gap in service to customers.

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Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted. However, the Commission will require BPS to file and have in effect its new tariff prior to offering services in Nebraska.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-3291 be, and it is hereby, granted.

IT IS FURTHER ORDERED that the Certificate of Public Convenience and Necessity granted to GE Business Productivity Solutions, Inc., in Application No. C-2513 is hereby withdrawn.

IT IS FURTHER ORDERED that Business Productivity Solutions, Inc. file its tariff prior to offering services in the Nebraska.

MADE AND ENTERED at Lincoln, Nebraska, this 1st day of December, 2004.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Anna C. Boyle

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

Chairman

Gerald L. Vap

ATTEST:

And S. Pollack

Executive Director