BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of DeltaCom, Inc., and Business Telecom, Inc., Huntsville, Alabama, seeking approval of Guarantee of indebtedness.	)))))	Application No. C-4249 GRANTED Entered: March 16, 2010

BY THE COMMISSION:

On February 3, 2010, an application was filed by DeltaCom, Inc. ("DeltaCom"), and Business Telecom, Inc. ("BTI") (collectively, "Applicants") of Huntsville, Alabama, seeking approval of guarantee of indebtedness. Notice of the application was published in The Daily Record, Omaha, Nebraska, on February 8, 2010. 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

Upon consideration of the application, the evidence submitted, and being fully advised, the Commission is of the opinion and finds:

DeltaCom is a wholly owned subsidiary of ITC^DeltaCom, Inc. ("ITCD"), incorporated under the laws of Alabama, and has been authorized by the Nebraska Secretary of State to transact business in Nebraska as a foreign corporation. DeltaCom is authorized to provide long distance telecommunications services in Nebraska pursuant to an order entered in Docket No. C-1436 on February 4, 1997.

BTI is a wholly owned subsidiary corporation of ITCD organized under the laws of North Carolina. BTI is authorized to provide long distance and competitive local exchange services in Nebraska pursuant to an order entered in Docket No. C-1245 on April 23, 1996.

Applicant seeks approval and authority to issue guarantees of indebtedness pursuant to Neb. Rev. Stat. § 75-148, which states in pertinent part,

> A common carrier may issue stock, bonds, notes, or other evidence of indebtedness, payable at periods of more than twelve months

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> after the date thereof, when necessary for the acquisition of property, the construction, completion, extension or improvement of facilities, the improvement or maintenance of its service, or the discharge or lawful refunding of its obligations if the common carrier first secures from the Commission an order authorizing such issue and the amount thereof and stating that in the opinion of the Commission the use of the capital to be secured by the issue of such stock, bonds, notes, or other evidence of indebtedness is reasonably required for the purposes of the carrier.

Applicants propose to act as guarantors of the indebtedness of the parent company, ITCD. The transaction will include the issuance of notes to investors in a private placement offering, up to a maximum of $350 million, which will be secured by a guarantee of Applicants' assets. ITCD will serve as the primary obligor of the debt arrangement while Applicants will serve as guarantors.

Based upon the above information, the Commission finds the application to be in the public interest and to be reasonably required for the purposes of DeltaCom, Inc., Business Telecom, Inc., and parent company, ITC^DeltaCom, Inc. Therefore, the application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4249 be, and is hereby, granted.

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MADE AND ENTERED at Lincoln, Nebraska, this 16th day of March, 2010.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

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

Chairman

ATTEST:

Executive Director

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