TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

July 15, 1999

TRANSMITTED VIA FAX
(913) 492-1684

Scott Pulido
BillSoft, Inc.
11411 W. 87th Terrace
Overland Park, KS 66214

RE: Docket #99-00408

Dear Mr. Pulido:

By statute CLEC applicants are required to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. Because the application of Kentucky Data Link does not include all necessary information, it cannot be processed at this time.

Enclosed is the latest version of a packet that lists the information necessary for the TRA to make its evaluation. Item #10 in the packet, "Check List for Competing Telecommunications Service Provider Applicants" specifically outlines the information necessary to complete the application. We will begin the application's review once your company's filing contains all required information.

If you have any questions about this letter, please call the Telecommunications Division at (615) 741-2904, extension 151, to speak to the Staff member assigned to your application.

Sincerely,

David Waddell
Executive Secretary

Last Revised 7/14/99

CHECK LIST FOR COMPETING TELECOMMUNICATION SERVICE PROVIDER APPLICANTS

I. Managerial Requirements:

Applicants should provide data regarding the key managerial staff to include:

a) Degrees held-such as B.S. or Masters in accounting, engineering, management, etc.

b) Any professional licenses-such as Attorney, CPA, PE-Professional engineer, etc.

c) Experience in management, telecom industry experience, etc.

II. Technical Requirements:

(a) Applicants should provide data regarding the key technical staff as in I, a, b, & c above.

(b) Applicant should provide information concerning the network it proposes to provision in Tennessee such as:

(1) Geographic area proposed-i.e. Nashville, Memphis, Knoxville, entire state, etc.
(2) Location of switches - i.e., cities.
(3) How its network will be deployed.
(4) Type of equipment proposed - i.e. DMS-100 or 5ESS, etc. Fiber rings, etc.

(c) Address whether a telecom engineering firm is on retainer, if no electrical engineers are on staff.

(d) Address whether Tennessee customers will be required to purchase CPE which could not be used with ILEC systems, should the customer decide to go back to the ILEC, for whatever reason.

III. Financial Requirements:

(a) Address cost of proposed network, switches, or unbundled network elements (UNEs), etc.

(b) Applicant should file the most current audited financial statements including an income statement, balance sheet, and statement of cash flows for the most recent fiscal or calendar year.

(c) Applicant should provide projected financial statements, including income statement, balance sheet, and cash flow statements for the next three (3) years.

(d) Applicant should provide details of the funding for its proposed network, equipment purchases, or payment for UNEs such as:

(1) Internally generated funds (cash, marketable securities).
(2) Letters of credit.
(3) Loan commitments
(4) Vendor credit.

(e) Applicant should file a three (3) year capital budget outlining what specific equipment will be deployed, where it will be deployed, and its cost. This should be for Tennessee operations, as well as for the parent company (or whoever is responsible for financing the Tennessee operation). Also, provide the sources of capital.

(f) Indicate whether the financial statements reflect any amounts related to reciprocal compensation for terminating ISP traffic. If so, quantify.

IV. Small and Minority-Owned Telecommunications Business Participation Plan.

(a) T.C.A. §65-5-212 provides that the applicant shall file such plan with the Authority with their application for a certificate. Such plan shall contain such entity's plan for purchasing goods and services from Small and Minority telecommunications businesses and information on programs, if any, to provide technical assistance to such businesses.

(b) The typical Plan contains a policy statement, definitions from the statute, how the applicant will or has implemented the Plan, and what measures it will employ to contact such businesses to advise them of opportunities to bid on services or goods needed by the applicant, and any programs it has to provide technical assistance.

(c) The Plan should also set forth how it will be administered, the administrator's name, title, address and duties.

V. TRA Rules for Local Telecommunications Providers.

(a) All applicants for certificates to provide local telecommunications services shall abide by all statutes and rules applicable to them including the attached list for rule 1220-4-8-.04. The company's application should address each subpart of this rule.

(b) Applicant should provide a statement that notice of its application has been served on all eighteen (18) incumbent local exchange telephone companies in Tennessee. The TRA needs a written certificate of service from the applicant.

VI. Toll Dialing Parity Plan for Applicants Providing Voice Grade Service

If the applicant does not intend to provide voice grade service, this does not apply. However, if the applicant chooses at some point in the future to provide voice grade service, they must file an appropriate toll dialing parity plan for TRA consideration at least 60 days prior to offering voice grade service. If applicant offers Voice Grade Service, then a Toll Dialing Parity plan shall be filed with the application.

VII. Miscellaneous

(a) Notarized pre-filed testimony is needed for CLEC applications. The testimony should describe the services to be provided, the applicant's technical, managerial and financial abilities to provide the services and affirm that all information submitted is true and correct.

(b) State the procedures the applicant has taken to ensure Y2K compliance, or the status of the applicant's Y2K plan.

(c) Applicant should file their tariff subsequent to the application's approval (tariffs filed with the application are informational only, not official filings).

(d) Applicant shall file the status of applications in all other states.

(e) Has the applicant been involved in any pertinent mergers, acquisitions, etc.? Provide a chart showing the applicant's corporate structure.

(f) The Wireline Activity Report should be submitted to the TRA on a monthly basis for applicants providing voice grade service.

(g) Does the applicant require customer deposits? If so, what is the amount required? Is the applicant bonded for the amount of the deposits?

(h) Will Tennessee customers be required to incur any non-recurring charges to initiate service with the applicant? If so, list these charges.

(i) Provide the name, address, and telephone number of a responsible regulatory officer for the TRA to contact regarding the applicant's Tennessee operations and filing requirements subsequent to their application's approval.