

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE TENNESSEE**

May 10, 2001

IN RE:

**Application of CenturyTel Solutions, LLC for a
Certificate of Public Convenience and Necessity to
Provide Facilities-Based and Resold Local Exchange
and Exchange Access Telecommunications Services
Throughout the State of Tennessee**

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DOCKET NO. 00-00075

**INITIAL ORDER GRANTING CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY**

This matter came before the Tennessee Regulatory Authority ("Authority") upon the Application of CenturyTel Solutions, LLC ("CTS" or "Applicant") for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange and Exchange Access Telecommunications Service throughout the State of Tennessee (the "Application"), filed on February 3, 2000. The Application was made pursuant to Tenn. Code Ann. § 65-4-201 *et seq.* A Hearing on the Application was held before K. David Waddell, acting as Hearing Officer, on May 2, 2001.

LEGAL STANDARD FOR GRANTING CCN

CTS' Application was considered in light of the criteria for granting a certificate of public convenience and necessity ("CCN") as set forth in Tenn. Code Ann. § 65-4-201 which provides, in part:

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation,

and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system, or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

* * *

(c) After notice to the incumbent local exchange telephone company and other interested parties and following a hearing, the authority shall grant a certificate of convenience and necessity to a competing telecommunications service provider if after examining the evidence presented, the authority finds:

(1) The applicant has demonstrated that it will adhere to all applicable commission policies, rules and orders; and

(2) The applicant possesses sufficient managerial, financial and technical abilities to provide the applied for services.

An authority order, including appropriate findings of fact and conclusions of law, denying or approving, with or without modification, an application for certification of a competing telecommunications service provider shall be entered no more than sixty (60) days from the filing of the application.

In addition, pursuant to Tenn. Code Ann. § 65-5-212, competing telecommunications providers are required to file with the Authority (1) a plan containing the provider's plan for purchasing goods and services from small and minority-owned telecommunications businesses; and (2) information on programs that might provide technical assistance to such businesses.

THE APPLICANT'S HEARING

Public notice of the Hearing in this matter was made by the Authority's Executive Secretary, pursuant to Tenn. Code Ann. § 65-4-204. No persons sought intervention prior to or during the hearing.

CTS' Application was uncontested. At the hearing held on May 2, 2001, CTS was represented by Phyllis A. Whitten, Esq. and Vickie S. Byrd, Esq. of Swidler Berlin Shereff Friedman, LLP, 3000 K Street, NW, Suite 300, Washington, DC 20007. In

addition, Mr. Ron Johnson, CTS' Manager of Carrier Relations, presented testimony and was subject to examination by the Hearing Officer. Upon Applicant's conclusion of the proof in its case, the Hearing Officer recommended approval of the Application based upon the following findings of fact and conclusions of law:

I. Applicant's Qualifications

1. CTS is a Louisiana limited liability company that was formed on June 22, 1999. CTS has obtained the required authority to transact business in the State of Tennessee.

2. The complete street address of CTS' principal place of business is 100 CenturyTel Drive, Monroe, Louisiana 71203. The phone number is (318) 388-9000 and the fax number is (318) 388-9562.

3. The Application and supporting documentary information existing in the record indicate that CTS has the requisite technical and managerial qualifications necessary to provide a full array of local exchange and exchange access telecommunications services within the State of Tennessee on a facilities-based and resale basis. CTS' management and technical teams have particular expertise in the development and deployment of facilities-based and resold telecommunications services.

4. CTS has the necessary capital and financial qualifications to provide the services it proposes to offer.

5. CTS has represented that it will offer telecommunications service only in the territory presently served by BellSouth and does not intend to provide telecommunications service to customers in the territories of the CenturyTel Local

Exchange Carriers¹ (“LECs”) presently providing telecommunications services in Tennessee.

6. CTS has represented that it does not intend, either now or in the future, to obtain any goods, support or services from any of the CenturyTel LECs presently providing telecommunications services in Tennessee.

7. CTS has represented that if , at some time in the future, it obtains any goods, services or support from any of the CenturyTel LECs in Tennessee; it will purchase such goods, services or support at full cost.

8. CTS has represented that if, at some time in the future, it provides any goods, services or support to any of the CenturyTel LECs in Tennessee; it will charge the CenturyTel LEC at the full cost to it of providing those goods, services or support.

9. CTS has represented that it will adhere to all applicable policies, rules and orders of the Authority.

ii. Proposed Services

CTS intends to provide all forms of resold and facilities-based local exchange telecommunications services to residential and business customers, including: (1) basic residential exchange services (local exchange flat rate, measured rate service, operator access, etc.); (2) residential custom and class features (call waiting, caller ID, call forwarding, etc.); (3) basic business exchange services; (4) business custom calling and class features; (5) adjunct provided features (voice messaging, etc.); and (6) business and residential ancillary services (directory assistance, directory listing, 911, etc.). CTS also

¹ CenturyTel of Adamsville, Inc., CenturyTel of Claiborne, Inc. and CenturyTel of Ooletwah, Inc.

intends to provide operator-assisted services, directory assistance, toll-free calling, dual-party relay services, and access to 911 emergency services.

III. PERMITTING COMPETITION TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY

Upon a review of the Application and the record in this matter, the Hearing Officer finds that approval of CTS' Application would inure to the benefit of the present and future public convenience by permitting competition in the telecommunications services markets in the State and by fostering the development of an efficient, technologically advanced statewide system of telecommunications services.

IV. SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN & BUSINESS ASSISTANCE PROGRAM

1. CTS has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn. Code Ann. § 65-5-212 and the Authority's Rules.

2. CTS has acknowledged its obligation to contribute to the funding of the small and minority-owned telecommunications business assistance program, as set forth in Tenn. Code Ann. § 65-5-213.

IT IS THEREFORE ORDERED THAT:

1. CTS' Application for authority to provide resold and facilities-based local exchange and exchange access telecommunications services is approved.


2. The Applicant shall file a report with the Authority two (2) years after the date of this order, if the Applicant has not yet offered service in Tennessee. Such report

shall detail the reasons for the lack of service and any future plans for providing telecommunications services in Tennessee.

3. Any party aggrieved by this initial decision may file a Petition for Reconsideration with the Tennessee Regulatory Authority within fifteen (15) days from and after the date of this Initial Order. Such Petition shall be considered by the Hearing Officer presiding herein.

4. Any party aggrieved by the decision of the Hearing Officer in this matter may also file a Petition for appeal pursuant to Tenn. Code Ann. § 4-5-315 with the Tennessee Regulatory Authority within fifteen (15) days from and after the date of this Initial Order. If the Tennessee Regulatory Authority or any of the parties herein do not seek review of this Initial Order within the time prescribed by Tenn. Code Ann. § 4-5-315, this Initial Order shall become the Final Order.

ENTERED THIS 10 DAY OF May, 2001


K. DAVID WADDELL, —
AS HEARING OFFICER