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January 26, 2001

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K. David Waddell; Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243

Re: Application of KMC Telecom V, Inc. for a Certificate of Public Convenience and Necessity as a Competing Telecommunications Service Provider to Provide Facilities-Based and Resold Local Exchange and Resold Interexchange Telecommunications Services Throughout the State of Tennessee; Docket 00-01123

Dear Mr. Waddell:

By letter of January 2, 2001, you requested certain financial information of my client, the applicant, KMC Telecom V, Inc. This letter and the enclosures are in response to your request. As noted, certain of the information is proprietary and confidential. Enclosed are:

- 1. Attachment 1 KMC Telecom V, Inc. Income Statement (proprietary and confidential);
 - 2. Attachment 2 KMC Telecom Holdings, Inc. Balance Sheet; and
 - 3. Attachment 3 KMC Telecom Holdings, Inc. Statement of Cash Flows.

The TRA asked what portion of KMC Telecom V, Inc. or KMC Telecom Holdings, Inc.'s reciprocal compensation revenue is derived from ISP traffic. The answer is none.

Do not hesitate to contact me if you have any further questions or need other information.

Sincerely,

H. LaDon Baltimore

Counsel for KMC Telecom V, Inc.

LDB/dcg Enclosures

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