

01-00040

TENNESSEE REGULATORY AUTHORITY

Eddie Roberson, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

August 3, 2007

Mr. Chris Marsalis
Dixie Net Communications, LLC
PO Box 28
Ripley, MS 38663

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

RE: Surety Bond or Irrevocable Letter of Credit Mandated by Tenn. Code Ann. § 65-4-125(j)

Dear Mr. Marsalis:

Tenn. Code Annotated § 65-4-125(j) requires telecommunications service providers such as Dixie Net Communications, LLC to file with the Tennessee Regulatory Authority ("Authority") a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding brought by or on behalf of the Authority under Title 65 or the Consumer Telemarketing Protection Act, Tenn. Code Ann. § 47-18-1501 *et seq.*¹

On July 26, 2007, the Authority received a cancellation notice from Travelers Casualty and Surety Company indicating the bond (no. 400SM3184) for Dixie Net Communications, LLC would be cancelled on August 27, 2007. If the bond is not renewed by August 27, 2007, Dixie Net Communications, LLC will become non-compliant with Tenn. Code Ann. § 65-4-125(j). Telecommunications service providers that fail to comply with the requirements of Tenn. Code Ann. § 65-4-125(j) are subject to sanction, including the revocation of their certificate of convenience and necessity authorizing them to transact business in Tennessee.² To avoid sanction, a valid and compliant bond or letter of credit must be submitted to the Authority no later than August 27, 2007. Otherwise, Dixie Net Communications, LLC's non-compliance with the law will be brought before the Authority for consideration on September 10, 2007.

If you have questions, please contact Lisa Foust at (615) 741-2904, extension 220.

Respectfully,

Darlene Standley
Utilities Division Chief

¹ Tenn. Code Ann. § 65-4-125(j) applies to all telecommunications service providers subject to the control and jurisdiction of the Authority, except those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to Tenn. Code Ann. § 65-4-301(b) and providers that own or operate equipment facilities in Tennessee with a value greater than five million dollars (\$5,000,000).

² See Tenn. Code Ann. § 65-4-201.