

Cronin Communications Consultants

415 Hepplewhite Drive, Alpharetta, GA 30022 • 770-649-1886 • 770-645-6545 (fax) • www.cronincom.com

April 18, 2002

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

REGULATORY AUTH.

'02 APR 19 AM 10 53

OFFICE OF THE
EXECUTIVE SECRETARY

02-00446

PAID T.R.A.

Chk # 1356

Amount 25.00

Rcvd By SC

Date 4/19/02

Re: Application of MountaiNet Telephone Company for a Certificate to Provide
Competing Local Telecommunications Services

Dear Mr. Waddell:

Filed here on behalf of MountaiNet Telephone Company ("Company") are an original and thirteen (13) copies of the Company's Application for a Certificate to Provide Competing Local Telecommunications Services ("Application") within the State of Tennessee.

Enclosed with this Application is a sealed containing information (Exhibits E and F) that the Company respectfully requests be treated as confidential and proprietary information of the Company. These exhibits outline business plans that include financial projections of performance for the Company's competitive business including confidential information about its contractual arrangements in other states and sensitive pricing information from its equipment vendors. Disclosure of such information could seriously compromise the Company's efforts to compete with other carriers. Finally, also enclosed is a check for \$25.00 for the required filing fee.

Confirmation of receipt and the date of receipt are respectfully requested. Please date and return a copy of this letter and a postage paid self-addressed letter. Please direct any questions to me at the above address. I may be reached at 770-649-1886. Thank you in advance for your consideration.

Sincerely,

Eileen M Bodamer
Consultant to MountaiNet Telephone Company

Enclosures

Cc: Blane R. Clark, Executive Vice President
David Hunt, Mid-South

BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the Matter of the Application of
MountaiNet Telephone Company

For a Certificate to Provide Competitive
Local Telecommunications Services

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APPLICATION FOR A CERTIFICATE
TO PROVIDE COMPETITIVE LOCAL TELECOMMUNICATIONS SERVICES

Pursuant to applicable Tennessee Statutes and the Rules and Regulations of Tennessee Regulatory Authority and Section 253 of the Federal Communications Act of 1996, MountaiNet Telephone Company ("Applicant" or "MountaiNet") hereby requests that the Tennessee Regulatory Authority ("TRA") grant MountaiNet authority to provide competitive telecommunications services within the State of Tennessee. As shown herein, Applicant is willing and able to comply with all applicable rules and regulations in Tennessee pertaining to the provision of competitive local telecommunications services.

In support of its Application, MountaiNet submits the following:

1. The full name of the Applicant is as follows:

MountaiNet Telephone Company, Inc.
PO Box 488, 121 Woodland Street
Gate City, VA 24251.

The Officer of Applicant to whom TRA is requested to direct correspondence is:

Mr. Blane R. Clark, Executive Vice President
PO Box 488, 121 Woodland Street
Gate City, VA 24251.
Telephone number (540) 452-7237; fax (540) 452-5974

With a copy to:

Eileen Bodamer
Cronin Communications Consultants
415 Hepplewhite Drive
Alpharetta, GA 30022
Telephone number: 770-649-1886; fax 770-645-6545

2. Corporate Structure

The Applicant is a subsidiary of MountaiNet, Inc. Scott County Telephone Cooperative owns MountaiNet, Inc. Scott County Telephone is incorporated as cooperative and is therefore owned by members meeting eligibility requirements pursuant to its bylaws.

Scott County Telephone Cooperative has its corporate offices at PO Box 488, 121 Woodland Street, Gate City, VA 24251. Scott County Telephone is the incumbent local exchange provider to 5800 access lines in Scott County, Virginia and Hancock County, Tennessee.

3. Corporate Information

MountaiNet was incorporated in the State of Virginia on October 13, 1999. A copy of the company's Articles of Incorporation and its Authority to transact business in the State of Tennessee, effective of April 25, 2000, are provided in Exhibits A and B, respectively.

All officers and corporate officers are located at the address indicated above. At this time, the company has no corporate officers in Tennessee. The majority of employees responsible for Tennessee operations are currently located at the above address. The Applicant is in discussions to establish a sales and business support office in the Tri Cities area.

4. MountaiNet possess the managerial, technical, and financial ability to provide telecommunications service in the State of Tennessee

A. Financial Qualifications

In support of its financial qualifications, a recent audited financial statement for MountaiNet issued by Scott County Telephone, as part of its annual report to the Virginia Corporate Commission is included in Exhibit C. Scott County Telephone's principal line of business is local telephone service. As shown in the company descriptive in Exhibit D, Scott County also has a diversified line of business that includes wireless service, cable television, Internet, and customer premise products. The company's Internet operations grew approximately 24% and its long-distance operations have also grown 56%.

The company intends to draw on its internal resources and that of the local lending market to fund its new venture. The company is in discussions with three Tennessee and Virginia based financial operations for funding of its service. As in the past, MountaiNet's parent company is likely to accept stock ownership as a funding mechanism for the new venture.

In addition, MountaiNet has recently signed an agreement with a major service utility to provide wholesale telephony infrastructure to that company's approximately 18,000 retail subscribers in the state of Virginia. This anchor customer will allow MountaiNet to rapidly reach the critical size necessary to support its fixed costs better positioning the Applicant for "edge-out" into the Tennessee markets it seeks to serve.

Confidential Exhibit E outlines financial projections for 2002, 2003, 2004 including income statements, balance statements, and statements of cash flow. Confidential Exhibit F is a capital expenditures budget for 2002, 2003, and 2004 indicating type of equipment to be purchased, cost, and sources of funding of projected capital expenditures. Because the information provided in Exhibits E and F are competitively sensitive, these exhibits are provided in a separate sealed envelope and the Applicant respectfully requests confidential treatment thereof. Exhibit G contains the company's surety bond.

MountaiNet anticipates that its revenues and expenses for reciprocal compensation will approximately balance. Accordingly, the company has omitted from such services from its financial projections.

B. Managerial Qualifications

The Applicant has the managerial and technical ability to render local exchange services. The Applicant is an existing firm providing Internet and long distance services in the states of Virginia and Tennessee. The provision of competitive local exchange services is a newly formed venture and as such the Applicant provides an overview of its financial and managerial experience in lieu of its history of offering telecommunications services.

The Applicant will leverage the managerial and technical experience of its key staff members and contractual arrangements with its various vendors to offer competitive local exchange services. In addition to the long history of providing local exchange by its parent company Scott County Telephone (Exhibit D) MountaiNet intends to utilize the business and technical experience of its own key officers and vendors of ongoing support services. Exhibit H provides resumes showing the skills of MountaiNet's key staff.

C. Technical Qualifications

MountaiNet services will satisfy the minimum standards established by the TRA. The Applicant will file and maintain tariffs in the manner prescribed by TRA and will meet the minimum basic local standards,

including quality of service and billing standards required of all LEC's regulated by the TRA. Applicant will not require customers to purchase CPE that will be incompatible with the Incumbent Local Exchange Carrier's system.

As noted in (B) above, and shown in Exhibit H, MountaiNet intends to utilize its experienced employees and outside contractors to insure the integrity, reliability, and functionality of its network. Accordingly, MountaiNet is certainly technically qualified to provide local exchange service in Tennessee.

5. Proposed Service Area

MountaiNet was recently authorized to provide local telecommunications in Virginia and has authority already in both Virginia and Tennessee to provide state toll services. With the exception of this application, MountaiNet has no other applications pending.

The company intends to initially offer its services throughout the State of Tennessee in areas currently served by BellSouth and Sprint/United that are designated as open to competition. Marketing efforts will be initially concentrated in those markets in which the Applicant already has established name recognition primarily Northeast Tennessee, through its Internet and long distance services.

6. Types of Local Exchange Service to be Offered

MountaiNet plans to offer a wide variety of local exchange services to both residential and business subscribers in Tennessee. The company will provide basic access line service, PBX and Centrex service, high-speed data, calling features, and directory services and additional telecommunications services as may be warranted in response to market demand. The Applicant will also provide those services required under Chapter 220-4-8.04 (3) (6) (2), including access to 911 services.

MountaiNet intends to provide service via resale, use of unbundled network elements, and overbuild in the areas in which intends to offer its telecommunications services. The Applicant has secured fiber to deploy its own interoffice fiber ring and customer-dedicated facilities in the tri-cities area (Johnson City, Bristol, and Kingsport) MountaiNet will further augment its network with incumbent telephone company unbundled loops and resale services where necessary. MountaiNet intends to provide its own switching services either through outright purchase of a class 5 switch (vendor to be determined) or through lease of ports and switching from its parent company, Scott County Telephone Cooperative.

The Applicant anticipates that it will provide Customer Provided Equipment to its customers but does not expect that such equipment would be incompatible with an incumbent carrier.

7. Repair and Maintenance

MountaiNet's business plan hinges on the company's ability to provide its customers with exemplary service. While the Applicant does not currently have an office in Tennessee for the handling of repair and maintenance issues it currently provides, such support comes from the MountaiNet's offices in Gate City, just over the Virginia-Tennessee border.

MountaiNet provides several effective options for its customers to communicate with the company for billing, repair and maintenance and other customer services issues.

In addition to responding promptly to any written communications from its customers, the company also publishes a toll-free number (888-583-7339) for service inquiries by its customers on billing and other customer services issues. Additionally, MountaiNet maintains a Website (www.mountaiNet.net) that provides sales and service contact information for the company and allows for communication with the company via electronic mail.

Any questions concerning the Applicant's ability to provide these services should be referenced to Blane Clark at the location indicated in (1) above.

8. Small and Minority-owned Business Participation Plan (65-5-212)

See Exhibit I.

9. Toll Dialing Parity Plan

See Exhibit J.

10. Notices

List of incumbent local exchange carriers on whom a notice about the Applicant's proposed operating area has been served is included in Exhibit K.

11. Other Information and Statements

MountaiNet Telephone Company has not received any complaints regarding its service operations. The Applicant is not requiring service deposits from its

customers at this time but should it change this requirement it will make the appropriate filings with TRA and comply with relevant regulations.

Additional information as required by the TRA is provided in the Exhibits as follows:

Exhibit L Numbering issues statement

Exhibit M Sworn Pre-filed Testimony

Exhibit N Tennessee Specific Operational Issues

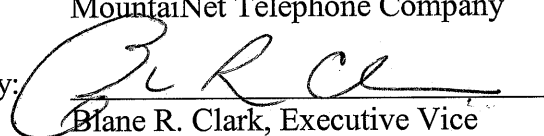
12. Conclusion

MountaiNet Telephone Company respectfully requests that the TRA grant its request for a certificate of convenience and necessity to operate as a competing telecommunications provider to provide a full range of local exchange services on a facilities-based and resale basis throughout the State of Tennessee in the service areas not under a rural exemption.

As shown herein, grant of this Application will increase the availability of telecommunications services in Tennessee and serve the public interest by providing high quality competitively priced services.

Respectfully Submitted,
MountaiNet Telephone Company

By:


Blane R. Clark, Executive Vice

President

Dated: April 16, 2002

Exhibit A

MountaiNet

Articles of Incorporation

make file

ARTICLES OF INCORPORATION
OF
MountaiNet Telephone Company

RECEIVED
STATE OF VIRGINIA
00 APR 25 AM 9:36
J. W. BELL
SECRETARY OF STATE

The undersigned hereby forms a stock corporation under the provisions of the Virginia State Corporation Act and to that end sets forth the following:

ARTICLE I

The name of the Corporation is MountaiNet Telephone Company.

ARTICLE 11

This will be a public service telephone provider company. The purpose of the Corporation is to engage in the transaction of telephone service in the State of Virginia and elsewhere and any business not prohibited by law or required to be stated in the Articles of Incorporation.

ARTICLE 111

The aggregate number of shares which the Corporation shall have authority to issue and the par value per share are as follows:

<u>Class</u>	<u>Number of shares</u>	<u>Par Value Per Share</u>
Common	100,000	\$1.00

ARTICLE IV

Holders of shares of any class of stock of the Corporation shall have preemptive or preferential right to purchase or subscribe to (i) any shares of any class of stock of the corporation, whether now or are hereafter authorized, (ii) any warrants, rights or options to purchase any such stock, or (iii) any securities or obligations convertible into warrants, rights, or options to purchase any such stock.

RECEIVED
STATE OF TENNESSEE

00 APR 25 AM 9:36

SECRETARY OF STATE

The post office address of the initial registered office of the Corporation is P.O. Box 488, 121 Woodland Street, Gate City, Virginia 24251, which is in the County of Scott. The name of the Corporation's initial registered agent is George C. Maddux, of 103 E. Jackson Street, Suite 102, Gate City, Virginia 24251, who is a member of the Virginia State Bar and who is a resident of the Commonwealth of Virginia.

ARTICLE VI

The number of directors constituting the initial board of directors is (3). The names of the persons who are to serve as the initial directors are William Franklin, Jr., Daniel Odom and George C. Maddux.

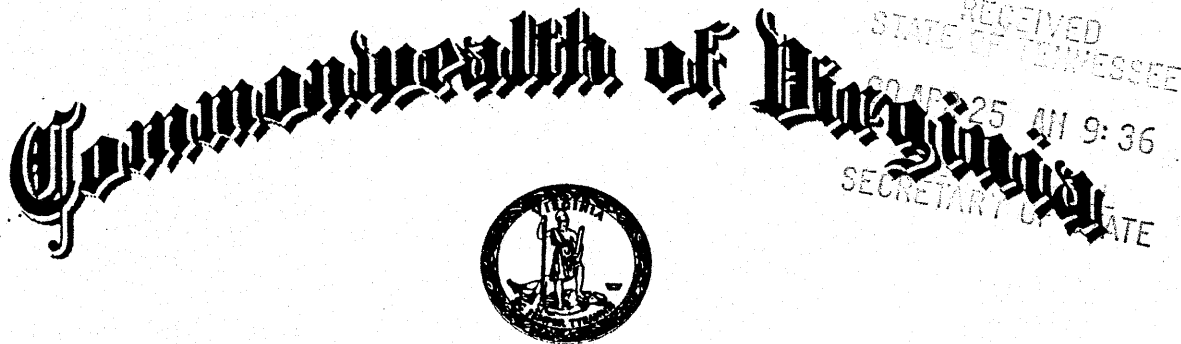
ARTICLE VII

Each person who at any time serves as a director or officer of the Corporation or who at any time serves at the request of the Corporation as a director or officer of another corporation shall be indemnified by the Corporation against any and all liabilities incurred by him or her in any such capacity or arising out of his or her status as such director or officer, to the full extent permitted by, and in accordance with the terms and provisions of the Code of Virginia, 1950 as amended, as now in force and as hereafter amended, except an indemnity against his or her gross negligence or willful misconduct.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal this the 10 day of September, 1999.

George C. Maddux
Attorney at Law
103 E. Jackson St.
Suite 102
Gate City, VA 24251

George C. Maddux (SEAL)
GEORGE C. MADDUX, INCORPORATOR



STATE CORPORATION COMMISSION

Richmond, October 13, 1999

This is to Certify that the certificate of incorporation of

MountaiNet Telephone Company

*was this day issued and admitted to record in this office and that
the said corporation is authorized to transact its business subject
to all Virginia laws applicable to the corporation and its business.
Effective date: October 13, 1999*



*State Corporation Commission
Attest:*

Joel H. Beck

Clerk of the Commission

Commonwealth of Virginia

00 APR 25 AM 9:36



State Corporation Commission

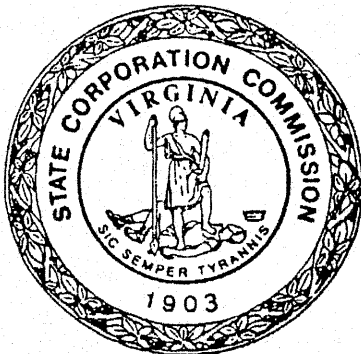
FILED
SECRETARY OF STATE

I Certify the Following from the Records of the Commission:

MountaiNet Telephone Company is a corporation existing under and by virtue of the laws of Virginia, and is in good standing.

The date of incorporation is October 13, 1999.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
April 12, 2000*

Joel H. Peck

Joel H. Peck, Clerk of the Commission

Exhibit B

MountaiNet Telephone Company

Business License in Tennessee


10.13.00 10.13.00
RECEIVED
STATE OF TENNESSEE
GEORGE C. MADDUX

ATTORNEY AT LAW

Gate City, Virginia 24251

00 APR 25 AM 9:35

103 East Jackson Street

 (540) 386-9821

SECRETARY OF STATE
Fax: (540) 386-1272

April 19, 2000

State of Tennessee
Corporations Section
18th Floor, James K. Polk Bldg.
Nashville, TN 37243

RE: Tennessee Registration of MountaiNet Telephone Company

Dear Secretary:

Enclosed you will find:

- (1). A check for \$600.00 for the cost of registration of a foreign corporation in the State of Tennessee.
- (2). A certificate of the Virginia State Corporation Commission that MountaiNet Telephone Company is a Virginia Corporation in good standing.
- (3). A completed application for Certificate of Authority to do business in the State of Tennessee signed by the Secretary of the Corporation.
- (4). A copy of the Certificate of Incorporation from the Virginia State Corporation Commission.

I am the Virginia Counsel for MountaiNet Telephone Company.

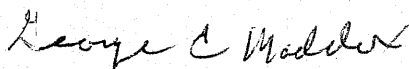
Attorney, Clyde Tootle, has agreed to serve as the Tennessee Registered Agent and his name and address is listed in the application.

If any additional information is requested, please notify me immediately.

I will accept collect telephone calls or faxes for this purpose.

Thanking you in advance for cooperation in this matter.

Very truly yours,



George C. Maddux

GCM/mlc

Enclosures (4)

Secretary of State

Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

DATE: 04/26/00

REQUEST NUMBER: 3895-0338

TELEPHONE CONTACT: (615) 741-2286

FILE DATE/TIME: 04/25/00 0936

EFFECTIVE DATE/TIME: 04/25/00 0936

CONTROL NUMBER: 0388446

TO:
GEORGE C MADDUX ATTORNEY AT LAW
103 E JACKSON ST

GATE CITY, VA 24251

RE:
MOUNTAINET TELEPHONE COMPANY
APPLICATION FOR CERTIFICATE OF AUTHORITY -
FOR PROFIT

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED CERTIFICATE OF
AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED ABOVE.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE
ON OR BEFORE THE FIRST DATE OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE
CORPORATION'S FISCAL YEAR. PLEASE PROVIDE THIS OFFICE WITH WRITTEN
NOTIFICATION OF THE CORPORATION'S FISCAL YEAR. THIS OFFICE WILL MAIL THE
REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE CORPORATION AT THE
ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS
OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED
AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE REVOCATION
OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -
FOR PROFIT

ON DATE: 04/26/00

FROM:
MOUNTAINET INC
PO BOX 488

GATE CITY, VA 24251-0488

RECEIVED: FEES \$600.00 \$0.00
TOTAL PAYMENT RECEIVED: \$600.00

RECEIPT NUMBER: 00002679905
ACCOUNT NUMBER: 00319827



Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

Continuation of No. 7

Billy Shepard, President
RFD 4, Box 307
Clinchport, VA 24244

Edwin Dingus, Vice President
RFD 2, Box 170
Nickelsville, VA 24271

Phillip G. Osborne, Treasurer
PO Box 125
Dungannon, VA 24245

Paul G. Kilgore, Secretary
RFD 2, Box 659
Gate City, VA 24251

RECEIVED
STATE OF TENNESSEE
00 APR 25 AM 9:36
RILEY, DONNELL
SECRETARY OF STATE



Department of State
Corporations Section
18th Floor, James K. Polk Building
Nashville, TN 37243-0306

APPLICATION FOR
CERTIFICATE OF AUTHORITY
(FOR PROFIT)

FILED

For Office Use Only

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of Section 48-25-103 of the Tennessee Business Corporation Act, the undersigned corporation hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the corporation is MountainNet Telephone Company

*If different, the name under which the certificate of authority is to be obtained is _____

[NOTES: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign corporation for profit if its name does not comply with the requirements of Section 48-14-101 of the Tennessee Business Corporation Act. *If obtaining a certificate of authority under a different corporate name, an application for registration of an assumed corporate name must be filed pursuant to Section 48-14-101(d) with an additional \$20.00 fee.]

2. The state or country under whose law it is incorporated is the Commonwealth of Virginia

3. The date of its incorporation is October 13, 1999 (must be month, day, and year), and the period of duration, if other than perpetual, is _____

4. The complete street address (including zip code) of its principal office is
121 Woodland Street Gate City VA 24251
 Street City State/Country Zip Code

5. The complete street address (including the county and the zip code) of its registered office in Tennessee and the name of its registered agent is

218½ E. Center Street Kingsport TN 37662
 Street City County Zip Code

Clyde Tootle, Attorney at Law
 Registered Agent

6. The names and complete business addresses (including zip code) of its current officers are: (Attach separate sheet if necessary.)
Billy Shepard, President, RFD 4, Box 307, Clinchport, VA 24244
Edwin Dingus, Vice President, RFD 2, Box 170, Nickelsville, VA 24271
Phillip G. Osborne, Treasurer, PO Box 125, Dungannon, VA 24245
Paul G. Kilgore, Secretary, RFD 2, Box 659, Gate City, VA 24251

7. The names and complete business addresses (including zip code) of its current board of directors are: (Attach separate sheet if necessary.)

Tom Rhoton, Director, PO Box 23, Duffield, VA 24244
William J. Franklin, Director, RFD 4, Box 80-A, Clinchport, VA 24244

8. If the corporation commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) _____

9. The corporation is a corporation for profit.

10. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is

_____, _____ (date), _____ (time).

[NOTE: A delayed effective date shall not be later than the 90th day after the date this document is filed by the Secretary of State.]

[NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of corporate records in the state or country under whose law it is incorporated. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.]

April 19, 2000
 Signature Date

Secretary
 Signer's Capacity

MountainNet Telephone Company
 Name of Corporation

Paul G. Kilgore
 Signature

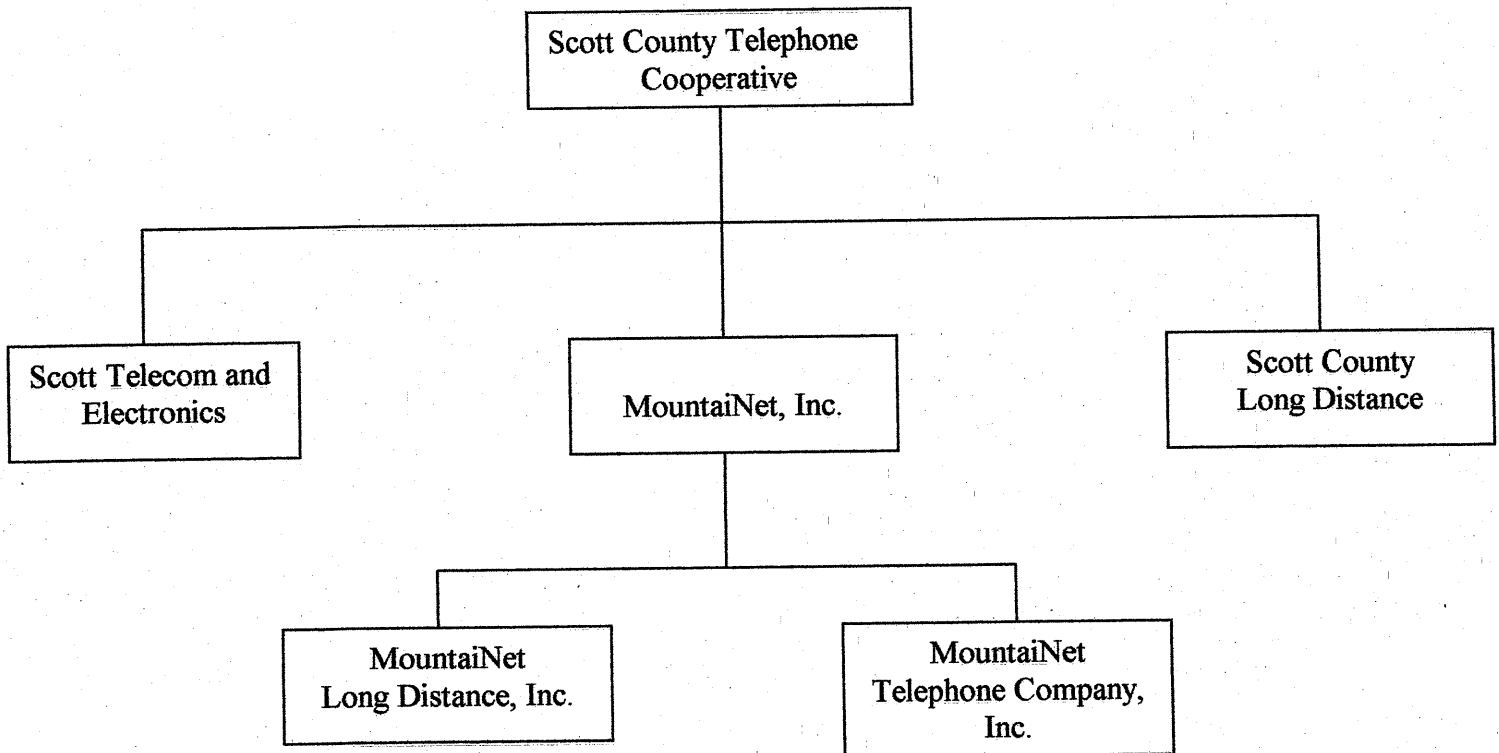
Paul G. Kilgore
 Name (typed or printed)

Exhibit C

MountaiNet Telephone Company

Financial Statements

Organizational Chart



Scott County Telephone Coop
Income Statement
For the Two Months Ending February 28, 2002

	February	YTD	% Total	BUDGET	Last Year Total
Local Network Service Revenue	\$141,339.99	\$262,844.60	0.0%	\$0.00	\$232,447.37
Network Access Services Revenue	222,380.37	446,189.97	0.0%	0.00	442,155.92
Long Distance Network Services	7,724.17	15,738.50	0.0%	0.00	41,542.81
Miscellaneous Revenue	60,987.24	110,736.11	0.0%	0.00	101,197.69
Uncollectible Revenues	(1,571.40)	(3,110.55)	0.0%	0.00	(2,868.34)
Net Operating Revenues	430,860.37	832,398.63	0.0%	0.00	814,475.45
Plant Specific Operations Expense	80,694.61	206,110.90	0.0%	0.00	201,771.43
Plant Nonspecific Operations Expense	22,396.99	43,745.80	0.0%	0.00	43,326.18
Depreciation Expense	86,198.76	172,412.19	0.0%	0.00	168,721.39
Customer Operations Expense	36,978.31	71,216.88	0.0%	0.00	72,051.95
Corporate Operations Expense	67,253.90	144,530.38	0.0%	0.00	133,722.22
Total Operating Expenses	293,522.57	638,016.15	0.0%	0.00	619,593.17
Operating Income or Margins	137,337.80	194,382.48	0.0%	0.00	194,882.28
Other Taxes	8,224.26	41,448.52	0.0%	0.00	49,083.06
Total Operating Taxes	8,224.26	41,448.52	0.0%	0.00	49,083.06
Net Operating Income or Margins	129,113.54	152,933.96	0.0%	0.00	145,799.22
Interest on Funded Debt	34,385.63	70,368.70	0.0%	0.00	101,018.91
Other Interest Expenses	620.83	1,278.11	0.0%	0.00	1,495.00
Allowance for Funds Used During Constr	(6,092.97)	(12,061.79)	0.0%	0.00	(7,858.81)
Total Fixed Charges	28,913.49	59,585.02	0.0%	0.00	94,655.10
Nonoperating Income and Expense	48,701.77	65,800.12	0.0%	0.00	80,891.00
Nonregulated Net Income	281.86	(384.44)	0.0%	0.00	(1,237.15)
Total Net Income or Margins	\$149,183.68	\$158,764.62	0.0%	\$0.00	\$130,707.97

Scott County Telephone Coop
Balance Sheet
For the Two Months Ending February 28, 2002

CURRENT ASSETS

Cash and Equivalents	\$1,314,285.18
Cash - REA Construction Fund	55,420.62
Telecommunication Accounts Receivable	31,021.49
Other Accounts Receivable	2,209,040.19
Notes Receivable	708,617.14
Material - Regulated	214,155.05
Prepayments	54,034.62
	<hr/>
Total Current Assets	4,586,574.29

NONCURRENT ASSETS

Investments in Affiliated Companies	3,466,686.25
Other Investments	1,312,592.38
Non-Regulated Investments	27,831.90
	<hr/>
Total Noncurrent Assets	4,807,110.53

PLANT, PROPERTY, AND EQUIPMENT

Telecommunications Plant-in-Service	18,172,493.16
Plant Under Construction	1,491,313.59
Less Accumulated Depreciation	9,446,798.47
	<hr/>
Net Plant	10,217,008.28
	<hr/>
TOTAL ASSETS	\$19,610,693.10

Scott County Telephone Coop
Balance Sheet
February 28, 2002

CURRENT LIABILITIES

Accounts Payable	\$470,663.44
Advance Billings and Payments	535.90
Customer Deposits	42,630.00
Current Maturities LTD	37,372.32
Current Maturities - Capital Leases	
Income Taxes Accrued	
Other Taxes Accrued	26,739.42
Other Current Liabilities	<u>166,820.43</u>
Total Current Liabilities	744,761.51

LONG-TERM DEBT

Funded Debt-REA Notes	6,763,938.16
Funded Debt-RTB Notes	462,361.59
Funded Debt-Other	<u>584,520.77</u>
Total Long-Term Debt	7,810,820.52

OTHER LIABILITIES AND DEFERRED CREDITS

Other Long-Term Liabilities	<u>1,294,275.45</u>
Total Other Liabilities and Deferred Credits	1,294,275.45

EQUITY

Membership and Capital Certificates	118,679.00
Other Capital	10,310.94
Patronage Capital Credits	9,473,081.06
Retained Earnings or Margins	<u>158,764.62</u>
Total Equity	<u>9,760,835.62</u>

TOTAL LIABILITIES AND EQUITY

\$19,610,693.10

Scott County Telephone Cooperative

Scott County Telephone Cooperative (SCTC) was chartered September 10, 1951 and began providing service in August of 1955.

Scott County Telephone Cooperative has proven itself to be successful provider of network services including:

Local Telephone Service

Scott County Telephone Cooperative

- Provides telephone services to 5,401 customers with 6,191 phone lines.
- Supports services in 419 square miles of Scott County, Va. and 15 square miles of Hancock County, TN.
- Deploys over 90 miles of fiber optic cable installed in Scott County, VA

Cable TV and CPE Services

Scott Telecom and Electronics, Inc. (STE), a wholly owned subsidiary

- Serves 3,843 cable TV customers
- Serves 400 satellite TV customers.
- Provides maintenance service for inside wire and customer premises equipment
- Sale and Lease services for telephone systems, computers, and satellite dishes.

Cellular

Partner, cellular

- Owner of 16.156% of Scott County Cellular partnership.
- Serves parts of East and Middle Tennessee.
- Provides service to over 13,000 customers.

Exhibit G

MountaiNet Telephone Company

Corporate Surety Bond

04/17/02 WED 10:47 TRA 0707020014 MOUNTAINVIEW

TENNESSEE REGULATORY AUTHORITY

TENNESSEE TELECOMMUNICATIONS SERVICE PROVIDER'S SURETY BOND

Bond #: 103659547

WHEREAS, MountiaNet Telephone Company (the "Principal"),
has applied to the Tennessee Regulatory Authority for authority to provide telecommunications services in the State of Tennessee; and

WHEREAS, under the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated, as amended, the Principal is required to file this bond in order to obtain such authority and to secure the payment of any monetary sanction imposed in any enforcement proceeding brought under Title 65 of the Tennessee Code Annotated or the Consumer Telemarketing Act of 1990 by or on behalf of the Tennessee Regulatory Authority (the "TRA"); and

WHEREAS, Travelers Casualty and Surety Co. of America
(the "Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated;

NOW THEREFORE, BE IT KNOWN, that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 125(j), in the full amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America to be used for the full and prompt payment of any monetary sanction imposed against the Principal, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TRA, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.


This bond shall become effective on the 16th day of April, 2002, and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed Twenty Thousand Dollars (\$20,000.00). The Surety may cancel this bond by giving thirty (30) days written notice of such cancellation to the TRA and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

PRINCIPAL

MountiaNet Telephone Company
Name of Company authorized by the TRA

Company ID # as assigned by TRA

SIGNATURE OF PRINCIPAL


Name: Blane R. Clark
Title: EXECUTIVE VP

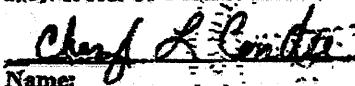
SURETY

Travelers Casualty and
Surety Co. of America

Name of Surety
2550 Eisenhower Avenue
Trooper, PA 19403

Address of Surety

SIGNATURE OF SURETY AGENT


Name: Cheryl A. Condit
Title: Attorney-in-fact

Address of Surety Agent:
6301 Ivy Lane, Suite 506
Greenbelt, MD 20770

THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 125, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AS AMENDED BY CHAPTER NO. 586, 2000 PUBLIC ACTS. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)

IN WITNESS WHEREOF, TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY have caused this instrument to be signed by their Senior Vice President and their corporate seals to be hereto affixed this 16th day of August 2001.

STATE OF CONNECTICUT

SS. Hartford

COUNTY OF HARTFORD

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY



By *George W. Thompson*
George W. Thompson
Senior Vice President

On this 16th day of August, 2001 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



Marie C. Tetreault
My commission expires June 30, 2006 Notary Public
Marie C. Tetreault

CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this _____ day of

, 20



By *Kori M. Johanson*
Kori M. Johanson
Assistant Secretary, Bond

04/17/04 NEW 10:40 FAX 06183-9062

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Claire E. Blackburn, Cheryl L. Condee, Peter J. Elliott, of Greenbelt, Maryland, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

Exhibit H

MountaiNet Telephone Company

**Resumes of Key Personnel
Vendor Qualifications**

Blane R. Clark
Executive Vice President
MountaiNet, Inc.

Experience Overview

Executive Vice President of MountaiNet, Inc., and the subsidiaries of MountaiNet Telephone Company, Inc., and MountaiNet Long Distance, Inc. Responsible for business growth and development, network planning and design, new technology planning and marketing of all services.

Operations Manager, Scott County Telephone Cooperative responsible for all telephone switching, outside plant, and engineering efforts.

Officer, US Army Signal Corps, responsible for planning and executing the implementation of various telecommunications services, to include, telephone switching, microwave and super high frequency radio systems and complex long haul communications networks.

Employment Profile

- | | |
|-----------------|---|
| 3/00 – Present | Executive Vice President, MountaiNet Telephone Company, Inc.
Responsible for the design, engineering, implementation, maintenance, marketing, business development and growth of a competitive local exchange carrier, both on a facilities basis and as a reseller of incumbent local exchange carriers. |
| 12/99 – Present | Executive Vice President, MountaiNet Long Distance, Inc.
Responsible for the design, implementation, maintenance, marketing, business development and growth, both on a dedicated basis and as a switchless reseller of a major long distance carrier. |
| 9/95 – Present | Executive Vice President, MountaiNet, Inc., an Internet Services Provider
Responsible for the network design, implementation, maintenance, marketing, business development and growth. Plan and implement new Internet based services and develop bundled service offerings. |
| 11/92 – Present | Operations Manager, Scott County Telephone Cooperative
Responsible for all telephone central office operations, outside plant construction and maintenance, customer premise technical service, capital budget preparation and overall facilities engineering. |

Daniel E. Odom
Assistant General Manager
Scott County Telephone Cooperative

Employment Profile

1998 – Present **Assistant General Manager, Scott County Telephone Cooperative**
Oversee all customer service, data processing, and accounting functions. Responsible for day-to-day management responsibilities in the General Manager's absence. Prepare budgets for parent company and subsidiaries and manage the annual audit process. Oversee policy manual and personnel matters.

1995 – Present **Administrative Manager, MountaiNet, Inc.**
Oversee billing, accounting and customer service for MountaiNet. Prepare monthly financial statements. Work with MountaiNet management to formulate or improve company business plans.

1992 – 1998 **Administration Manager, Scott County Telephone Cooperative**
Responsible for office administration and personnel benefits issues including insurance. Performed all accounting and financial functions including billing and collections services, tariff compliance and implementation of new rates and charges.

1985 – 1992 **Controller / Office Manager, Scott County Telephone Cooperative**
Managed all accounting and financial functions including monthly reporting and rate administration.

1985 – 1992 **Accountant, Scott County Telephone Cooperative**
Assisted controller in the production of budget and all plant accounting. Calculated cost of work orders. Generated all Carrier Access Bills. Responsible for the processing of employee payroll.

Education

1981 **Bachelor of Science, Accounting**
Tennessee Technological University

Ongoing **Continuing Education**
– Accounting
– Management
– Human Resources
– Customer Service

Scott County Telephone Cooperative

Scott County Telephone Cooperative (SCTC) was chartered September 10, 1951 and began providing service in August of 1955.

Scott County Telephone Cooperative has proven itself to be successful provider of network services including:

Local Telephone Service

Scott County Telephone Cooperative

- Provides telephone services to 5,401 customers with 6,191 phone lines.
- Supports services in 419 square miles of Scott County, Va. and 15 square miles of Hancock County, TN.
- Deploys over 90 miles of fiber optic cable installed in Scott County, VA

Cable TV and CPE Services

Scott Telecom and Electronics, Inc. (STE), a wholly owned subsidiary

- Serves 3,843 cable TV customers
- Serves 400 satellite TV customers.
- Provides maintenance service for inside wire and customer premises equipment
- Sale and Lease services for telephone systems, computers, and satellite dishes.

Cellular

Partner, cellular

- Owner of 16.156% of Scott County Cellular partnership.
- Serves parts of East and Middle Tennessee.
- Provides service to over 13,000 customers.

Mid-South Consulting Engineers, Inc.

Mid-South Consulting Engineers, Inc. has the expertise to offer to the Telecommunications Industry the ability to deliver expanded services for those clients that want to become "A Full Service Provider" or just to upgrade existing networks.

Mid-South has been a leader in applying electronic solutions to the rural telecommunications industry for 40 years. Our knowledge of this ever-changing industry allows Mid-South the flexibility to examine existing networks for the implementation of expanded services using the most economical methods possible. The combined knowledge of CATV and telephone experience can plan and engineer economical solutions for most any type of application desired.

- **System Design:** Mid-South has numerous design stations established to perform all designs for the telecommunications industry. Our designers work with the latest AutoCAD®, MicroStation®, and LODGE DATA® design programs to assure accuracy and quality in the design prints.
- **Performance Evaluations:** Mid-South can evaluate scenarios before the project ever reaches the construction phase. Once approved and the construction completed, Mid-South will oversee the final performance evaluation of the network to assure compliance with FCC guidelines.
- **System Staking or Walkout:** Mid-South employs sufficient manpower to conduct accurate staking/walkouts for any upgrade or new project in an expedient manner.
- **Cost Analysis:** With our extensive Vendor and Contractor contacts throughout the industry, Mid-South can perform cost analysis for most any project.
- **Technical Support:** Mid-South has professional and support engineers to assist in the proper planning and implementation of the architecture the client chooses.
- **On-Site Supervision:** Mid-South can provide an onsite supervisor to manage all aspects of the project to include, quality control, daily, weekly and monthly progress reports, selection of the contractor, tracking of the project and proper coordination of the project to meet the clients timetable.
- **Network Optimization:** Mid-South has the ability to take any network, upgrade, or new build application and optimize the optical links for the best possible distortion figures that apply to the architecture.
- **Optical Recommendations:** With the variety of optical vendor contacts Mid-South has established, we can recommend the required optical components necessary for any network.
- **Budgetary Scenario:** Mid-South can prepare a budget scenario based upon the information of the service area and the cost to construct the specific architecture on a per client basis. The budgetary quote will examine the demographics of the area and will reflect a five-year window for that service area.
- **Contract Negotiations:** Mid-South, at the clients request, will assist the client in obtaining the following; easement access routes, right of entries, easements for remotes and/or tower sites, evaluate contractors' bids, and assist in the preparation of required FCC and FAA documents.

David N. Hunt
Executive Vice President-Business Development
Mid-South Consulting Engineers, Inc.

Experience Overview

Executive Vice President-Business Development with Mid-South Consulting Engineers, Inc. with responsibility for business development, new technology planning, marketing of new services and network planning and design.

President of CommSult, a telecommunications consulting firm, providing planning services to local telephone companies for 2 years.

Vice President - Network Service with Shenandoah Telephone Company in Edinburg, Virginia for 4 years with responsibility for central office and cellular planning, engineering and operations, and outside plant engineering.

Manager with Southern Bell in Charlotte, North Carolina, with 18 years of managerial experience in special service and carrier installation and maintenance; special service circuit design; capital and expense budget preparation; planning and economic analysis of inter-office facility projects; and outside plant engineering. Participant in Southern Bell's Company-wide High Potential Development Program.

Employment Profile

3/98 – Present **Executive Vice President-Business Development (Mid-South Consulting Engineers, Inc.)**
Responsible for business development in markets such as Competitive Local Exchange Companies, Interexchange Carriers and Cable Television Companies. Responsible for planning the implementation of new technologies into existing client networks and maintaining existing client relationships.

5/94 – 3/98 **Vice President (Mid-South Consulting Engineers, Inc.)**
Responsible for new technology planning, marketing of new services and network planning and design for independent telephone companies, CATV companies and new service providers.

5/92 - 5/94 **President (Commsult)**
Independent Consultant providing services primarily to small independent telephone companies.

Shenandoah Telecommunications Company

5/88 - 5/92 **Vice President - Network Service (Shenandoah Telephone)**
Responsible for all telephone and CATV outside plant engineering, central office engineering and operations, technical support, and capital budget preparation. Primary responsibility for REA engineering matters.

5/88 - 5/92 **Vice President - Operations (Shenandoah Long Distance)**
Responsible for all operations of long distance subsidiary serving approximately 33% of access lines.

Southern Bell Telephone Company

- 5/88 - 5/92 **Vice President - Operations (Shenandoah Mobile)**
Responsible for all operations of mobile subsidiary providing paging, IMTS, mobile and voice mail services in our service area and adjacent markets.
- 2/90 - 5/92 **Vice President - Network Service (Virginia 10 RSA Limited Partnership)**
Responsible for planning, engineering and operations of cellular partnership, including roaming administration.
- 5/86 - 5/88 **Manager-Network Terminal Equipment Center**
Responsible for all aspects of Special Service, Carrier, Digital Cross-connect Systems, and Fiber Optic equipment Installation and Maintenance in the Metrolina Network Division, consisting of 34 Central Offices.
- 6/78 - 5/86 **Manager-Circuit Provisioning Center**
Responsible for Special Service Design and Project Coordination, including Central Office and PBX cutovers, for North Carolina. Major involvement in Divestiture efforts and TIRKSTM conversion in North Carolina.
- 8/75 - 6/78 **Manager-Network Capital and Expense Budgets**
Responsible for the Network Department's Capital Budget and Engineering Expense Budget. Supervised preparation for budget and force presentations for corporate management and was departmental coordinator for the Network Six Year Plan for North Carolina.
- 7/73 - 8/75 **Senior Engineer-Long Range Facility Planning**
Responsible for preparation of network design, economic studies, and project letter preparation for inter-office facility relief projects.
- 6/72 - 7/73 **Engineer-Outside Plant Engineering**
Responsible for supervision of Outside Plant Engineering group, including project planning and coordination.
- 6/70 - 6/72 **Management Assistant-Outside Plant Engineering**
Responsible for engineering, planning, and coordination for assigned wire center areas.
- 6/68 - 6/70 **Management Assistant-Outside Plant Engineering**
Responsible for assigned projects during the summer and breaks while attending college.

Education

Bachelor of Science in Electrical Engineering
North Carolina State University, 1970

Leadership Charlotte
Community Leadership Development Program, 1978
University of North Carolina at Charlotte

Young Executive Institute
Graduate School of Business Administration
University of North Carolina at Chapel Hill, 1988

JOEL O. WILLIAMS, P.E.
President
Mid-South Consulting Engineers, Inc.

EDUCATION

Bachelor of Science in Electrical Engineering from the University of North Carolina at Charlotte in July 1977

Radio Telephone Operator License: Second Class in June 1974

Associate of Arts from Central Piedmont Community College in Charlotte, North Carolina in June 1973

Extension of the University of Maryland in Mannheim, Germany
July 1969 - December 1969

U.S. Army Signal School at Ft. Monmouth, New Jersey
General Crypto Repairman, January 1968 - December 1968

PROFESSIONAL STATUS

Registered Professional Engineer in the States of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia

WORK EXPERIENCE

January 1987 to Present

President, CEO, Mid-South Consulting Engineers, Inc.

Responsible for general management, client relations, and marketing of company

January 1985 to January 1987

Vice President, Mid-South Consulting Engineers, Inc.

Responsible for all engineering operations of company

November 1977 to January 1985

Project Engineer, Mid-South Consulting Engineers, Inc.

Joined Mid-South in November 1977 as OSP Project Engineer. Worked as Project Engineer on Area Coverage Design for Randolph Telephone Company of Liberty, North Carolina, designed electronic concentrator plan for Ellerbe Telephone Company of Ellerbe, North Carolina, development of a fifteen-year long range plan for Yadkin Valley Telephone Membership Corporation in Yadkinville, North Carolina, and proposed and designed all work orders and cutting them over for a period of two years at ALLTEL South Carolina, Inc. in Lexington, South Carolina

Has designed numerous programs for cost studies, projections of subscribers, and other telephony projects. Has worked in all phases of telephone engineering, design, central office, carrier, outside plant, assignment, testing, etc.

August 1971 to November 1977

Craftperson, AT&T, Stanfield, North Carolina

Responsible for E-2 alarms, private line board, building, power, microwave and government radio and L-4 carrier.

Member of the following Engineering Organizations

Association of Communication Engineers
Eastern REA Borrowers Association (EBA)
IEEE
National Rural Telecom Association
National Society of Professional Engineers
National Telephone Cooperative Association
North Carolina Telephone Association
North Carolina Society of Professional Engineers
OPASTCO
Professional Engineers of North Carolina
Society of Cable Telephone Engineers, Inc. (SCTE)
South Carolina Telephone Association
USTA
Virginia Telecommunications Industry Association (VTIA)
West Virginia Telephone Association

Served in the U.S. Army in Germany and Vietnam

Eileen M Bodamer
415 Hepplewhite Drive
Alpharetta, GA 30022
EMBodamer@Mindspring.com

Voice: (770) 649-1886

Fax: (770) 645-6545

Experience:

3/96 - present

Senior Consultant / Principal, Cronin Communications Consultants, Alpharetta, GA
Provide consulting services to telephone companies, municipalities, and Internet Service Providers regarding various business and regulatory issues including long distance and local service resale, Competitive Local Exchange Services, Internet access, and regulated rate and cost calculations. Provide financial support to carriers in the investigation and resolution of carrier-to-carrier disputes. Responsible for sales to potential clients. Assist clients in preparing sales presentations and proposals.

Long Distance Resale and Competitive Local Exchange Carrier evaluation and implementation services.

- Research and quantify market demand and available vendors for potential target markets;
- Develop business model to determine five-year margin analysis;
- Coordinate selection of required vendors;
- Draft and / or negotiate contracts with vendors and ILECs;
- Develop pricing plans and marketing positions;
- Create and file applicable state and federal certifications and tariffs;
- Assist in development and presentation of marketing and training programs;
- Verify accuracy of vendor and customer invoices;
- Spearhead ongoing implementation issues including vendor coordination and issuance of ASRs

Extensive experience with tariffs and contracts for unbundled network elements / interconnection services.

Dispute Resolution Services: provide financial, regulatory and contract analysis on behalf of various clients to resolve disputes. Prepare support material, including testimony, as necessary to resolve.

Regulatory Services: Tariffs, state and federal certifications, costs studies, and testimony.

ISP Services: Develop business plans for the acquisition and expansion of Internet Service Providers.

Acquisition Support: Provide Due Diligence services for the acquisition of telephone and Internet properties in several states.

10/93 - 3/96

Ogden Telephone Company, Spencerport, New York
Network Services and Regulatory Affairs Manager

Provide solutions to major customers (Eastman Kodak, AT&T, MCI, Sprint, etc.) for service issues including network design objectives, pricing requests, and contract management.

Eileen M Bodamer

Monitor proceedings of the Rochester Telephone Open Market Plan. Develop and present extensive testimony defending Ogden Telephone's position in light of stipulations in that plan.

Prepare all tariff modifications and filings before state and federal commissions. Develop fully embedded, incremental, and marginal cost studies as needed.

6/86 - 10/93

Rochester Telephone Corporation, Rochester, New York

Senior Financial Analyst, Access Services

Serve as the financial and technical liaison between Rochester Telephone, Regulatory Commissions, and interexchange carriers for all network access services.

Design and implement pricing models for the evaluation of incremental and fully distributed service costs.

Prepare and file interstate access tariffs including the conversion from cost based rate making to "price caps" filing methodology.

Repair Service Forman, Network Customer Services

Direct 52 unionized and 2 management employees' processing of customer repair requests for approx. 500,000 customers in the Rochester Tel service territory.

Staff Assistant, Network Engineering and Operations

Provide staff support for Central Office operations.

3/85- 8/86

Programmer, E.I. DuPont de Nemours:

Evaluate Bar Coding equipment for use in automated manufacturing process. Interfaced new equipment to existing systems. Extensive programming usage.

Education:

9/89 - present

Master of Engineering - Industrial Engineering, Rochester Institute of Technology,
Rochester, NY Course work completed, final project pending GPA 3.9/4.0

9/87 - 2/89

Simon School of Management, University of Rochester, Rochester, NY
Classes in accounting, finance and statistics GPA 3.5/4.0

1/83 - 6/86

Bachelor of Science - Electrical Engineering, University of Rochester, Rochester, NY.
Minor in Computer Science

Testimony:

July, 1994

Submitted testimony on behalf of Ogden Telephone Company in the Rochester Telephone Open Market Plan. Testimony was subsequently withdrawn as part of the settlement of that case.

July, 1998

Submitted testimony on behalf of Host Communications in contract dispute with carrier. Testimony withdrawn following settlement.

December, 2001

Submitted testimony on behalf of Brandenburg Telecom, LLC in support of that ILEC-owned CLEC's arbitration petition against Verizon South

February, 2002

Submitted testimony on behalf of BTLLC and SCTelcom in those companies opposition to certain aspects of the AllTel acquisition of Verizon lines in Kentucky.

Exhibit I

MountaiNet

Small and Minority-owned Business Participation Plan

Small and Minority-owned Business Participation Plan

Pursuant to T.C.A. 65-5-212, as amended, MountaiNet Telephone Company, Inc. ("MountaiNet") submits this small and minority-owned Telecommunications business participation plan (the "Plan") along with its Application for a Certificate of Public Convenience and Necessity to provide competing intrastate and local exchange services in Tennessee.

I. Purpose

The purpose of 65-5-212 is to provide opportunities for small and minority-owned businesses to provide goods and services to Telecommunications service providers. MountaiNet is committed to the goals of 65-5-212 and to taking steps to support the participation of small and minority-owned Telecommunications businesses in the Telecommunications industry. MountaiNet will endeavor to provide opportunities for small and minority-owned Telecommunications businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, MountaiNet will make efforts to identify and inform minority-owned and small businesses that are qualified and capable of providing goods and services to MountaiNet of such opportunities. MountaiNet will seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

II. Definitions

As defined in 65-5-212.

Minority-Owned Business: Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000).

Small Business: Small business shall mean a business with annual gross receipts of less than four million dollars (\$4,000,000).

III. Administration

MountaiNet's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting MountaiNet's full efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

Blane R. Clark
MountaiNet Telephone Company, Inc.
PO Box 488, 121 Woodland Street
Gate City, VA 24251.
Telephone number (540) 452-7237; fax (540) 452-5974

The Administrator's responsibilities will include:

1. Maintaining an updated Plan in full compliance with 65-5-212 and the rules and orders of the Tennessee Regulatory Authority.
2. Establishing and developing policies and procedures necessary for the successful implementation of the Plan.
3. Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates.
4. Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in 65-5-212.
5. Searching for and developing opportunities to use small and minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.
6. Providing records and reports and cooperating in any authorized surveys as required by the Tennessee Regulatory Authority.
7. Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.
8. Providing information and educational activities to persons within MountaiNet and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

III. Administration (continued)

In performance of these duties, the Administrator will utilize a number of resources, including:

- Chambers of Commerce
- The Tennessee Department of Economic and Community Development
- The United States Department of Commerce
- Small Business Administration
- Office of Minority Business
- The National Minority Supplier Development Counsel
- The National Association of Women Business Owners
- The National Association of Minority Contractors
- Historically Black Colleges, Universities, and Minority Institutions

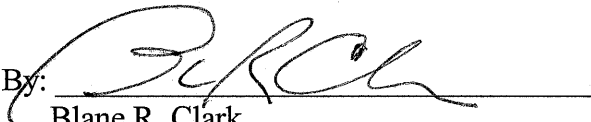
The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

IV. Records and Compliance Reports

MountaiNet will maintain records of qualified small and minority-owned business and efforts to use the goods and services of such businesses. In addition, MountaiNet will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan.

MountaiNet will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, MountaiNet will cooperate fully with surveys and studies required by the Tennessee Regulatory Authority.

MountaiNet Telephone Company, Inc.

By: 
Blane R. Clark
Executive Vice President

Dated: April 16, 2002

Exhibit J

MountaiNet

Toll Dialing Parity Plan

MountaiNet Telephone Intends to offer IntraLATA Toll Dialing in parity with the incumbent local exchange carriers. Its plan for such implementation is outlined below:

1. The company will provide intraLATA toll dialing parity pursuant to FCC Order 96-333, 38 upon the first day that it begins its operations. Dialing parity will be available in all exchanges in which the company offers service.
2. Customers that migrate existing services will be permitted to keep their existing toll carrier subject to that carrier establishing interconnection with MountaiNet's network. New customers will be given the option to choose their long distance carrier through knowledge of that carrier or by choosing from a random list of toll carriers provided to the customer when placing the service order.
3. IntraLATA toll dialing parity will be handled in the same way that interLATA parity is provided. Subscribers will be given the option of choosing from an available list of providers that have authorized the Applicant to quote their availability, by contacting the subscriber's chosen carrier directly and requesting that the carrier request the PIC change, or by choosing the "no-PIC" option. The Applicant does not anticipate that it will assign any of its subscribers to an intraLATA provider without the customer's approval or request including that of its own company.
4. MountaiNet will deploy a two-PIC option.
5. Upon establishing service with MountaiNet, customers will be informed about the availability of toll providers that serve MountaiNet Telephone Company subscribers.
6. The Applicant proposes to offer service in Tennessee LATAs 470 and 474 and will provide intraLATA and interLATA calling according to existing LATA boundaries.
7. The Applicant does not propose to waive PIC change charges. Customers that select a PIC at the time an order is placed will not be billed an additional fee for the selection of intraLATA and interLATA carrier.
8. MountaiNet will make PIC-freeze and other anti-slamming tools available upon request to subscribers. In addition, the Applicant will include and enforce slamming penalties designed to discourage slamming by the carriers.
9. MountaiNet will provide nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listings.
10. MountaiNet will comply with all rules of the FCC and the TRA.

Exhibit K

MountaiNet

Companies Served

On this 17th day of April, 2002, notice of the foregoing application of Mountain Telephone Company of its intent to provide service was served by first-class mail on the following:

Ardmore Telephone Company, Inc.
P O Box 549
517 Ardmore Avenue
Ardmore, TN 38449

BellSouth
333 Commerce Street
Nashville, TN 37201-3300

Century Telephone of Adamsville
P O Box 405
116 N. Oak Street
Adamsville, TN 38310

Century Telephone of Claiborne
P O Box 100
507 Main Street
New Tazewell, TN 37825

Century Telephone of Ooltewah-Collegedale, Inc.
P O Box 782
5616 Main Street
Ooltewah, TN 37363

Citizens Communications Company of Tennessee
P O Box 770
300 Bland Street
Bluefield, WV 24701

Citizens Communications Company of the
Volunteer State
P O Box 770
300 Bland Street
Bluefield, WV 24701

Loretto Telephone Company, Inc.
P O Box 130
Loretto, TN 38469

Millington Telephone Company, Inc.
P O Box 429
4880 Navy Road
Millington, TN 38083-0429

Sprint-United
112 Sixth Street
Bristol, TN 37620

TDS Telecom-Concord Telephone Exchange, Inc.
P O Box 22610
701 Concord Road
Knoxville, TN 37933-0610

TDS Telecom-Humphreys County Telephone
Company
P O Box 552
203 Long Street
New Johnsonville, TN 37134-0552

TDS Telecom-Tellico Telephone Company, Inc.
P O Box 9
102 Spence Street
Tellico Plains, TN 37385-0009

TDS Telecom-Tennessee Telephone Company
P O Box 18139
Knoxville, TN 37928-2139

TEC-Crockett Telephone Company, Inc.
P O box 7
Friendship, TN 38034

TEC-People's Telephone Company, Inc.
P O Box 310
Erin, TN 37061

TEC-West Tennessee Telephone Company, Inc.
P O Box 10
244 E. Main Street
Bradford, TN 38316

United Telephone Company
P O Box 38
120 Taylor Street
Chapel Hill, TN 37034

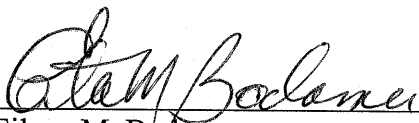

Eileen M. Bodamer

Exhibit L

MountaiNet Telephone Company

Numbering Issues Statement

In support of its Application, MountaiNet provides the following information on numbering issues.

1. MountaiNet expects that it will require 3 NXXs within one year of its proposed service. These NXXs will be exclusively in the rate centers of the Tri Cities area.
2. The company may require the deployment of additional NXXs based on the rate centers it later seeks to serve but does not intend to request more than the number of NXXs indicated in item 1 for the foreseeable future.
3. The Company anticipates establishing its footprint in the 423 NPA.
4. MountaiNet Telephone will assign numbers consistently with sound assignment practices and accordingly, will assign numbers randomly within an NXX with an exception for those business customers requesting groups of numbers.
5. In order to conserve Tennessee numbering resources, the company intends to port numbers wherever feasible reducing the need for redundant assignments.
6. MountaiNet will request the assignment of new NXXs when its utilization has reached 65%.

Exhibit M

MountaiNet Telephone Company

Sworn Pre-Filed Testimony

**BEFORE THE
TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

**APPLICATION OF MOUNTAINET TELEPHONE COMPANY
FOR A CERTIFICATE TO PROVIDE
COMPETING LOCAL TELEPHONE
SERVICES**

Pre-Filed Testimony of Blane R. Clark, Executive Vice President

I, Blane R. Clark, do hereby testify as follows in support of the application of Mountainet Telephone Company for a Certificate of convenience and necessity as a competing telecommunications services provider to provide telecommunication services throughout the State of Tennessee.

Q: Please state your full name, business address, and position.

A: My name is Blane R. Clark and I am Executive Vice President of Mountainet Telephone Company. My contact information is as follows: PO Box 488, 121 Woodland Street, Gate City, VA 24251. Telephone number (540) 452-7237; fax (540) 452-5974

Q: Please briefly describe your duties.

A: I am responsible for all Mountainet operations from sales to service to business implementation and am the sole member of my organization with direct accountability to my parent company. I supervise directly or indirectly 16 employees and the extensive number of contract service providers that have and will support the local exchange operation.

Q: Please describe your business experience and educational background.

A: I have employed by Mountainet since 1995. During my tenure with the Company, I have had increasing levels of responsibility for the company's network deployment and overall business development of Mountainet's product lines including internet services, long distance and local telephone network administration for both Mountainet and its parent company, Scott County Telephone.

Q: Are all statements in Mountainet Telephone Company's certification true and correct to the best of your knowledge, information and belief?

- A: Yes. All statements in MountaiNet Telephone Company's certification true and correct to the best of my knowledge, information and belief.
- Q: Please describe the current corporate structure of MountaiNet Telephone Company
- A: MountaiNet Telephone Company is a subsidiary of MountaiNet, Inc. MountaiNet, Inc. is owned by Scott County Telephone Cooperative. Scott County Telephone is incorporated as cooperative telephone company and is therefore owned by members meeting eligibility requirements pursuant to its bylaws.
- Q: Does MountaiNet Telephone Company possess the requisite managerial, financial, and technical abilities to provide the services for which it has applied for authority?
- A: MountaiNet Telephony Company has the managerial and technical ability to render local exchange services. The Company will leverage the managerial and technical experience of its key staff members and contractual arrangements with its various vendors to offer competitive local exchange services. In addition to the long history of providing local exchange by its parent company Scott County Telephone MountaiNet intends to utilize the business and technical experience of its own key officers and vendors for ongoing support services.
- Q: Please describe MountaiNet Telephone Company's financial qualifications.
- A: MountaiNet Telephone Company is a subsidiary of MountaiNet, Inc., which in turn is a wholly owned subsidiary of Scott County Telephone Cooperative. The company has extensive financial resources in its local exchange operations, its cellular holdings, and its growing internet and long distance operations. In addition, the company has recently signed an agreement with a major service provider for network infrastructure that it anticipates will increase its efficient utilization of fixed assets necessary to support the Tennessee operations.
- Q: Please describe MountaiNet Telephone Company's managerial and technical qualifications.
- A: MountaiNet Telephone Company is a subsidiary of MountaiNet, Inc., a subsidiary of Scott County Telephone Company. Scott County Telephone is an incumbent local exchange carrier serving 6,200 access lines along the Virginia – Tennessee border in Scott County VA. Scott County has a 51-year tradition of providing high quality telephone services to its members. While MountaiNet will operate as a separate subsidiary from Scott County, many of its operating functions are provided under contract with Scott County. Its key directors have extensive telephone experience primarily at Scott County Telephone.

Q: What services will MountaiNet Telephone Company offer?

A: MountaiNet plans to offer a wide variety of local exchange services to both residential and business subscribers in Tennessee. The company will provide basic access line service, PBX and Centrex service, high-speed data, calling features, and directory services and additional telecommunications services as may be warranted in response to market demand. The Applicant will also provide those services required under Chapter 220-4-8.04 (3) (6) (2), including 911 access.

Q: Will MountaiNet Telephone Company offer service to all consumers within its service area?

A: Yes. The company will serve all consumers within its service area in a non-discriminatory manner.

Q: Does MountaiNet Telephone Company plan to offer local exchange telecommunications services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines?

A: MountaiNet Telephone Company intends to initially offer its services throughout the State of Tennessee in areas currently served by BellSouth and Sprint/United that are designated as open to competition. Marketing efforts will be initially concentrated in those markets in which the Applicant already has established name recognition through its Internet and long distance services.

Q: Will the granting of a certificate of convenience and necessity to MountaiNet Telephone Company serve the public interest?

A: Yes. Granting of a certificate of convenience and public necessity will increase the availability of telecommunications services in Tennessee and serve the public interest by providing high quality competitively priced services.

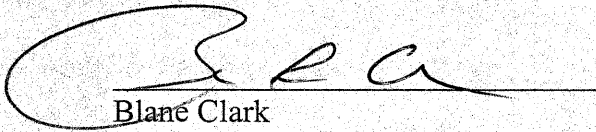
Q: Does MountaiNet Telephone Company intend to comply with all TRA rules, statues, and orders pertaining to the provision of telecommunications services in Tennessee, including those for disconnection and reconnection of service?

A: Yes. MountaiNet Telephone Company intends to comply with all TRA rules, statues, and orders pertaining to the provision of telecommunications services in Tennessee, including those for disconnection and reconnection of service.

Q: Has any state ever denied MountaiNet Telephone Company or one of its affiliates authorization to provide intrastate service?

- A: No. Neither MountaiNet nor any of its affiliates has ever been denied authorization to offer intrastate services.
- Q: Has any state ever revoked the certification of MountaiNet Telephone Company or one of its affiliates?
- A: No. No state has ever revoked the certification of MountaiNet Telephone Company or one of its affiliates.
- Q: Has MountaiNet Telephone Company or one of its affiliates ever been investigated or sanctioned by any regulatory authority for service or billing irregularities?
- A: No. Neither MountaiNet Telephone Company nor any of its affiliates has ever been investigated or sanctioned by any regulatory authority for service or billing irregularities.
- Q: Who is knowledgeable about MountaiNet Telephone Company's operations and will serve as MountaiNet Telephone Company's regulatory and customer service contact?
- A: Routine service inquiries will be handled by personnel from Scott County Telephone Cooperative under service arrangements with MountaiNet Telephone. All regulatory issues and customer issues that cannot be resolved by Scott County Telephone will be referred to the executive director's office.
- Q: Please explain in detail MountaiNet Telephone Company's proposed procedures for responding to information requests from the TRA and its staff.
- A: All staff and TRA information requests can be directed to me at:
- Mr. Blane R. Clark, Executive Vice President
PO Box 488, 121 Woodland Street
Gate City, VA 24251.
Telephone number (540) 452-7237; fax (540) 452-5974
- Q: Does this conclude your testimony?
- A: Yes it does.

I swear that the foregoing testimony is true and correct to the best of my knowledge.



Blane Clark
Executive Vice President
MountaiNet Telephone Company

Subscribed and sworn to me this 15 day of April, 2002.

Notary Public

State of Virginia

County of Scott

My commission expires 6/30/2003



Attachment N

MountaiNet Telephone Company

Tennessee Specific Issues

1. Compliance with TCA §65-21-114

MountaiNet acknowledges its requirement to provide toll-free calling within a county. Capability will be inherent in the switch and has been verified with the vendors currently under evaluation. We are currently doing so in Virginia under agreement with Sprint and will do the same in Tennessee.

See question 2.

2. Tennessee County Wide Calling Database

MountaiNet is aware of the Tennessee County Wide Calling database and will comply with procedures as necessary to enter MountaiNet assigned numbers in the database.

3. Local Calling Areas

MountaiNet Telephone is aware of the local calling areas provided by the Incumbent Local Exchange Carriers in all the areas it intends to provide service.

4. Metro Calling

The determination of the metro calling areas will be established in the company's switch as a class of service. This will allow the Applicant to insure that no toll charges will be billed for such calls.

5. TRA Contact for Consumer Issues

In the event of a complaint or inquiry by a consumer to the TRA, the appropriate contact person at MountaiNet Telephone Company is as follows:

Mr. Blane R. Clark, Executive Vice President
PO Box 488, 121 Woodland Street
Gate City, VA 24251.
Telephone number (540) 452-7237; fax (540) 452-5974

6. Telemarketing

MountaiNet does not intend to telemarket its local exchange services to its subscribers. Should it decide to do so at a future date, however, MountaiNet will utilize outside vendors and will require those vendors to comply with statutes and regulations §65-4-401 *et seq.* and chapter 1220-4-11.