

TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

July 16, 2008

Covista, Inc.
4803 Highway 58
Chattanooga, Tennessee 37416

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED
70042510000637676310

RE: Surety Bond or Irrevocable Letter of Credit Mandated by Tenn. Code Ann. § 65-4-125(j)
Covista, Inc. Company ID 115555

To Whom It May Concern:

Tenn. Code Annotated § 65-4-125(j) requires telecommunications service providers such as Covista, Inc. 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 June 13, 2008, the Authority received a cancellation notice from Platte River Insurance Company indicating the bond (no. 41052407) for Covista, Inc. would be cancelled according to the cancellation provision in the bond. Once the bond is cancelled, Covista, Inc. 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 July 30, 2008. Otherwise, this item will be placed on the August 11, 2008 agenda for Authority action.

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

Sincerely,

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.

Dee Audrain - Covista Letter for Docket File

From: Lisa Foust
To: Audrain, Dee
Date: 7/17/2008 9:40 AM
Subject: Covista Letter for Docket File

Dee,

The docket no. for the Covista letter is 03-00459.

Thanks,
Lisa