



RECEIVED
2006 AUG -7 AM 11:18
T.R.A. DOCKET ROOM

US LEC Corp.
Morrocroft III
6801 Morrison Blvd.
Charlotte, North Carolina 28211
704.319.1000
www.uslec.com

August 4, 2006

Attn: Darlene Standley
C/O Mr. Ron Jones, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Re: Docket No. 06-00181, US LEC of Tennessee Inc.

Dear Chairman Jones:

In accordance with Ms. Darlene Standley's July 12, 2006 letter regarding tax equity payments made to US LEC of Tennessee Inc. (US LEC) and from prior discussions with Mr. Roger Knight, US LEC of Tennessee Inc. plans to continue the flow through of the reduction of the End User Access charges in its tariff TRA No. 1, sections 6.1 and 6.2 to offset the payment received via check from the State of Tennessee in the amount of \$105,677.64. Enclosed is a table to track past and current year reductions.

The rates in the existing tariff will be maintained at \$0.000 for the next year to compensate consumers for the tax equity payment. In prior reporting years, because of the reduction of End User Access charges, US LEC has forgone revenues in the state of Tennessee that far exceed the Required Reduction.

Note that US LEC has marked the enclosed table as **Confidential** since the data provided to the TRA is considered non-public confidential information compiled from multiple sources, available in parts only to select employees of US LEC Corp., maintained under password and passkey restrictions, and held within the secured offices of US LEC Corp. The information may be used and released to the public only as a part of aggregated reporting by the TRA that does not specifically identify the detailed information reported by US LEC.

If you have additional questions, please contact me at (704) 319-1476 or egriffin@uslec.com.

Sincerely,

Edward H. Griffin
Regulatory Manager

Enclosure