

Catherine Wang  
Brett P. Ferenchak  
Phone: (202) 424-7500  
Fax: (202) 424-7647  
catherine.wang@bingham.com  
brett.ferenchak@bingham.com  
Our File No.: 4249680007

Bingham McCutchen LLP  
Suite 300  
3000 K Street NW  
Washington, DC  
20007-5116  
202.424.7500  
202.424.7647 fax  
  
bingham.com  
  
Boston  
Hartford  
London  
Los Angeles  
New York  
Orange County  
San Francisco  
Silicon Valley  
Tokyo  
Walnut Creek  
Washington

August 29, 2006

filed electronically in Docket Office on 8/31/06

**By Overnight Mail**

Chairman Sara Kyle  
Tennessee Regulatory Authority  
c/o Sharla Dillon, Dockets and Record Manager  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

**Re: Docket No. 06-00202: Joint Petition of Cleartel Communications, Inc.,  
IDS Telecom Corp., and NOW Communications, Inc. for Approval a  
Certain Financing Arrangements  
SUPPLEMENTAL RESPONSE TO DATA REQUEST NO. 1**

Dear Chairman Kyle:

On behalf of Cleartel Communications, Inc., IDS Telecom Corp., and NOW Communications, Inc. (collectively, "Petitioners"), enclosed for filing are an original and four (4) copies of Petitioner's supplemental response to Data Request No. 1. Also enclosed is a diskette with an electronic copy of this filing.

Please date-stamp the enclosed extra copy of this filing and return it in envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact me.

Respectfully submitted,

*Brett P Ferenchak*

Catherine Wang  
Brett P. Ferenchak

Enclosure

cc: Carlos Black (TRA) (via email)

**BEFORE THE  
TENNESSEE REGULATORY AUTHORITY**

|  |   |                     |
|--|---|---------------------|
| In the Matter of the Joint Petition of | ) |                     |
|  | ) |                     |
| <b>Cleartel Communications, Inc.,</b>  | ) | Docket No. 06-00202 |
| <b>IDS Telecom Corp.</b>               | ) |                     |
| and                                    | ) |                     |
| <b>NOW Communications, Inc.</b>        | ) |                     |
|  | ) |                     |
| for Approval of Certain Financing      | ) |                     |
| Arrangements                           | ) |                     |
|  | ) |                     |

**SUPPLEMENTAL RESPONSE TO DATA REQUEST NO. 1**

Cleartel Communications, Inc. (“CCI”), IDS Telecom Corp. (“IDS”), and NOW Communications, Inc. (“NOW”) (CCI, IDS, and NOW collectively, “Petitioners”), by undersigned counsel, provide the following supplemental responses to the Tennessee Regulatory Authority’s (“TRA”) Data Request No. 1:

- 4. Also on Page 5 of the Joint Petition, it states that Petitioners intend to use the proceeds of the combined funding of up to \$125 million to provide working capital and for the transactional costs associated with an asset acquisition. Provide the TRA with information regarding the above-referenced asset acquisition.**

CCI, through two subsidiaries, is in the process of acquiring the assets of Supra Telecommunications and Information Systems, Inc. (“Supra”), a competitive local exchange carrier that operates primarily in Florida and New York. Specifically, CCI and Supra have entered into an Asset Purchase Agreement dated July 24, 2006 whereby CCI will acquire all of the operations, customers, and other assets of Supra. The Florida assets will be assigned to CCI’s newly created subsidiary, Supra Telecommunications and Information Systems

Acquisition Corp. ("Supra Acquisition"), and the New York assets will be assigned to CCI's existing subsidiary, Cleartel Telecommunications, Inc. ("CTI"). Neither Supra, Supra Acquisition, nor CTI are authorized to provide telecommunications services in Tennessee.

**5. Provide the most recent independently audited balance sheet and operating statement of revenues for Cleartel Communications, Inc.**

Please see the response provided to Question 4 of Petitioner's original response to Data Request No. 1 and confidential Exhibit B attached thereto.

Respectfully submitted,



Catherine Wang  
Brett P. Ferenchak  
Bingham McCutchen LLP  
3000 K Street, N.W., Suite 300  
Washington, D.C. 20007-5116  
Tel: (202) 424-7500  
Fax: (202) 424-7647  
Email: catherine.wang@bingham.com  
brett.ferenchak@bingham.com

Counsel for Petitioners

Dated: August 29, 2006