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September 14, 2006

**VIA ELECTRONIC MAIL**  
**& U.S. MAIL FIRST CLASS**

Ms. Sharla Dillon  
Docket Room Manager  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

filed electronically in docket office on 09/14/06

Re: **Docket 06-00221: Responses to Data Request No. 1 -- Joint Application for Approval to Transfer Control of US LEC of Tennessee Inc. and for US LEC of Tennessee Inc. and PAETEC Communications, Inc. to Participate in Related Debt Financing Arrangements**

Dear Ms. Dillon:

Enclosed for filing in the above referenced docket are the responses of US LEC Corp. and PAETEC Corp. (together, the "Applicants") to Data Request No. 1, issued by the Competitive Markets & Policy Division by letter dated September 7, 2006 ("Data Request No. 1"). An original and four (4) copies of this filing are enclosed. Also enclosed is a disk containing an electronic copy of this filing formatted as a .pdf file. Please date-stamp the extra copy of this filing, and return it to us in the enclosed self-addressed stamped envelope.

In the responses below, the numbered paragraphs correspond to the questions as numbered in Data Request No. 1.

**1. Have the applicants filed similar applications or notices in other states? If so, provide a listing of states and action taken.**

Response: Applicants have filed applications for regulatory approval (or such other regulatory authority required) of the proposed transfer of control and/or the incurrence of debt obligations in the following jurisdictions: California, Delaware, the District of Columbia, Georgia, Indiana, Louisiana, Minnesota, Mississippi, New Jersey, New York, Ohio, Pennsylvania, Texas, Virginia, West Virginia, and Wyoming. As of this date, no action has been taken on any of these applications.

Applicants have filed or will file notice of the proposed transfer of control in the following jurisdictions: Alabama, Connecticut, the District of Columbia, Indiana, Massachusetts, Nebraska, Nevada, New Hampshire, South Carolina, South Dakota, and Wisconsin. In addition, Applicants have filed notice in Kentucky of the proposed transfer of control and the incurrence of debt obligations and PAETEC will file notice in Rhode Island of the incurrence of debt obligations.

**2. Have the applicants filed a similar application with the FCC or other federal agency? If so, list any action taken and the associated file(s) or document number(s). If a schedule to complete the review of your application has been established by any federal agency, provide such with your response.**

Response: Applicants have filed applications at the Federal Communications Commission ("FCC") for approval of the proposed transfer of control. As of this date, no action has been taken by the FCC on any of the applications filed. In the International Bureau, the applications have been assigned file numbers ITC-T/C-20060901-00412, ITC-T/C-20060901-00413, and ITC-T/C-20060901-00414. In the Wireline Competition Bureau, the application has been designated as WC Docket No. 06-171. Applicants have not filed a similar application with any other federal agency.

**3. Provide the number of customers that US LEC of Tennessee Inc. ("US LEC-TN") currently has in Tennessee.**

Response: Attached hereto as Exhibit A is US LEC's response to Question 3. Exhibit A is filed under seal in the attached envelope marked "**CONFIDENTIAL.**" Exhibit A and the information therein contain commercially sensitive information regarding US LEC's Tennessee operations that is confidential, proprietary, and non-public information ("Confidential Information"). Disclosure of the Confidential Information would have a deleterious effect with respect to US LEC's competitive position, specifically as to its operations in the Tennessee communications marketplace. Disclosure of the Confidential Information would provide competitors with inside information about US LEC's Tennessee operations that would otherwise not be available to them. US LEC therefore requests that Exhibit A provided to the Authority be treated as confidential during and after the proceedings in the above-captioned matter.

**4. Will any Tennessee assets be pledged as collateral for any debt issued? Is so, name the particular asset(s), the value of the assets, and the percentage of each particular asset(s) pledged.**

Response: Attached hereto as Exhibit B is US LEC's response to Question 4. Exhibit B is filed under seal in the attached envelope marked "**CONFIDENTIAL.**" Exhibit B and the information therein contain commercially sensitive information regarding US LEC's Tennessee operations that is confidential, proprietary, and non-public information ("Confidential Information"). Disclosure of the Confidential Information would have a deleterious effect with respect to US LEC's competitive position, specifically as to its operations in the Tennessee communications marketplace. Disclosure of the Confidential Information would provide

competitors with inside information about US LEC's Tennessee operations that would otherwise not be available to them. US LEC therefore requests that Exhibit B provided to the Authority be treated as confidential during and after the proceedings in the above-captioned matter.

PAETEC will not pledge any Tennessee assets as collateral for any debt issued.

\* \* \* \*

Should you have any questions with respect to this matter, please do not hesitate to contact us.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tony S. Lee", with a long horizontal flourish extending to the right.

Tony S. Lee  
Grace R. Chiu

cc: Terry J. Romine (US LEC)  
JT Ambrosi (PAETEC)

**EXHIBIT A**

**Response to Question 3**

**FILED UNDER SEAL**

**EXHIBIT B**

**Response to Question 4**

**FILED UNDER SEAL**