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

RE: Operator Service Company, LLC
Docket No. 06-00236: Application for Transfer of Control
Response to Staff Data Request No. 1

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

Dear Ms. Dillon:

Enclosed are the original and thirteen (13) copies of the response to Staff's Data Request No. 1 submitted on behalf of Operator Service Company, LLC in the above-referenced proceeding.

To keep our records complete, please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this correspondence in the self-addressed stamped envelope enclosed for this purpose.

Any questions you may have regarding this notice may be directed to my attention at (407) 740-3004 or via e-mail to morton@tminc.com. Thank you for your assistance.

Sincerely,

Robin Norton
Consultant to OSC

Enclosure

cc: Jill Froman, OSC
cc: Scott DeNardo, INFONXX
file: OSC - TN
tms: TNo0601c

DOCKET NO. 06-00236
APPLICATION OF OPERATOR SERVICE COMPANY, LLC
FOR TRANSFER OF CONTROL

RESPONSE TO STAFF DATA REQUEST NO. 1

1. The Application states that "...it may be necessary for the parties to close the transaction prior to Commission approval of the instant Application." Have the applicants already consummated the transaction?

Response: Yes. Operator Service Company, LLC ("OSC" or "Applicant") is a certificated reseller in Tennessee and forty-eight other states. However, only a very small portion of OSC's gross revenues, approximately four percent, is derived from regulated telecommunications services. In fact, OSC had less than \$10 in Tennessee intrastate regulated revenues in 2005. Time is of the essence as both parties to the transaction operate in a highly competitive business environment. As a result, it would impose significant competitive hardship on the companies if they were not able to combine operations in a rapid and efficient matter. Specifically, the customers of Sellers' non-regulated services may go elsewhere if they do not obtain a timely substitute as Sellers prepare to exit that business. In addition, the inability to combine operations rapidly and efficiently would jeopardize the Buyer's ability to place bids on Requests for Proposals (RFPs), which are a critical part of building a successful business in this market segment. Specifically, without the ability to combine in a timely manner, it would have been impossible to bid on RFPs while the transaction was pending, which would potentially jeopardize these vital accounts.

Because of these and other commercial exigencies, it was necessary for Sellers and Buyer to consummate the transaction prior to Commission action on the instant Application. Applicant respectfully notes that many states as well as the FCC have adopted streamlined procedures regarding such transactions between and among competitive carrier for the reasons cited above. Until recently, the TRA typically declined to issue rulings on multi-state transactions such as this one. Therefore, OSC has specifically requested that any applicable Commission rules be waived. A waiver will not harm the public interest as there are negligible regulated operations involved. As an operator service provider, OSC does not have any presubscribed customers. This transaction was transparent to users of OSC's operator-assisted services, as there was no change to the Company's name, rates, terms or conditions of service; the customer service number remains the same and service was not affected.

2. If the applicants have not already consummated the transaction, has a date been set by which the transaction will be consummated?

Response: The transaction was closed on September 13, 2006.

3. Please file a copy of the Purchase Agreement.

Response: The Purchase Agreement is being filed separately, under seal.

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

Response: Most states request either notification only, or have no filing requirements at all for transfers of control. Following is a list of the remaining states in which petitions for approval are pending, and the status of those filings.

Hawaii – Comment period ends Oct. 4; Commission typically issues an order declining to rule.

Louisiana – Commission issued acknowledgment letter stating that filing was taken as informational only, in accordance with pending rule revisions.

Minnesota – filing under review.

Mississippi – filing under review.

Nebraska – filing under review.

New York – automatic 90 day approval; no order issued.

Pennsylvania – filing under review.

West Virginia – Staff recommendation to approve issued; awaiting order.

5. Have the applicants filed similar applications 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 petition has been established by the federal agency, please provide such with your response.

Response: FCC Wireline Competition Bureau – Public Notice issued September 26, 2006; automatically effective October 27, 2006. ITC-T/C-20060911-00429

FCC International Bureau – Public Notice issued September 22, 2006; automatically effective October 6, 2006. DN 06-175