



WILLIAMS MULLEN

PAID T.R.A.	
Chk #	347413
Amount	25.00
Rcvd By	SS
Date	12/20/06

December 18, 2006

VIA OVERNIGHT DELIVERY

Chairman Pat Miller
c/o Sharla Dillon, Docket Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

06-00318

Re: Joint Petition of TelCove of Nashville, L.P. and TelCove of Operations, Inc.

Dear Ms. Dillon:

Please find enclosed for filing the Joint Petition TelCove of Nashville, L.P. and TelCove Operations, Inc. For Grant of the Authority to Complete a *Pro Forma* Reorganization, including the Assignment of Assets and Customers, Surrender of Operating Authority in Tennessee and a Change in the Name of an Authorized Carrier. Also enclosed is a check in the amount of \$25 to cover the required filing fee.

An original and thirteen (13) copies of this filing are enclosed. Please date-stamp and return the extra copy of this filing in the enclosed self-addressed, stamped envelope. Questions regarding this filing may be addressed to the undersigned at 703-760-5200.

Respectfully submitted,

Edward S. Quill, Jr.
Brian McDermott

Counsel for TelCove Operations, Inc.

cc: Charles B. Welch, Jr.

A Professional Corporation

In the Matter of the Petition of

TelCove of Nashville, L.P.

and

TelCove Operations, Inc.

For Grant of the Authority to Complete a
Pro Forma Reorganization, Including the
Assignment of Assets and Customers,
Surrender of Operating Authority and Change
in the Name of an Authorized Carrier

Docket No. _____

I. Introduction

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reorganization will be seamless to customers in terms of the services that those customers receive.

In connection with the proposed reorganization, all of the assets of TelCove-Nashville, including the assets and customers in Tennessee, will be transferred, on a *pro forma* basis, to TelCove-Operations, an entity that is already authorized to operate in Tennessee. Petitioners' also request authority to change TelCove-Operations' name from TelCove Operations, Inc. to TelCove Operations, LLC. The proposed reorganization will not affect the services that Petitioners' customers receive and immediately following the transaction existing customers will continue to receive service under the TelCove brand name. Petitioners will have access to the same technical, managerial and financial qualifications in connection with the services they provide in Tennessee. Therefore, the proposed reorganization will not have any adverse impact on Tennessee customers. Petitioners respectfully request that the Authority grant any required approval needed to complete the proposed reorganization as soon as possible.

In support of this Petition, Petitioners further state as follows:

II. Description of Petitioners

TelCove-Operations is a corporation organized and existing under the laws of the State of Delaware. TelCove-Operations is a direct, wholly owned subsidiary of Eldorado Acquisition Three, LLC ("Eldorado"), which is ultimately and indirectly owned by Level 3 Communications, Inc. In Tennessee, TelCove-Operations is authorized to provide local exchange and interexchange telecommunications services pursuant the Authority's Order to Docket No. 98-00732, as amended by Docket Nos. 00-00271 and 03-00458. TelCove-Operations holds authority to operate in seventeen states including Tennessee, and through its corporate parent Eldorado, TelCove-Operations is authorized by the Federal Communications Commission to

provide interstate and international services.

TelCove-Nashville is a sister corporation to TelCove-Operations, which is also a direct wholly owned subsidiary of Eldorado, and ultimately and indirectly owned by Level 3 Communications, Inc. TelCove-Nashville is a Delaware corporation. TelCove-Nashville is authorized by the FCC to provide domestic interstate services as a non-dominant carrier and is authorized in Tennessee to provide resold local exchange and interexchange telecommunications services pursuant to Docket No. 94-00661, as amended by Docket Nos. 00-00958 and 03-00458.

Petitioners' place of business is located at 121 Champion Way, Canonsburg, Pennsylvania 15317. Illustrative charts showing the structure of TelCove's Tennessee operations before and after the proposed transactions are provided in **Exhibit A**.

III. Contact Information

Questions or inquiries concerning this Petition may be directed to:

Edward S. Quill, Jr.
Brian McDermott
Williams Mullen
8270 Greensboro Drive, Suite 700
McLean, VA 22102
Telephone: (703) 760-5200
Facsimile: (703) 748-0244
Email: EQuill@williamsmullen.com
BMcDermott@williamsmullen.com

With copies to:

Michael Donahue
Level 3 Communications
2300 Corporate Park Drive
Suite 600
Herndon, VA 20171
Telephone: (703) 234-8891
Facsimile: (703) 234-8830
Email: Michael.Donahue@Level3.com

IV. Description of the *Pro Forma* Reorganization

In order to streamline and better organize the business and operations of the TelCove companies, Petitioners propose to complete a series of *pro forma* transactions whereby most of TelCove's business, including all of its operations within Tennessee, will be consolidated within a single operating entity, TelCove-Operations. Specifically, Petitioners propose to complete a series of intra-corporate transactions through which TelCove-Nashville's business in Tennessee, including all of its Tennessee assets and customers will be transferred to TelCove-Operations, which will become the sole TelCove operating company in Tennessee. Upon consummation of the transaction, Petitioners request that the certificate of TelCove-Nashville be surrendered and its applicable tariff be withdrawn.

The proposed reorganization includes the conversion of TelCove-Operations from a corporation to a limited liability company. Under controlling Delaware law, the conversion of a corporation to a limited liability company automatically relates back to the formation of the entity. *See* Del. Code § 266(h). As a result, the proposed conversion will not result in any assignment of TelCove-Operation's operating authority, customers or assets in Tennessee and TelCove-Operations will continue to hold its Tennessee certificate without change before, during and after the proposed conversion.

While the conversion will not result in any change of the entity authorized to operate in Tennessee, the conversion will result in a change in TelCove-Operations' name from "TelCove Operations, Inc." to "TelCove Operations, LLC." Accordingly, in connection Petitioners' respectfully request authority to change the name.¹ In connection with the proposed

¹ The Articles of Incorporation and Authority to Transact Business in Tennessee of TelCove-Operations are already on file with the Authority. Updated corporate documents reflecting the new corporate form, which will

reorganization, TelCove-Operations will revise its tariff to adopt the services of TelCove-Nashville. That tariff filing will be submitted under separate cover.

Petitioners emphasize that the proposed transactions will be seamless to TelCove customers in Tennessee. The proposed transactions are entirely intra-corporate in nature, will not involve any change in ultimate ownership or control of any of the TelCove operating companies, and will not affect any of the rates, terms, or conditions under which Petitioners' customers receive service in Tennessee. Immediately following the transaction existing customers will continue to receive service under the TelCove brand name and the proposed transactions will not involve any discontinuations of service or customer terminations.

Petitioners are e sending customer notices alerting TelCove-Nashville customers that they will be transitioned to TelCove-Operations. A copy of the form of that notice is attached as **Exhibit B**. Petitioners are also sending customer notices to TelCove-Operations' Tennessee customers informing them of the name change from TelCove Operations, Inc. to TelCove Operations, LLC.

The proposed transactions will not adversely affect the ability of the TelCove entities to provide service in Tennessee. Because the proposed transactions are entirely intra-corporate in nature, Petitioners' customers and operations will continue to be managed and conducted by the same technical, operational and managerial personnel that are currently in place, and that currently oversee Petitioners' operations. Following the proposed transactions, Petitioners will have access to the managerial and technical resources and personnel that the Authority has already considered and determined to be qualified to operate in the State of Tennessee.

become available only after the completion of the proposed reorganization, will be provided to the Authority as soon as possible after the reorganization is completed.

Furthermore, given that the proposed transactions are intra-corporate in nature, the TelCove entities will continue to have access to substantial financial resources.

V. Public Interest Statement

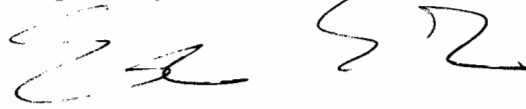
The proposed reorganization and changes described above are consistent with the public interest in that they will be seamless with respect to the services that customers of TelCove-Nashville and TelCove-Operations in Tennessee receive, while enabling the TelCove operating entities to streamline their respective operations. As noted above, the proposed transactions are entirely intra-corporate in nature, will not result in any discontinuance of service, and will not affect any of the services provided to existing TelCove customers. Petitioners' Tennessee customers will continue to receive service under the TelCove operating name. Furthermore, qualifications of the entity that will receive the TelCove-Nashville operations, TelCove-Operations, have already been considered and approved by the Authority. Indeed, the existing management team of TelCove-Operations will remain in place and the TelCove entities will continue to have access to the same financial qualifications that they enjoyed prior to the transactions. As a result, TelCove customers in Tennessee will not be adversely affected by the proposed transactions.

At the same time, Petitioners expect that the proposed transactions will allow the TelCove entities to streamline and rationalize their operations in a manner which will provide organizational and intracorporate operational benefits. Currently, TelCove's operations are divided among more than twenty separate subsidiaries. By consolidating its operations within a more limited number of operating entities, Petitioners believe that the TelCove companies can more efficiently provide service and compete more effectively.

VI. Conclusion

For the reasons stated above, Petitioners respectfully submit that the public interest, convenience, and necessity would be furthered by approval of this Petition. Accordingly, Petitioners respectfully request that the Authority review and act on this Petition expeditiously so that Petitioners may complete the proposed transactions as soon as possible.

Respectfully submitted,

Two handwritten signatures in black ink. The first signature is a stylized 'E' followed by a cursive 'S' and 'Jr.'. The second signature is a stylized 'B' followed by a cursive 'M' and 'D'.

Edward S. Quill, Jr.

Brian McDermott

WILLIAMS MULLEN

8270 Greensboro Drive, Suite 700

McLean, VA 22102

Telephone: (703) 760-5200

Facsimile: (703) 748-0244

Email: EQuill@williamsmullen.com

Email: BMcDermott@williamsmullen.com

Counsel for Petitioners

Dated: December 18, 2006

LIST OF EXHIBITS

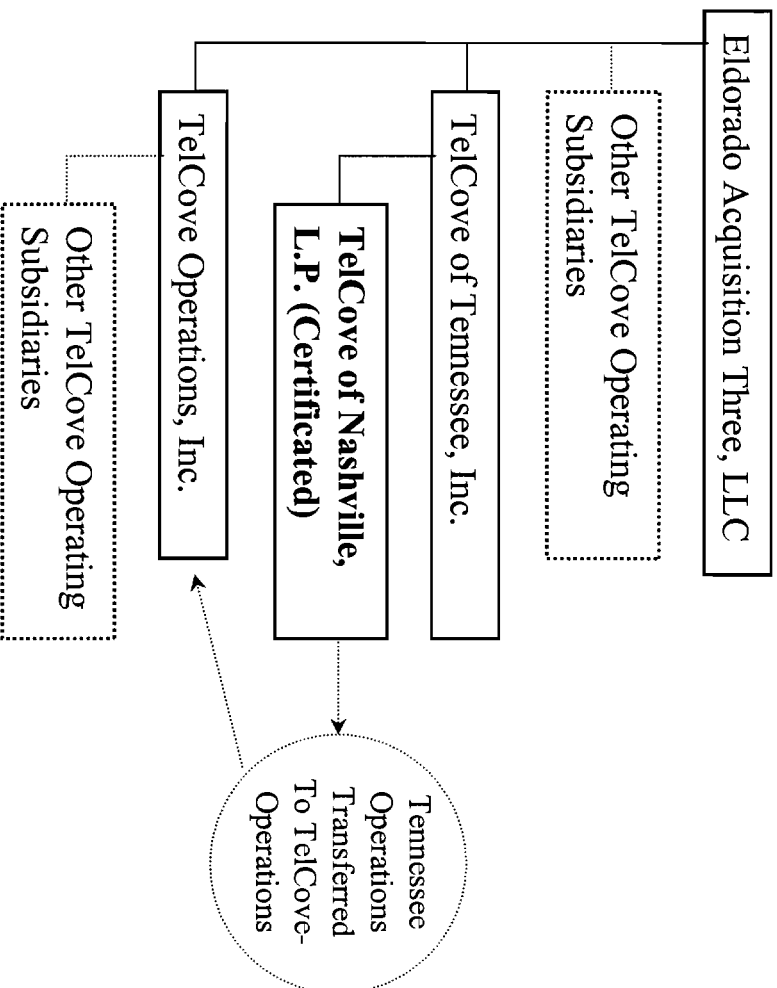
Exhibit A	Pre- and Post-Transaction Illustrative Chart
Exhibit B	Customer Notice
Verification	

EXHIBIT A

Pre- and Post-Transaction Illustrative Chart

Illustrative Chart

Pre-Reorganization



Post-Reorganization

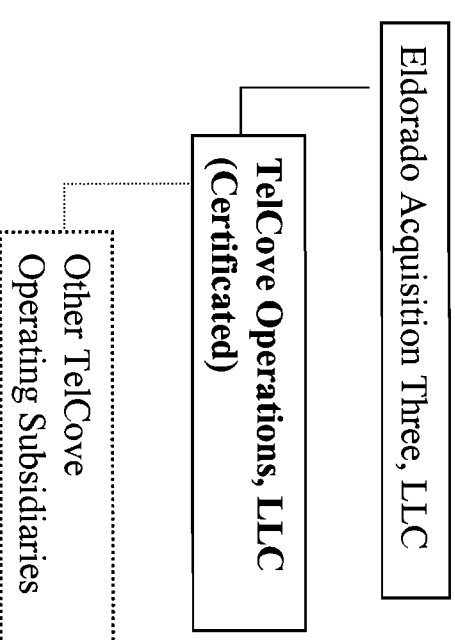


EXHIBIT B

Customer Notice

Thank you for choosing TelCove as your telecommunications provider. TelCove of Nashville, L.P and TelCove Operations, LLC are pleased to announce that TelCove Operations, LLC will be acquiring the telecommunications customers of its sister company, TelCove of Nashville, L.P., in Tennessee. The actual effective date of the transfer will depend on when we receive the appropriate state and federal regulatory approvals. TelCove Operations, LLC will automatically become your telecommunications provider for your services at that time.

We want to assure you that the transaction will not affect the price of the services you currently receive and that you will continue to receive TelCove services, without interruption, at the same rates and with the same features, terms and conditions as the service you enjoy today.

The transaction has been structured such that customers should not be charged any carrier-change charges levied by your local telephone company. If, however, such a charge does appear on the bill from your local telephone company as a result of this transfer of service to TelCove Operations, LLC, please call TelCove's Tennessee customer service department toll-free at 1-866-Telcove (835-2683) and a representative will reimburse you or credit your account accordingly. You may also call the customer service department if you have any service orders or complaints up until the time the transfer takes place. You may, of course, choose another carrier for your telephone service, but additional charges may apply including any termination liability in your contract.

Please note that any "freeze" you have placed on your existing telephone lines to prevent unauthorized transfer to another long distance carrier will be over-ridden for purposes of this transaction, and will need to be reinstated by you after the transfer is complete. Your TelCove Operations, LLC's customer care representative can provide you with further details.

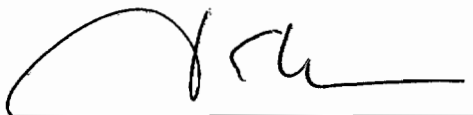
Additional information about the vast array of communications services offered by TelCove is available at <http://www.telcove.com>.

Verification

VERIFICATION


COMMONWEALTH OF PENNSYLVANIA)
)
CITY OF CANONSBURG) ss:

I, James E. Means, being first duly sworn, state that I am Vice President, Legal of TelCove of Nashville, L.P. and TelCove Operations, Inc.; that I am authorized to make this Verification on behalf of TelCove of Nashville, L.P. and TelCove Operations, Inc., the Petitioners in the foregoing Petition; that the foregoing Petition was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



Name: James E. Means
Title Vice President, Legal

Sworn and subscribed before me this 15th day of November, 2006.


Notary Public

My commission expires 9-12-2010

