

TENNESSEE REGULATORY AUTHORITY



Sara Kyle, Chairman
Eddie Roberson, Director
Pat Miller, Director
Ron Jones, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

January 16, 2007

Richard R. Cameron
Lathan & Watkins, LLP
555 11th St. NW
Washington, DC 20009

RE: Docket No. 07-00003, *Application of Matrix Telecom, Inc. for a Certificate to Provide Competing Local Telecommunications Services in Tennessee.*

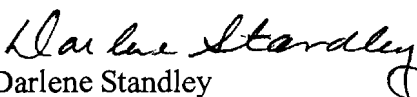
Dear Mr. Cameron:

CLEC applicants are required, by statute, to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of Matrix Telecom, Inc.'s application for a Certificate of Convenience and Necessity to provide competing local exchange telecommunications services in Tennessee, you are requested to provide the following information:

1. The application states that Matrix's financial resources are further reinforced by those of its corporate parent, Platinum Equity. Please provide proof of Platinum Equity's intent to provide funding, as necessary, for Matrix's operations in Tennessee.
2. Provide a copy of Platinum Equity's most recent audited financials.
3. In the Balance Sheet for the year ended December 31, 2005, what "Intangibles" represent the \$15,181,885?
4. In the Statement of Cash Flows for the year ended December 31, 2005, what do the proceeds from borrowings represent? Who is the issuer of the proceeds? What does the Capital Contribution represent?
5. What is the status of the "transition related expenses" incurred by Matrix regarding the acquisition of the business unit known as the Small Business Group?
6. What is the status of the notes payable to Platinum Equity mentioned in the Notes to Financial Statements provided in Exhibit F?

Please provide the above information by January 26, 2007. In accordance with TRA Rules, please submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version and reference docket number 07-00003 on the correspondence. If you have questions concerning this request or need additional information, please contact Lisa Foust at 615-741-2904 extension 220.

Sincerely,


Darlene Standley
Utilities Division Chief