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May 3, 2007

VIA HAND DELIVERY

Chairman Sara Kyle
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: CLEC Application from Communication Lines, Inc.
Docket No. 07-00072

Dear Chairman Kyle:

Enclosed please find an original and thirteen (13) copies of our response to the Information Request dated April 12, 2007.

Thank you in advance for your consideration.

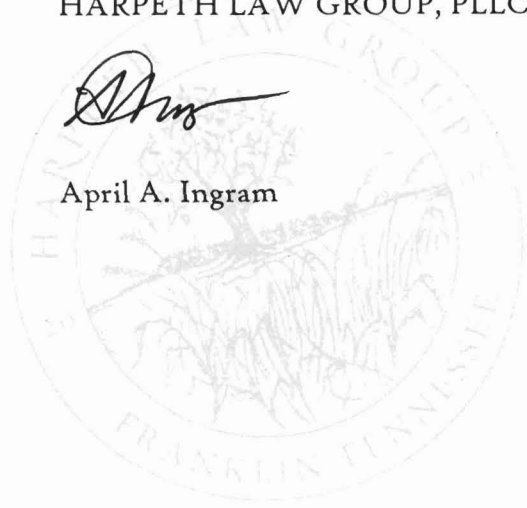
Yours truly,
HARPETH LAW GROUP, PLLC



April A. Ingram

Enclosure

cc: Stacey Klinzman, Esq.



COMMUNICATION LINES, INC. ("CLI")
DOCKET NO. 07-00072
RESPONSE TO STAFF REQUESTS FOR ADDITIONAL INFORMATION
ISSUED APRIL 12, 2007

1. Will Communication Lines, Inc. provide (1) access to 911 and E911 emergency service, white page directory listing, directory assistance, (2) access to and support for the Tennessee Relay Center in the same manner as incumbent local exchange telephone companies, (3) free blocking service for 900/976 type services in accordance with Authority policy, (4) Lifeline and Link -Up services to qualifying citizens of the state and (5) educational discounts in existence as of June 6, 1995?

Response: CLI will provide access to 911 and E911 emergency service, white page directory listing, directory assistance, and access to and support for the Tennessee Relay Center to the same extent as BellSouth Telecommunications, Inc./AT&T ("BS/AT&T") pursuant to the provisions of the company's interconnection agreement with BS/AT&T. The company has included language regarding the Tennessee Telecommunications Relay Service in its proposed tariff at Section 3.2.7. CLI will provide free third-party blocking as demonstrated at Section 4.10 of its proposed tariff attached as Exhibit M to the application in this docket. CLI intends to resell Lifeline and Link-Up services of BellSouth and will revise its tariff to include Lifeline and Link-Up regulations as attached hereto as Exhibit A. With respect to educational discounts, CLI initially will serve residential customers. Should the company serve business customers in the future, it will provide educational discounts.

2. Please clarify the following statement contained in the pre-filed testimony of Mr. Stanley Johnson "Communication Lines, Inc. proposes to offer basic local service on a flat fee basis and custom calling features, along with toll limitation and directory services, to residential customers?" Define "flat fee basis." Will your company be providing pre-paid services? Define "toll limitation." Will toll limitation be applied to every customer? Will customer deposits be required?

Response: CLI does not intend to provide prepaid local service. CLI provides post- paid service permitting unlimited local calling within the customer's local calling area for a monthly recurring charge as demonstrated in Section 4.1 of the company's proposed tariff attached as Exhibit M to the application. The company does not provide long distance service, but permits its customers access to the long distance carrier of the customer's choice. Toll limitation is described at Section 3.2.6 of the company's proposed tariff, titled "Toll Restriction Service". Toll Restriction Service permits a requesting customer the ability to block toll calls as described therein. Toll Restriction Service will not be applied to every customer, but will be a service available upon request of the customer. At this time, the company does not intend to request deposits, as stated at Section 2.5.5 of CLI's proposed tariff. Should the company determine to collect deposits at any time in the future, the company will revise its tariff to include deposit regulations in compliance with Authority rules and regulations.

3. Will Communication Lines, Inc. employ the services of an accounting firm? If so, please identify that firm. If not, please identify the CLI officer who will be responsible for financial matters in Tennessee.

Response: CLI will not employ the services of an account firm for purposes of billing or for financial records or records of service provided in the state of Tennessee. Stan Efferding, Vice President of CLI, will be responsible for financial matters concerning the company's Tennessee operations.

4. Please provide additional details regarding the previous telecommunications experience of Stan Efferding, including details regarding his day-to-day duties and responsibilities for Tennessee operations. Please provide details regarding the day-to-day duties/responsibilities of Stanley Johnson in Tennessee. Please identify other officers of Communication Lines, Inc.

Response: Both Stanley Johnson, President of CLI, and Stan Efferding, Vice President of CLI, have extensive experience in management, marketing, finance and telecommunications operations as demonstrated in the resumes attached as Exhibit C to the application. Mr. Johnson and Mr. Efferding are also officers of VCI Company, a Tennessee certificated local exchange carrier and Eligible Telecommunications Carrier, which has been in business for five years and began providing service in Tennessee in 2007. Both Mr. Johnson and Mr. Efferding will share overall responsibility for all day to day operations of the company's Tennessee operations, including relations with the company's underlying carrier, BellSouth, management of the call center, supervision of customer service representatives, maintenance of customer records, information technology, billing and collection. The company employs professionals and managers, who report to Mr. Johnson and Mr. Efferding, including Bill Cardwell, information technology, Stacey Klinzman, regulatory attorney, and various call center supervisory staff. The company's Tennessee operations will be managed from the CLI's headquarters in University Place, Washington. The company will not have an office or employees based in Tennessee. Mr. Johnson and Mr. Efferding are the only officers of Communication Lines, Inc.

In a phone call from TRA staff following the issuance of the Information request, clarification also was requested on how CLI is different from VCI Company, which already has CLEC authority in Tennessee.

Response: VCI Company provides wireline service to residential low-income consumers. CLI will initially focus on wireline service to residential consumers, but will not become an ETC. The purpose of founding CLI was to give the owners the opportunity to explore innovative service methodologies, such as VOIP and wireless communications and obtain interconnection agreements with provisions for those types of services. Depending on the types of service provided, CLI may expand its customer base to business customers in the future. The companies are independent from each other, having been incorporated separately, and have different addresses. Their only commonality, besides initial service to residential consumers, is that they are owned by the same persons.

EXHIBIT A

**PROPOSED LIFELINE AND LINK-UP REGULATIONS
(ATTACHED)**

Lifeline and Link-up Service

A. Link-Up Service Program

1. General

The Link-Up Service Program ("Link-Up Program") is a federally sponsored assistance program under 47 C.F.R. § 54 and is designed to make telephone service accessible to qualifying low-income residential households who are currently not on the public switched network. Through the Link-Up Program, the service connection charge for the initial installation of the main access line will be discounted to the applicant at a rate of 50 percent, not to exceed \$30. The remaining portion of the service connection charge, up to \$200, may be installment billed, interest-free, over a period of one year.

In addition, residents of Tribal Lands may qualify for an additional reduction of up to \$70 to cover 100% of the charges between \$60 - \$130 charges to connect the Customer to the network, including facilities based line extension or construction charges needed to initiate service.

2. Eligibility Requirements

To be eligible for assistance, an applicant must meet the following requirements:

- a. This discount applies on a single line at the principal place of residence for the applicant.
- b. Applicant can receive the benefit of the Link-Up Program a second or subsequent time only for a principal place of residence with an address different from the residence address at which Link-Up assistance was previously provided.

2. Eligibility Requirements (Cont'd)

- c. Applicant signs document certifying under penalty of perjury that the consumer has income at or below 135 percent (135%) of the Federal Poverty Guidelines or receives benefits from at least one of the following programs:

Temporary Assistance for Needy Families (TANF)
Supplemental Security Income (SSI)
Food Stamps
Medicaid
Federal Public Housing Assistance (Section 8)

Low Income Home Energy Assistance Program (LIHEAP)
National School Lunch Program's Free Lunch Program

- d. Individuals who do not qualify under any of the above but live on or near a federally recognized reservation may qualify if the applicant signs a document certifying under penalty of perjury that the applicant receives benefits from at least one of the following programs:

Bureau of Indian Affairs General Assistance
Tribally Administered Temporary Assistance for Needy Families
Head Start (only for those meeting its income qualifying standard)
National School Lunch Program's free lunch program

- e. Applicant agrees to notify the Company if that Customer ceases to participate in any of the above listed federal assistance programs.

3. Credit and Collections

- a. Credit Reference

The credit verification procedures used for all applicants who apply for service, if any, will also be used for applicants who apply for service under the Link-Up Program.

- b. Deposits

The deposit standards used for all applicants who apply for service, if any, will also be used for applicants who apply for service under the Link-Up program. The Link-Up Program does not reduce or eliminate any permissible security deposits, unless voluntary toll restriction is requested by the Lifeline customers. See B(1)(c)(iii) below.

- c. Collection Standards

Once service has been established for a Link-Up applicant, he or she will be expected to adhere to the same bill payment policies expected of any other customer.

B. Lifeline Assistance Program

The Lifeline Assistance Program ("Lifeline"), established by the Federal Communications Commission under 47 C.F.R. § 54, is a means of maintaining and preserving universal service by providing a reduction in the recurring price of basic local residential exchange access service to qualifying low-income residential Customers.

1. General

- a. Lifeline is a program that includes a federally-funded waiver of the Customer line charge (SLC) and a reduction of local service charges. The maximum rate changes depending on the SLC in effect. Eligible applicants living on or near federally recognized Tribal Lands/reservations will receive an additional credit of up to \$25.00 (Tier Four) sufficient to reduce the monthly rate for local service to no less than \$1.00 inclusive of this Customer line charge.
- b. Federal Universal Service Fund End User Charge will not be billed to Lifeline customers.
- c. Local service for Lifeline Customers may not be disconnected for non-payment of toll charges.
 - (i) Toll Restriction Service will be provided to Lifeline Customers at no charge.
 - (ii) Lifeline Customers are not required to accept Toll Restriction Service as a condition to avoid disconnection of local service for non-payment of toll.
 - (iii) Lifeline Customers are not required to pay a service deposit in order to initiate service if the Customer voluntarily elects to receive Toll Restriction Service.
- d. Partial payments from Lifeline Customers will be applied first to local service charges and then to toll charges.
- e. Lifeline Customers will not be denied re-establishment of service on the basis that the Customer was previously disconnected for non-payment of toll charges.

2. Eligibility Requirements

- a. Lifeline will be provided for one (1) telephone line per household, at the Customer's principal place of residence, to those individuals who meet the eligibility requirements.
- b. The applicant has income at or below 135 percent (135%) of the Federal Poverty Guidelines or participates in one of the following programs:
 - Temporary Assistance for Needy Families (TANF)
 - Supplemental Security Income (SSI)
 - Food Stamps
 - Medicaid
 - Federal Public Housing Assistance (Section 8)
 - Low Income Home Energy Assistance Program (LIHEAP)
 - National School Lunch Program's Free Lunch Program
- c. Individuals who do not qualify under any of the above but live on or near a federally recognized reservation may qualify if the applicant receives benefits from at least one of the following programs:
 - Bureau of Indian Affairs General Assistance
 - Tribally Administered Temporary Assistance for Needy Families
 - Head Start (only for those meeting its income qualifying standard)
 - National School Lunch Program's free lunch program.
- d. The applicant signs a document certifying under penalty of perjury that the applicant receives benefits from one of the programs listed and identifying the program or programs from which that consumer receives benefits.
- e. The applicant signs a document agreeing to notify the Company if that consumer ceases to participate in the program or programs. When the Company is notified by the Customer that the Customer no longer participates in one of the above programs, the federal credits to that Customer's monthly charges shall cease beginning with the start of the billing cycle beginning in the month after the month in which notification is received.

3. Eligibility Revocation

If the Company discovers that conditions exist that disqualify the recipient of Lifeline assistance, the support will be discontinued. The Customer will be billed retroactively to whichever is the most recent of the dates Lifeline assistance commenced or the recipient no longer qualified for the service, not to exceed 12 months.

4. Lifeline Assistance Credits

| | | |
|----|----------------|--|
| a. | Waiver of SLC | \$6.50 |
| b. | Tier 2 credit | \$1.75 – discount off basic monthly service |
| b. | Tier 3 credit | \$1.75 – discount off basic monthly service |
| c. | Company Credit | <u>\$7.49</u> – discount off basic monthly service |
| | TOTAL CREDIT | \$17.49 |