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March 27, 2007

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

filed electronically in docket office on 03/27/07

Re: Joint Petition of Time Warner Telecom, Inc., and Xspedius Communications, LLC for Relief from the Requirements of Tenn. Code Ann. 54-4-125(j).

Dear Chairman Kyle:

Please find enclosed herewith the Joint Petition of Time Warner Telecom, Inc., and Xspedius Communications, LLC for relief from the requirements of Tenn. Code Ann. 65-4-125(j). Accompanying this filing is a check for \$50.00.

If I can be of further assistance in this matter, please do not hesitate to contact me.

Yours very truly,

Farris Mathews Brannan Bobango Hellen &

Dunlap, PLC

Charles B. Welch, Jr.

CBW/rlz Enclosure

# BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

March 27, 2007

IN RE:	)	
JOINT PETITION OF TIME WARNER TELECOM, INC. AND XSPEDIUS COMMUNICATIONS, LLC FOR RELIEF FROM THE REQUIREMENTS OF TENN. CODE ANN. § 65-4-125(j)	) ) ) )	Docket No
JOINT PETIT	ΓΙΟΝ	

Time Warner Telecom, Inc. ("Time Warner Telecom") and Xspedius Communications, LLC ("Xspedius"), (collectively, "Petitioners") by and through their undersigned counsel, hereby submit this petition to the Tennessee Regulatory Authority ("Authority") requesting relief from the requirements of Tenn. Code Ann. § 65-4-125(j) (2000) and approval of withdrawal of the bond previously posted by Xspedius. Petitioners submit the following information in support of the petition:

#### I. PETITIONERS

#### A. Time Warner Telecom Inc.

Time Warner Telecom is a publicly held Delaware corporation headquartered in Littleton, Colorado. Through its operating subsidiaries, Time Warner Telecom is a leading provider of voice and data networking solutions to business customers in 25 states and 44 U.S. metropolitan areas. Time Warner Telecom also supplies dedicated Internet access, and local and long distance voice services for long distance carriers, wireless communications companies, incumbent local exchange carriers and enterprise

organizations in the healthcare, finance, higher education, manufacturing, and hospitality industries. In Tennessee, Time Warner Telecom of the Mid-South, LLC, an operating subsidiary of Time Warner Telecom, was certificated as a facilities-based telecommunications carrier by the Tennessee Public Service Commission in Docket No. 93-02980 on August 24, 1995. Time Warner Telecom is also authorized to provide both domestic interstate and international telecommunications services by the Federal Communications Commission.

# B. Xspedius Communications, LLC

The Authority authorized Xspedia, Corp. to provide facilities-based local exchange access and interexchange telecommunications services within Tennessee at a regularly scheduled Authority Conference on August 24, 2000, in Docket No. 00-00572. Xspedia, Corp. has subsequently gone through a number of name changes which have all been approved by the Authority—from Xspedia, Corp. to Xspedius, Corp., from Xspedius, Corp. to Xspedius, LLC, and from Xspedius, LLC to Xspedius Communications, LLC.

On July 23, 2002, at a regularly scheduled Authority conference, the panel in Docket No. 07-00714 approved the transfer of all the assets, including customer base and authority pursuant to Tenn. Code. Ann. § 65-4-113 (1993), of American Communication Services of Chattanooga, Inc. and ASCI Local Switched Services, Inc. to Xspedius

<sup>1</sup> See Order issued August 25, 2000 granting Certificate of Public Convenience and Necessity to Xspedia, Corp.

<sup>&</sup>lt;sup>2</sup> See Docket No. 00-01145, the Authority found that the Company met all the requirements to change its name to Xspedius, Corp, January 23, 2001.

<sup>&</sup>lt;sup>3</sup> See Docket No. 02-00476, the Authority found that the Company met all the requirements to change its name to Xspedius, LLC, May 7, 2002.

<sup>&</sup>lt;sup>4</sup> See Docket No. 06-00227, the Authority found that the Company met all the requirements to change its name to Xspedius Communications, LLC, September 25, 2006.

Management Co. of Chattanooga, LLC and Xspedius Management Co. Switched Services, LLC, respectively.

On December 16, 2002, Xspedius, LLC, now Xspedius Communications, LLC and its various operating subsidiaries—Xspedius Management Co. of Chattanooga and Xspedius Management Co. Switched Services—were granted approval by the Authority to restructure its corporate organization resulting in a change of control. At a regularly scheduled Authority Conference held on September 25, 2006, the Authority approved the transfer of authority of Xspedius Communications, LLC, Xspedius Management Co. of Chattanooga, and Xspedius Management Co. Switched Services to Time Warner Telecom contingent upon certain FCC approvals. After the transaction, Xspedius Communications, LLC, became a direct, wholly-owned subsidiary of Time Warner Telecom, but retains its Certificate of Public Convenience and Necessity.<sup>5</sup>

## II. LAW AND ARGUMENT

Although the Authority's rules and regulations are silent on the bonding requirements for telecommunications service providers, Tenn. Code Ann. § 65-4-125(j) (2000) provides:

[b]y September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the authority, except those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to § 65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million dollars (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, compiled

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<sup>&</sup>lt;sup>5</sup> See Docket No. 00-00572.

in title 47, chapter 18, part 15, by or on behalf of the authority.

As required by the statute, Xspedius posted a bond in the amount of \$20,000.00 since they did not qualify for any applicable exemptions. However, Xspedius has since gone through the changes referenced herein, and most notably, Xspedius was acquired by Time Warner Telecom. The intent of Tenn. Code Ann. § 65-4-125(j) (2000) is to ensure that the obligor has the financial resources to pay any monetary sanctions imposed by the Authority. Time Warner Telecom meets the exemption requirements of Tenn. Code Ann. § 65-4-125(j) (2000) by owning and operating equipment facilities plus investments in Tennessee with a value many times in excess of \$5,000,000.00.

Upon the Authority's approval of the transfer of authority of Xspedius to Time Warner Telecom, Xspedius became a direct, wholly-owned subsidiary of Time Warner Telecom—the parent company. Notwithstanding Time Warner Telecom's recent acquisition, Xsepdius—on its own—presently meets the exemption requirements of Tenn. Code Ann. § 65-4-125(j) (2000) by virtue of owning and operating equipment facilities plus investments with a value in excess of \$5,000,000.00.

## IV. CONCLUSION

Based on the foregoing, the Petitioners respectfully request the Authority grant Xspedius Communications, LLC relief from the requirements of Tenn. Code Ann. § 65-4-125(j) (2000) and approval of withdrawal of the bond previously posted by Xspedius Communications, LLC.

Respectfully submitted,

FARRIS MATHEWS BRANAN BOBANGO HELLEN & DUNLAP, PLC

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