



June 8, 2007

Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

Via Overnight Delivery & Email

Re: In the Matter of the Application of American Fiber Network, Inc. for Amended Authority to
Provide Facilities-Based Competing Local Telecommunications Services

Docket No. 07-00150

Dear Ms. Dillon:

Please find enclosed the original and four copies of the application of American Fiber Network, Inc. as described in the above caption. A check in the amount of \$25.00 is also enclosed for the filing fee.

If the Staff has any questions or needs further information, please contact me at your earliest convenience.

Sincerely,

Robert E. Heath

Robert E. Heath
EVP
American Fiber Network, Inc.

Enclosure

BEFORE THE TENNESSEE REGULATORY AUTHORITY

**IN THE MATTER OF THE APPLICATION)
OF AMERICAN FIBER NETWORK, INC. FOR)
AMENDED AUTHORITY TO PROVIDE)
FACILITIES-BASED COMPETITIVE LOCAL)
EXCHANGE SERVICES)**

Docket No. _____

**APPLICATION FOR AMENDED AUTHORITY TO PROVIDE
FACILITIES BASED LOCAL TELECOMMUNICATIONS SERVICES**

Pursuant to applicable Tennessee Statutes and the Rules and Regulations of the Tennessee Regulatory Authority and Section 253 of the Federal Telecommunications Act of 1996 ("Act"), American Fiber Network, Inc. ("AFN" or "Applicant") respectfully requests that the Tennessee Regulatory Authority ("TRA") grant to AFN amended authority to provide facilities-based competing local telecommunications services, including exchange access telecommunication services, within the State of Tennessee. AFN was previously granted authority to provide resold local exchange services on September 11, 2001 in Docket Number 00-00091. AFN is willing and able to comply with all applicable rules and regulation in Tennessee pertaining to the provision of facilities based competing local telecommunications services.

The following is offered in support of the application to expand the authority of AFN:

1) The full name and address of the Applicant is:

American Fiber Network, Inc.
9401 Indian Creek Parkway, St. 140
Overland Park, KS 66210
Telephone: (913) 338-2658
Facsimile: (913) 661-0538

Questions regarding this application should be directed to:

Robert E. Heath
EVP
American Fiber Network, Inc.
9401 Indian Creek Pkwy, St. 140
Overland Park, KS 66210
Telephone: (214) 221-0089
Facsimile: (214) 221-2959

Contact name and address at the Company is:

Robert E. Heath, Executive Vice President
American Fiber Network, Inc.
9401 Indian Creek Pkwy., St. 140
Overland Park, KS 66210
Telephone: (913) 338-2658
Facsimile: (913) 661-0538

2) Organizational Chart of Corporate Structure:

See Exhibit 1.

3) Corporate Information:

AFN was incorporated in the state of Delaware March 19, 1991. A copy of AFN's Articles of Incorporation are included as Exhibit 2. A copy of AFN's Authority to transact business in TN is included as Exhibit 3. The names and experience of the principal corporate officers are in Exhibit 4. There are no officers in Tennessee.

4) AFN possesses the managerial, technical and financial ability to provide local telecommunications service in the State of Tennessee as demonstrated below:

A. Financial Qualifications

In support of its financial qualifications, AFN submits the calendar year income statements and balance sheets for 2005 and 2006 as Exhibit 5. The Company has experienced steady growth in both revenues and profitability over its history and foresees no reason why that growth should not continue. The expansion into the UNE-P type service will allow more opportunities to add additional customers to its base. We do not anticipate incurring any substantial capital expenditures because of the utilization of the UNE-P product available from other ILECs such as Embarq and BellSouth/AT&T.

We currently have a Letter of Credit in lieu of a bond being held by the TRA.

Based on the financial information provide herein, AFN asserts that it has the financial resources necessary to operate as a facilities-based competing local service provider in Tennessee.

B. Managerial Ability:

As shown in Exhibit 4 to this application and our history with resale in the state, AFN has the managerial experience to successfully operate a telecommunications enterprise in Tennessee. This history, the executive experience, and our demonstrated capabilities in other states, it is evident that AFN possesses the managerial qualification required to provide local service.

C. Technical Qualifications:

AFN services will satisfy the minimum standards established by the TRA. The Company will maintain its tariffs in the manner prescribed by the TRA and will meet minimum basic local standards, including quality of service and billing standards required of all LECs regulated by the TRA. AFN will not require customers to purchase CPE, which cannot be used with the ILEC's systems. As noted in Exhibit 4, managerial experience of its highly-qualified team which ensures timely and accurate provisioning, maintenance and repair, and billing of service to AFN's customers.

5) Proposed Service Area.

The Company is already authorized to provide resold local exchange service within the state of Tennessee. Additionally, attached as Exhibit 6 is a list of states where the Company is authorized to provide resold and facility-based local exchange service.

AFN initially intends to offer its services throughout the State of Tennessee in areas currently served by BellSouth/AT&T. In the future, AFN may expand its offerings into areas served by other incumbent LECs that are open to competition, and therefore requests statewide authority. AFN's service will be provided through a combination of UNE-P/commercial agreement arrangements and resale of the ILEC's services. The Company does not have any current plans to install any facilities or switches within the state of Tennessee at this time.

6) Types of Local Exchange Service to be provided:

AFN expects to offer a broad variety of local exchange services, primarily to residential and small business customers. The service offerings of AFN will be compatible to the service offerings of the ILEC, and could include bundled local service and long distance, optional calling features, Directory Assistance, Directory Services, etc. AFN would continue to offer services required under Chapter 1220-4-8-.04 (3)(b) and (c), as indicated in the tariff currently on file with the TRA.

7) Repair and Maintenance:

AFN is aware of the importance and practices effective customer service for local exchange customers. AFN's staff is well trained in the response to customer inquiries, trouble reporting, and complaints. Customers may contact the Company 24/7 at 800-864-0583. Any one may also contact the Company by mail at 9401 Indian Creek Pkwy, St. 140, Overland Park, KS 66210. Email notification is also available through the email address Information@afnltd.com. The toll free customer service number and directions to the Company's website at www.afnltd.com are printed on customer's monthly billing statements. The Tennessee contact person knowledgeable about the Company's operations in Tennessee is Robert Heath,

EVP and he can be contacted at 9401 Indian Creek Pkwy, St. 140, Overland Park, KS 66210, (913) 338-2658.

Grant of the Application will further the goals of the Tennessee Legislature and the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the service will provide Tennessee customers greater choice for potential cost savings and efficiencies. The presence of AFN in the market will increase the efficiencies of other telecommunication operations in the state, thus improving the service received by the residents of Tennessee.

- 8) Small and Minority-Owned Telecommunications Business Participation Plan; (65-5-112):
See Exhibit 7.
- 9) Toll Dialing Parity Plan:
See Exhibit 8.
- 10) Applicant has served notice of this application to the eighteen (18) incumbent local exchange telephone companies in Tennessee with a statement regarding the Company's intention of operating geographically. See Exhibit 9.
- 11) Numbering Issues:
Statement provided in Exhibit 10.
- 12) Tennessee Specific Operational Issues:
Statements provided in Exhibit 11.
- 13) Miscellaneous:
 - A. Sworn Pre-filed testimony; Exhibit 12.
 - B. The Company does not currently collect customer deposits. Should that procedure change, the Company will comply with the terms contained in its tariff on file with the TRA.
 - C. Customer Complaints:
Currently, there are no outstanding customer complaints against the Company that have not been addressed and satisfied to the governing authorities satisfaction.
 - D. A copy of the Company's current tariff is on file with the TRA.

CONCLUSION:

American Fiber Network, Inc. respectfully requests that the TRA enter an order granting it an amended certificate of convenience and necessity to operate as a facilities-based competing telecommunications service provider with authority to provide a full range of local exchange services on a facilities-based and resale basis throughout the State of Tennessee in the service areas of Bell South, Verizon, Sprint, and any other ILEC that does not enjoy a rural exemption under Section 251 (f) of the Telecommunications Act of 1996. For the reasons stated above, AFN's provision of these services would promote the public interest by providing high-quality service at competitive prices and by creating greater economic incentives for the development and improvement for all competing providers.

Respectfully submitted this 6th day of June, 2007.

Robert E. Heath
EVP
American Fiber Network, Inc.

Exhibits

1. Organization Chart of Corporate Structure
2. Articles of Incorporation
3. TN Certificate of Authority
4. Resumes of Officers
5. AFN Financials
6. List of States Currently Operating
7. Small & Minority-Owned Telecommunication Business Participation Plan
8. Dialing Parity Plan
9. Listing of ILEC Service Providers
10. Statement Regarding Numbering Issues
11. Tennessee Specific Operational Issues
12. Prefiled Testimony of Robert E. Heath

Exhibit 1

Organization Chart of Corporate Structure

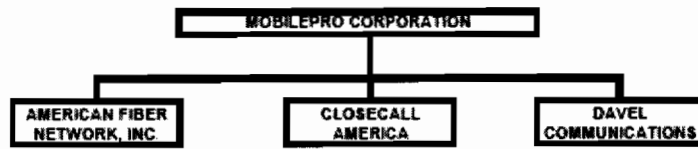


Exhibit 2

Articles of Incorporation

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 03/26/1991
910848737 - 2258435

CERTIFICATE OF INCORPORATION
OF
AMERICAN FIBER NETWORK, INC.

We, the undersigned, of full age, for the purpose of forming a Delaware business corporation, do hereby associate ourselves as a body corporate and adopt the following Articles of Incorporation:

ARTICLE I. NAME

The name of this corporation is American Fiber Network, Inc.

ARTICLE II. PURPOSE

The nature of the business of this business corporation is to engage in any lawful act or activity permitted to business corporations under the laws of the State of Delaware.

ARTICLE III. CORPORATE POWERS

This corporation shall possess all powers provided or not prohibited by law of the State of Delaware, and shall, without limitation, have the power to acquire, hold, mortgage, pledge or otherwise dispose of the shares, bonds, securities and other evidence of indebtedness of any domestic or foreign corporation.

ARTICLE IV. DURATION

The duration of this corporation shall be perpetual.

Articles of Incorporation Page 2

ARTICLE V. REGISTERED AGENT

The address of the registered office of this corporation and the name of its registered agent at such address is as follows:

National Corporation Company of Delaware, Inc.
381 West North Street, Unit 5
P. O. Box 1554
Dover, DE 19903-1554
County of Kent

ARTICLE VI. STOCK

The authorized shares of stock of this corporation shall be three thousand (3,000) shares of common stock having a par value of One Dollar (\$1.00) per share.

No shareholders of the corporation shall have any pre-emptive or other right to acquire the common stock or any other securities of the corporation.

Other than the shares originally issued to the incorporators, no stock shall be issued without unanimous approval of all shareholders.

The shareholders of the corporation shall not be entitled to cumulate their votes in the election of directors.

ARTICLE VII. DIRECTORS

The name, post office address and term of office of the first directors of the corporation are as follows:

Douglas C. Bethell
9705 West 118th Street, Apt. 1
Overland Park, Kansas 66210

Articles of Incorporation Page 3

Alvin J. Heck
9705 West 118th Street, Apt. 1
Overland Park, Kansas 66210

Ronnie J. Spivey
12016 Ballentine
Overland Park, Kansas 66213

Said directors shall serve until the next annual meeting of the shareholders or until their successors have been duly elected and qualified. The number, qualification, term of office, manner of election, powers and duties of the directors shall be specified by the By-Laws of the corporation. Except as otherwise specifically provided by the By-Laws or by law, all powers of the corporation shall be exercised by its Board of Directors and require unanimous approval of the Board of Directors.

ARTICLE VIII. BOARD OF DIRECTORS

The Board of Directors of this corporation shall have authority to accept or reject subscriptions for shares and to allot shares.

The Board of Directors shall have the authority from time to time to cause shares of stock of the corporation now or hereafter authorized or other securities convertible into shares of stock of the corporation to be issued, sold or otherwise disposed of for money or for real or personal property, the fair market value of which is not less than the par value of the shares.

Articles of Incorporation Page 4

The Board of Directors shall have authority from time to time to create and issue rights to convert any of the company's securities into shares of any class or classes of its authorized stock. Such rights or options may be in the form of warrants, purchase certificates, securities or other instruments as determined and approved by the Board of Directors. The terms, conditions and provisions of such conversion rights or options, including the conversion basis or bases and the option price or prices at which shares may be purchased or subscribed for, may be fixed by resolution adopted by the Board of Directors.

ARTICLE IX. BY-LAWS

The Board of Directors of the corporation shall adopt such by-laws as are suitable for the proper regulation of the corporation's affairs and such by-laws shall be in full force and effect unless and until changed or repealed by unanimous vote of the shareholders, or unless and until amended by the Board of Directors of the corporation and by such procedure as they may provide in the by-laws of the corporation.

ARTICLE X. POWERS

In addition to the other powers, the unanimous affirmative vote of the shareholders shall be required to authorize: (1) an amendment to or the restating of the Articles of Incorporation of this corporation; or (2) the sale, lease, exchange or other disposition of all or substantially all of the property and assets of the corporation including its good will; or (3) the

Articles of Incorporation Page 5

adoption of an agreement of consolidation or merger.

ARTICLE XI. INCORPORATORS

The name and post office address of the incorporators are as follows:

Douglas C. Bethell
9705 West 118th Street, Apt. 1
Overland Park, Kansas 66210

Alvin J. Heck
9705 West 118th Street, Apt. 1
Overland Park, Kansas 66210

Ronnie J. Spivey
12016 Ballentine
Overland Park, Kansas 66213

IN WITNESS WHEREOF, I have hereby set my hand this 19th
day of March, 1991.

Douglas C. Bethell
Douglas C. Bethell

Alvin J. Heck
Alvin J. Heck

Ronnie J. Spivey
Ronnie J. Spivey

STATE OF KANSAS)
) ss
COUNTY OF JOHNSON)

On this 19th day of March, 1991, before me, a Notary Public, personally appeared Douglas C. Bethell, Alvin J. Heck, and Ronnie J. Spivey, to me known to be the persons described in the above document and who executed the foregoing Articles of Incorporation, and each acknowledged that he was a person of full age and that he executed the same as his free act and deed and for the uses and purposes therein expressed and that any facts stated therein are true and correct.

Beverly R. Spivey
Notary Public



Exhibit 3

TN Certificate of Authority

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

ISSUANCE DATE: 05/10/2007
REQUEST NUMBER: 07130109
TELEPHONE CONTACT: (615) 741-6488

CHARTER/QUALIFICATION DATE: 10/11/1999
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0378300
JURISDICTION: DELAWARE

TO:
ROBERT E. HEATH
8206 OLD MOSS RD
DALLAS, TX 75231

REQUESTED BY:
ROBERT E. HEATH
8206 OLD MOSS RD
DALLAS, TX 75231

CERTIFICATE OF AUTHORIZATION

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT
"AMERICAN FIBER NETWORK, INC.",

A CORPORATION FORMED IN THE JURISDICTION SET FORTH ABOVE, IS AUTHORIZED TO
TRANSACTION BUSINESS IN THIS STATE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE
AUTHORIZATION OF THE CORPORATION HAVE BEEN PAID;
THAT THE MOST RECENT CORPORATION ANNUAL REPORT REQUIRED HAS BEEN FILED
WITH THIS OFFICE; AND
THAT AN APPLICATION FOR CERTIFICATE OF WITHDRAWAL HAS NOT BEEN FILED.

FOR: REQUEST FOR CERTIFICATE

ON DATE: 05/10/07

FROM:
ROBERT E HEATH
8206 OLD MOSS RD
DALLAS, TX 75231-0000

RECEIVED: FEES \$20.00 \$0.00
TOTAL PAYMENT RECEIVED: \$20.00

RECEIPT NUMBER: 00004178451
ACCOUNT NUMBER: 00565846



55-4638

Riley C Darnell

RILEY C. DARNELL
SECRETARY OF STATE

Exhibit 4

Resumes of Officers

Douglas Bethell-CEO-9401 Indian Creek Pkwy, St. 140, Overland Park, KS

66210

(913) 338-2658

Douglas Bethell is President and CEO of American Fiber Network, Inc. Mr. Bethell established AFN in 1991, originally as a consulting firm but the company has emerged as one of the most innovative telecommunications companies offering specialized call processing and accounting services to business and hospitality companies. Mr. Bethell has ten years experience in telecommunications. Prior to AFN and its affiliates, Mr. Bethell served as Regional Vice President of Sales for One Plus Communications, Inc.

Bob Innes-CFO-9401 Indian Creek Pkwy, St. 140, Overland Park, KS 66210

(913) 338-2658

Bob Innes serves as AFN's Chief Financial Officer. Mr. Innes has over 15 years experience overseeing the financial operations of companies. Mr. Innes provides the expertise needed to move AFN's financial systems to better suit its current size and business. Prior to joining AFN, Mr. Innes positions included Controller of Ahrens Financial Services, CFO for Archer Engineering, and State and Local Tax Manager for Sprint.

Bruce Andonian-Director Info. Services-9401 Indian Creek Pkwy, St. 140,
Overland Park, KS 66210 (913) 338-2658

Bruce B. Andonian serves as the Director of Information Services of American Fiber Network, Inc. With over 17 years of IS experience, Mr. Andonian provides AFN a professional and technical background to improve its operational efficiencies through the coming years. Prior to joining, AFN, Mr. Andonian founded pc Network Solutions, Inc. which was an IS provider and consultant established in 1993.

Robert E. Heath-EVP-8206 Old Moss Rd., Dallas, TX 75231
(214) 221-0089

Robert Heath serves as Vice President of American Fiber network, Inc. Mr. Heath has over fifteen years experience in telecommunications. As Vice President, Mr. Heath is overseeing AFN's expansion into new markets and new services. He oversees all state and federal regulatory activities and all interconnection issues with incumbent Local Exchange Carriers. Prior to joining AFN, Mr. Heath was a founder and principal in Valence Communications, a CLEC in Texas.

Exhibit 5

AFN Financials

American Fiber Network, Inc.
Comparative Balance Sheets
For the Calendar Year 2006

Assets:	<u>12/31/2006</u>	<u>12/31/2005</u>
Cash	\$ 853,543	\$ 599,306
Accounts Receivable	486,688	217,049
Prepaid Expense	276,521	186,866
Deposits	9,514	-
Depreciable Assets	351,206	311,619
Less: Accumulated Depre.	(307,042)	(299,951)
Intercompany Loans	720,588	542,519
Intangible Assets	134,483	134,483
Less: Accumulated Amort.	(69,476)	(42,584)
 Total Assets	 <u>2,456,025</u>	 <u>1,649,307</u>
 Liabilities:		
Accounts Payable	354,987	336,437
Sales Tax Payable	254,117	152,434
Deferred Revenue	203,050	146,739
Commissions Payable	67,680	65,499
Intercompany Loans	568,165	607,867
Other Liabilities	17,629	5,271
 Total Liabilities	 1,465,628	 1,314,247
 Equity:		
Capital Stock	100	100
Additional Paid-in Capital	85,544	85,544
Retained Earnings	(133,335)	(153,109)
Current Year Earnings	1,038,088	402,525
 Total Equity	 <u>990,397</u>	 <u>335,060</u>
Total Liabilities & Equity	<u>2,456,025</u>	<u>1,649,307</u>

American Fiber Network, Inc.
Comparative Statements of Income
For the Calendar Year 2006

	<u>2006</u>	<u>2005</u>
Revenue	10,314,483	4,141,629
Operating Expense	7,367,301	2,970,506
Operating Income	2,947,182	1,171,123
Administrative Expense	1,909,094	768,598
Net Profit before Taxes	1,038,088	402,525
Federal Income Taxes	-	-
Net Profit After Taxes	1,038,088	402,525

Exhibit 6

List of States Currently Operating

State	Facility-based/UNEP	Resale	Date Certified
Alabama	Yes	Yes	7/18/2000
Arkansas	Yes	Yes	2/22/2007
California	NO	Yes	6/8/2000
Colorado	Yes	Yes	10/1/2004
Connecticut	NO	Yes	2/14/2001
Florida	Yes	Yes	3/6/2000
Georgia	Yes	Yes	10/3/2000
Hawaii	NO	Yes	11/24/1999
Idaho	Yes	Yes	10/27/2000
Illinois	NO	Yes	4/12/2000
Indiana	NO	Yes	2/16/2000
Iowa	NO	Yes	6/1/2000
Kansas	Yes	Yes	3/20/2000
Kentucky	Yes	Yes	5/11/2005
Louisiana	Yes	Yes	3/29/2005
Maryland	NO	Yes	2/12/2002
Massachusetts	NO	Yes	9/17/2001
Michigan	Yes	Yes	9/18/2000
Minnesota	Yes	Yes	10/6/2000
Mississippi	Yes	Yes	11/9/2006
Missouri	Yes	Yes	3/13/2000
Montana	Yes	Yes	10/24/2000
Nebraska	Yes	Yes	1/17/2007
Nevada	NO	Yes	11/3/2000
New Jersey	NO	Yes	3/20/2001
New Mexico	Yes	Yes	3/7/2000
New York	NO	Yes	11/13/2000
North Carolina	Yes	Yes	3/15/2000
Ohio	NO	Yes	10/18/2000
Oklahoma	NO	Yes	3/31/2001
Oregon	Yes	Yes	1/4/2001
Pennsylvania	NO	Yes	1/7/2005
South Carolina	Yes	Yes	4/24/2001
South Dakota	Yes	Yes	11/14/2006
Tennessee	NO	Yes	8/24/2005
Texas	Yes	Yes	2/20/2001
Utah	Yes	Yes	6/1/2000
Virginia	Yes	Yes	6/23/2000
Washington	Yes	Yes	5/10/2000
Wisconsin	NO	Yes	3/9/2000

Exhibit 7

**Small & Minority-Owned Telecommunication
Business Participation Plan**

AMERICAN FIBER NETWORK, INC.

**SMALL AND MINORITY-OWNED TELECOMMUNICATIONS
BUSINESS PARTICIPATION PLAN**

Pursuant to T.C.A. §65-5-212, as amended, American Fiber Network, Inc. ("Reseller") submits this small and minority-owned Telecommunications business participation plan (the "Plan") along with its Application for a Certificate of Public Convenience and Necessity to resell intrastate and local exchange services in Tennessee.

I. PURPOSE

The purpose of §65-5-212 is to provide opportunities for small and minority-owned businesses to provide goods and services to Telecommunications service providers. Reseller is committed to the goals of §65-5-212 and to taking steps to support the participation of small and minority-owned Telecommunications businesses in the Telecommunications industry. Reseller will endeavor to provide opportunities for small and minority-owned Telecommunications businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, Reseller will make efforts to identify and inform minority-owned and small businesses that are qualified and capable of providing goods and services to Reseller of such opportunities. Reseller's representatives have already contacted the Department of Economic and Community Development, the administrator of the small and minority-owned Telecommunications assistance program, to obtain a list of qualified vendors. Moreover, Reseller will seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

II. DEFINITIONS

As defined in §65-5-212.

Minority-Owned Business. Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000).

Small Business. Small Business shall mean a business with annual gross receipts of less than four million dollars (\$4,000,000).

III. ADMINISTRATION

Reseller's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting Reseller's full efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

Robert E. Heath
American Fiber Network, Inc.
9401 Indian Creek Parkway, St. 140
Overland Park, KS 66210
Telephone: 913-338-2658
Facsimile: 913-661-0538

The Administrator's responsibilities will include:

(1) Maintaining an updated Plan in full compliance with §65-5-212 and the rules and orders of the Tennessee Regulatory Authority.

(2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan

(3) Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates

(4) Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in §65-5-212.

(5) Searching for and developing opportunities to use small and minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.

(6) Providing records and reports and cooperate in any authorized surveys as required by the Tennessee Regulatory Authority.

(7) Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses

(8) Providing information and educational activities to persons within CLECI and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce
The Tennessee Department of Economic and Community Development
The United States Department of Commerce Small Business
Administration Office of Minority Business
The National Minority Supplier Development Counsel
The National Association of Women Business Owners
The National Association of Minority Contractors
Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above.

Additional efforts to provide opportunities to small and minority-owned businesses will include:

- (1) Offering, where appropriate and feasible, small and minority-owned businesses.
- (2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan.
- (3) Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates.
- (4) Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in §65-5-212.
- (5) Searching for and developing opportunities to use small and minority-owned businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.
- (6) Providing records and reports and cooperate in any authorized surveys as required by the Tennessee Regulatory Authority.
- (7) Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.
- (8) Providing information and educational activities to persons within Reseller and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce
The Tennessee Department of Economic and Community Development
The United States Department of Commerce
Small Business Administration
Office of Minority Business
The National Minority Supplier Development Council
The National Association of Women Business Owners
The National Association of Minority Contractors
Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above.

Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses

assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

IV. RECORDS AND COMPLIANCE REPORTS

Reseller will maintain records of qualified small and minority-owned business and efforts to use the goods and services of such businesses. In addition, Reseller will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan. Reseller will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, Reseller will cooperate fully with any Surveys and studies required by the Tennessee Regulatory Authority.

American Fiber Network, Inc.

By: _____
Robert E. Heath
Executive Vice President

Dated: May 31, 2007

Exhibit 8

Dialing Parity Plan

INTRALATA TOLL DIALING PARITY PLAN

This is the INTRALATA TOLL DIALING PARITY plan of American Fiber Network, Inc.(AFN). The proposed implementation date of this plan shall be May 15, 2005. The exchanges included in this plan are the exchanges covered by Bell South and Sprint-United of Tennessee.

When a new customer orders service from AFN, they will be asked who they would prefer as their intraLATA toll provider if that provider is available in that area. Customers will not automatically be given AFN long distance service, however it will be offered.

AFN will utilize the two-PIC method where the customer will be able to select both an intraLATA and interLATA carrier. Again, AFN will offer those services, but the customer will not automatically be provided AFN long distance services.

AFN personnel will be clear to the Customer as to what exactly they are deciding, what the options are, and how they will be billed at the time of ordering. AFN will make its best effort to insure the Customer receives the long distance service that they desire.

This plan will cover intraLATA calling within the five LATAs within the state of Tennessee, which are identified by the numbers: 468, 470, 472, 474, and 956.

PIC change charges will only be charges when changes are made after the initial order. AFN will require a signed LOA (letter of authorization) to change a PIC. In an effort to eliminate slamming, AFN will only change the PIC at the request of the customer.

AFN will comply with all rules and regulations established by the FCC and the TRA. Access to telephone numbers, directory listings, directory assistance, and operator services will be made available on a nondiscriminatory basis.

Exhibit 9

Listing of ILEC Service Providers

LISTING
Incumbent Local Exchange Service Providers
Certified in Tennessee
(Facilities-Based)

1) Ardmore Telephone Company, Inc.

P.O. Box 549

517 Ardmore Avenue

Ardmore, TN 38449

(205) 423-2131

(205) 423-2208 (Fax)

2) BellSouth/AT&T

333 Commerce Street

Nashville, TN 37201-3300

(615) 214-3800

(615) 214-8820 (Fax)

3) Century Telephone of Adamsville

P.O. Box 405

116 N. Oak Street

Adamsville, TN 38310

(901) 632-3311

(901) 632-0232 (Fax)

4) Century Telephone of Claiborne

P.O. Box 100

507 Main Street

New Tazewell, TN 37825

(423) 626-4242

(423) 626-5224

5) Century Telephone of Ooltewah-Collegedale, Inc.

P.O. Box 782

5616 Main Street

Ooltewah, TN 37363

(423) 238-4102

(423) 238-5699 (Fax)

LISTING
Incumbent Local Exchange Service Providers
Certified in Tennessee
(Facilities-Based)

6) Citizens Communications Company of Tennessee
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

7) Citizens Communications Company of the Volunteer State
P.O. Box 770
300 Bland Street
Bluefield, WV 24701

8) Loretto Telephone Company, Inc.
P.O. Box 130
Loretto, TN 38469
(931) 853-4251
(931) 853-4329 (Fax)

9) Millington Telephone Company, Inc.
P.O. Box 429
4880 Navy Road
Millington, TN 38083-0429
(901) 872-3311
(901) 872-0022 (Fax)

10) Embarq
112 Sixth Street
Bristol, TN 37620
(423) 968-8161
(423) 968-3148 (Fax)

11) TDS Telecom-Concord Telephone Exchange, Inc.
P.O. Box 22610
701 Concord Road
Knoxville, TN 37933-0610
(423) 966-5828
(423) 966-9000 (Fax)

LISTING
Incumbent Local Exchange Service Providers
Certified in Tennessee
(Facilities-Based)

12) TDS Telecom-Humphreys County Telephone Company
P.O. Box 552
203 Long Street
New Johnsonville, TN 37134-0552
(931) 535-2200
(931) 535-3309 (Fax)

13) TDS Telecom-Tellico Telephone Company, Inc.
P.O. Box 9
102 Spence Street
Tellico Plains, TN 37385-0009
(423) 671-4600
(423) 253-7080 (Fax)

14) TDS Telecom-Tennessee Telephone Company
P.O. Box 18139
Knoxville, TN 37928-2139
(423) 922-3535
(423) 922-9515 (Fax)

15) TEC-Crockett Telephone Company, Inc.
P.O. Box 7
Friendship, TN 38034
(901) 677-8181

16) TEC-People's Telephone Company, Inc.
P.O. Box 310
Erin, TN 37061
(931) 289-4221
(931) 289-4220 (Fax)

LISTING
Incumbent Local Exchange Service Providers
Certified in Tennessee
(Facilities-Based)

17) TEC-West Tennessee Telephone Company, Inc.
P.O. Box 10
244 E. Main Street
Bradford, TN 38316
(901) 742-2211
(901) 742-2212 (Fax)

18) United Telephone Company
P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034
(931) 364-2289
(931) 364-7202 (Fax)

Exhibit 10

Statement Regarding Numbering Issues

American Fiber Network, Inc.
Exhibit 10
Statement Regarding Numbering Issues

1) What is your company's expected demand for NXXs per NPA within a year of approval of your application?

A) Because AFN intends to provide service using UNE-P or resale, it uses the numbers assigned to BellSouth or the ILEC, and does not require its own numbering resources.

2) How many NXXs do you estimate that you will request from NANPA when you establish your service footprint?

A) None; see our response to question 1.

3) When and in what NPA do you expect to establish your service footprint?

A) AFN's initial footprint will include all BellSouth territories and possibly Embarq's at some future date.

4) Will the Company sequentially assign telephone numbers within NXXs?

A) NA.

5) What measures does the Company intend to take to conserve Tennessee numbering resources?

A) NA. See response to question 1.

6) When ordering new NXXs for growth, what percentage fill of an existing NXX does the Company utilize to determine when a request for a new NXX will be initiated?

A) NA. See response to question 1.

Exhibit 11

Tennessee Specific Operational Issues

American Fiber Network, Inc.
Exhibit 11
Statement Regarding Tennessee Specific Operational Issues

1) How does the Company intend to comply with TCA § 65-21-114? In its description, please explain technically how the Company will not bill for countywide calls within Tennessee.

The Company utilizes a third-party database produced and distributed by CCMI that defines local calling areas, as established by the incumbent LECs, including BellSouth. CCMI is one of two major suppliers of packages telecommunications routing data (the other supplier being Telcordia). The original source of the routing information is obtained by CCMI from the ILECs. Accordingly, to the extent that the ILECs in Tennessee comply with the county-wide calling law, the information that AFN obtains from CCMI will likewise ensure that AFN also routes and bills in accordance with that law.

2) Is the Company aware of the Tennessee countywide calling database?

See response to Item 1.

3) Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers within your proposed service areas?

Yes.

4) Explain the procedures that will be implemented to assure that your customers will not be billed long distance charges for calls within the metro calling areas?

See response to question 1 above. AFN imports the information obtained from CCMI into its routing and billing tables, which will ensure that calls are billed in accordance with the countywide calling law and with the same billing method utilized by the underlying ILEC.

**5) Does the Company intend to telemarket its service in Tennessee?
If yes, is the Company aware of the telemarketing statutes and
regulations found in TCA § 65-4-401 et seq. and Chapter 1220-4-11?**

The Company has no plans to telemarket its services in Tennessee.
However, if it decides to telemarket, it is aware of and will fully comply
with the state telemarketing statutes and regulations.

Exhibit 12

Prefiled Testimony of Robert E. Heath

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO.

AMERICAN FIBER.
NETWORK, INC.

IN RE: APPLICATION OF AMERICAN
FIBER NETWORK, INC. FOR AMENDED
AUTHORITY TO PROVIDE FACILITIES-
BASED COMPETITIVE LOCAL
EXCHANGE SERVICES

PREPARED TESTIMONY OF ROBERT E. HEATH
ON BEHALF OF
AMERICAN FIBER NETWORK, INC.

American Fiber Network, Inc.
9401 Indian Creek Pkwy, St. 140
Overland Park, KS 66210

Telephone: (913) 338-2658
Facsimile: (913) 661-0538

1. Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
A. My name is Robert Heath, and my business address is 9401 Indian Creek Parkway, Suite 140, Overland Park, KS 66210.
2. Q. BY WHOM ARE YOU EMPLOYED?
A. I am employed by American Fiber Network, Inc. ("AFN").
3. Q. WHAT IS YOUR POSITION WITH AFN?
A. I am the Executive Vice President ("EVP").
4. Q. WHAT ARE YOUR JOB RESPONSIBILITIES?
A. My main duties include handling utility commission information requests from all the commissions we deal with. Additionally, responsible for all applications, tariff writing and updating, pricing, interconnection and commercial agreement negotiation, ILEC liaison, business planning, and customer proposal preparation.
5. Q. COULD YOU PLEASE TELL US ABOUT YOUR BACKGROUND?
A. I have over fifteen years of experience in the telecom industry. Prior to joining AFN in September of 1999, I was a principal in a start-up CLEC, Valence Communications Services, Ltd. Previous to that experience, I was owner of Heath Telecom Resources, a Regional Sales Manager in the southwest for Fone America, and a director of Telco and Investor Relations with ITI. I received a B.B.A from Baylor University.
6. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?
A. The purpose of my testimony is to present evidence in support of AFN's Application to upgrade its authority to include facility-based local exchange service by demonstrating that AFN has the ability to provide reliable competitive local exchange services throughout the State of Tennessee in the corresponding exchanges of BellSouth, and by demonstrating why the granting of a Certificate of Public Convenience and Necessity to AFN is in the public interest.

7. Q. IS AFN AFFILIATED WITH ANY OTHER COMPANY?
- A. AFN is a wholly owned subsidiary of MobilePro Corporation, a public traded company whose symbol is MOBL. MobilePro owns other CLECs by the name of CloseCall American and Affinity Telecom, Inc. Neither of these other subsidiaries is certified or operating in the State of Tennessee.
8. Q. HAS AFN REGISTERED TO DO BUSINESS IN THE STATE OF TENNESSEE?
- A. AFN was issued a Certificate of Authority to transact business in the State of Tennessee on October 11, 1999. A copy of AFN's Certificate of Authority to transact business in the State of Tennessee has been included in AFN's Application for a Certificate of Public Convenience and Necessity under Exhibit B.
9. Q. WHAT IS THE NATURE OF AFN'S OPERATIONS?
- A. AFN was organized under the laws of the State of Delaware on March 26, 1991. The Company proposes to offer competitive local exchange telecommunications services throughout the BellSouth service areas. AFN proposes to offer a variety of competitive local exchange services including basic service, custom calling features. The Company proposes to offer resold intrastate, inter and intralata toll services. AFN does not intend to construct facilities. AFN has obtained state and federal regulatory authorization to provide competitive local exchange services throughout the Bell South services areas.
10. Q. PLEASE DESCRIBE THE SERVICES AFN PROPOSES TO OFFER?
- A. As described previously, AFN proposes to offer a variety of competitive local exchange services including basic service, custom calling features, and intralata toll services, at rates and terms, which are competitive with other local exchange carriers. AFN will coordinate with BellSouth for the provision of emergency 911 services, directory publication, and directory distribution to local customers. The Company further proposes to offer resold intrastate, inter and intralata toll services as an adjunct to its interstate services. AFN's goal is to provide customers with a comprehensive set of combined local exchange telecommunications at desirable rates, to meet customers' calling needs. AFN will serve local exchange subscribers utilizing incumbent local exchange carrier resold services and facilities-based UNE-P service. The Company will not construct facilities of its own. We are in negotiations for interconnection with BellSouth. The resulting interconnection agreement will be filed with the Commission pursuant to section 252(e) of the 1996

Telecommunications Act (47 U.S.C. §252(e)) for approval. When approved, Applicant will provide telephone exchange services to residential and commercial customers in Tennessee. We currently project serving less than 1,000 Tennessee subscribers within its first years of intrastate operations, an estimated five percent (5 %) of whom will be commercial subscribers. Commercial and residential local exchange subscribers will be served utilizing existing incumbent facilities. AFN will offer interexchange services exclusively on a resold basis. AFN does not intend to construct facilities, accordingly. The specific competitive local exchange services AFN proposes to offer are more fully described in our local exchange tariff.

11. Q. WILL THE COMPANY TARGET A PARTICULAR MARKET?

A. AFN proposes to offer local exchange services primarily to residential customers throughout the state of Tennessee..
12. Q. FROM WHOM DOES AFN OBTAIN ITS LOCAL AND INTRASTATE LONG DISTANCE SERVICES?

A. AFN, as previously stated, will obtain its components to offer local exchange service from the incumbent local exchange carrier, which in most cases will be BellSouth. As for interexchange services, AFN utilizes several underlying carriers across the country. Those carriers include Global Crossing, Qwest, and Wiltel.
13. Q. DOES AFN OWN ANY SWITCHING OR TRANSPORT FACILITIES IN TENNESSEE?

A. No. AFN does not own switching equipment or transport facilities in Tennessee, nor does it initially plan to purchase switching equipment or transport facilities in Tennessee. AFN will be relying on the technical network capabilities of its underlying carrier(s) for all network and transport facilities in the provision of access and egress for its local and interexchange services.

14. Q. PLEASE DESCRIBE THE COMPANY'S TROUBLE REPORTING PROCEDURES.
- A. All service-related problems, including trouble reporting, may be directed to AFN customer service department via the Company's toll-free number, 1-800-864-0583. Immediately upon report of local service trouble, AFN will contact its operations staff to identify the source of the trouble and will coordinate with the incumbent carrier to isolate the trouble and repair. The incumbent carrier will repair the trouble and inform AFN when the trouble has been repaired. The Company will then contact the customer to verify that the service has been restored. AFN service representatives are available from 8:00 a.m. to 7:00 p.m. Central Standard Time. Outside of these hours, an answering service directs the calls to an individual who is on call, thus providing 24/7 customer service.
15. Q. HOW WILL THE COMPANY BILL ITS CUSTOMERS?
- A. AFN's local exchange customers will be billed through its own billing system.
16. Q. HOW FREQUENTLY WILL BILLS BE RENDERED TO CUSTOMERS?
- A. Bills will be rendered on a monthly basis.
17. Q. HOW ARE BILLING DISPUTES RESOLVED?
- A. AFN's customer service department is available to resolve any disputes. Customers may reach the Company's customer service staff via its toll-free telephone number at (800) 864-0583, via facsimile at (913) 661-0583, or by letter and the address listed on the bill. Customers may escalate the dispute to the responsible Company manager, if necessary and may, of course, seek Commission intervention if necessary. AFN's employees embrace a strong customer service orientation that makes meeting customer needs an absolute priority.
18. Q. HOW ARE RATE AND SERVICE INFORMATION REQUESTS PROCESSED?
- A. AFN's customer service representatives are prepared to respond to all rate and service information through whatever medium the customer elects to communicate with the Company.

19. Q. HOW ARE OPERATOR-ASSISTED AND DIRECTORY ASSISTANCE CALLS PROCESSED?
- A. AFN utilizes the incumbent's operators for local directory assistance and operator assisted calling. IntraLATA operator assisted calling will be handled by our underlying carrier's operator center if the customer utilizes our long distance services. Otherwise, that service will be provided by the carrier the subscriber utilizes.
20. Q. PLEASE DESCRIBE AFN'S PROPOSED TENNESSEE TARIFFS.
- A. AFN's proposed local exchange tariff establishes the rates, terms and conditions of the Company's service offerings, including specific service requirements established by the Tennessee Regulatory Authority. The Company believes that its services are competitive with similarly situated service providers.
21. Q. DESCRIBE AFN'S ORGANIZATION?
- A. AFN has professional, technical, operational and sales staff. Our professional staff is eminently qualified to support the Company's telecommunications service offerings in each of their respective disciplines, through years of experience in similar positions working with other local telecommunications service providers.
22. Q. HOW DOES AFN MARKET AND SELL ITS SERVICES?
- A. AFN markets its services through established direct marketing relationships with business and trade groups as well as direct sales by its employees. AFN does not currently perform any telemarketing to acquire its customers.
23. Q. DESCRIBE AFN'S INDUSTRY EXPERIENCE.
- A. In support of AFN's managerial ability to provide services herein, AFN submitted a description of the background and experience of its current management team with the Commission as Exhibit 4 to the Application in this proceeding. Also, my qualifications and experience are set forth in question 5 of this testimony.

24. Q. DESCRIBE AFN'S FINANCIAL ABILITY TO SERVE AS A FACILITY-BASED PROVIDER OF TELECOMMUNICATIONS SERVICES IN TENNESSEE?

A. AFN's financial statements have been submitted to the Commission with its application as Exhibit 5. The Company's financial position clearly demonstrates the Company's ability support its operations and serve the public in the State of Tennessee. The Company is fully funded and requires no external funding. As a provider of local services and reseller of telecommunications services, AFN's liabilities to its underlying carriers are incurred upon the rendering of service. AFN does not plan to construct facilities. The Company will, therefore, require no additional capitalization nor resource expenditure to expand its operations in Tennessee.

25. Q. WHERE IS AFN CURRENTLY AUTHORIZED TO PROVIDE SERVICE?

A. AFN has the authority to operate in California, Oregon, Washington, Idaho, Nevada, Montana, Utah, New Mexico, Colorado, Nebraska, Kansas, Oklahoma, Texas, Missouri, Wisconsin, Illinois, Alabama, Georgia, Florida, South Carolina, North Carolina, Virginia, Michigan, Indiana, Ohio, Pennsylvania, New York, Connecticut, Massachusetts, Maryland, New Jersey, Kentucky, Tennessee, Louisiana, Minnesota, and Hawaii.

26. Q. HOW WILL GRANTING AFN'S CERTIFICATE AFFECT THE AVAILABILITY OF AFFORDABLE LOCAL EXCHANGE SERVICE?

A. By granting AFN's upgrade, the Commission will be fostering greater competition in the local exchange telecommunications services markets. With additional competition, existing providers will strive to offer services at the lowest rates and most innovative features possible to attract new customers and retain existing customer bases.

27. Q. HOW WILL TENNESSEE CONSUMERS BENEFIT FROM AFN'S SERVICES?

A. AFN's proposed services will allow customers to obtain very competitive services and rates. Customers will benefit from AFN's industry experience and innovative service offerings and billing options. Additionally, an increase in the traffic generated through the provision of the Company's proposed intrastate services over existing facilities will help improve the efficiency of those facilities and reduce the underlying carrier's costs in provisioning such services. And the State of Tennessee will realize an increase in tax revenue. I believe that AFN will operate as the very type of responsible, solid local exchange carrier that the Commission wishes to enter the State of Tennessee.

28. Q. DOES THAT CONCLUDE YOUR TESTIMONY?

A. Yes, it does. Thank you.

Robert E. Heath
EVP
American Fiber Network, Inc.

VERIFICATION

VERIFICATION

County of Dallas)
) s/s
State of Texas)

I, Robert E. Heath, being first duly sworn, depose and state that I am an authorized representative of American Fiber Network, Inc., the Applicant in the subject proceeding; that I am authorized to make this verification on behalf of American Fiber Network, Inc.; that I have read the foregoing application and exhibits and know the content thereof; that the same are true and correct to the best of my knowledge, information, and belief.

Executed on this ____th day of June, 2007.

By: _____
Name: Robert E. Heath
Title: EVP for American Fiber Network, Inc.
Company: American Fiber Network, Inc.

Subscribed to and sworn before me this ____th day of June, 2007.

Notary Public

My Commission expires on _____