

TENNESSEE REGULATORY AUTHORITY

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James Robertson Parkway
Nashville, Tennessee 37243-0505

November 5, 2008

Courtlandt G. Miller
Applewood Communications Corporation
436 Lynchburg Avenue
Brookneal, Virginia 24528

RE: Docket No. 07-00154, *Application of Applewood Communications Corporation for Authority to Provide Resold Interexchange Telecommunications Services in Tennessee*

Dear Mr. Miller:

The Tennessee Regulatory Authority is in receipt of your October 8, 2008 response to our data request. In regard to your response, please provide the following information:

- 1) The response indicates that your results of operations for the nine months ended September 30, 2008 and stand alone September results were attached. We did not receive the September stand alone financials. Please provide September's financials.
- 2) Provide a pro forma income statement for the next two years of operations including anticipated revenues and expenses. Does Applewood anticipate an increase in revenue and a decrease in expenses? If so, how does the company plan to accomplish these goals?
- 3) Explain the circumstances surrounding line item 8000 in Applewood's Profit and Loss Statement that reads, "Undocumented expense embezzlement" in the amount of \$340,986.83. Do you anticipate full recovery of this amount?
- 4) You indicate that changes in personnel delayed providing the financial statements requested. Please list all officers of Applewood Communications Corporation, their title with the company, and detailed background information including education and experience and duties and responsibilities for day-to-day operations of Applewood Communications Corporation.

It is requested that this information be provided no later than 2:00 pm on November 19, 2008 and that you reference Docket Number 07-00154 on the response. In accordance with TRA rules submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version. Should you have questions regarding this request, please contact Lisa Foust at 615-741-2904 extension 220.

Sincerely,

Darlene Standley
Utilities Division Chief