

RECEIVED

300 Bland Street
Bluefield, WV 24701

2007 AUG 24 PM 3: 24

T.R.A. DOCKET ROOM

August 22, 2007

Ms. Sara Kyle, Chairman c/o Ms. Sharla Dillon, Document Manager Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

RE: Docket No 07-00170

Dear Chariman Kyle:

Enclosed are original and thirteen written copies of Frontier's filing of calculations to CTC-TN and CTC-VS associated with our planned business rate adjustment related to tax equity payments received in 2007 pursuant to Tennessee Code Annotated § 65-7-222. Per TRA letter dated 7-19-07, tariff pages reflecting the reduced rates shown on the attached worksheets have been filed as of the mailing of this letter. The tariff submission reflects an effective date of 10-1-07.

The attachments are being submitted as proprietary and confidential and enclosed in a separate envelope.

If you have any questions, please don't hesitate to contact me at 304-325-1688.

Sincerely,

Angela McCall

Manager – Government & External Affairs

nacla McCall

Enclosures