



2008 MAY 30 AN 10: 33

Tennessee's Leading Internet and Telephone Provider

T.R.A. DOCKET ROOM

www.aeneas.com

May 28, 2008

Chairman Eddie Roberson C/O Sharla Dillon Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

RE: Response to Data request in the Matter of the Petition of Aeneas Communications, LLC for Designation as an Eligible Telecommunications Carrier Docket No. 08-00059

Enclosed is the response of Aeneas Communications, LLC, issued 05/28/2008. We respectfully request that the Authority review our responses to your inquries in the matter of our petition for ETC Status, Docket No. 08-00059

I am enclosing the original as well as 13 copies. Should you need clarification or additional information please let me know. Thank you.

Sincerely,

George E. Tosh Chief Project Officer

Docket No. 08-00059 Aeneas Communications, LLC Request for Designation as ETC

In response to your letter dated May 22nd 2008 please find the enclosed responses to your inquries.

1. Provide copies of, or instruction on where to locate Aeneas' current advertising of its services to Tennessee consumers. The information should also include Lifeline as identified in Aeneas' approved Tariff.

Aeneas Response:

Please see Exhibit A

2. Describe what innovative services and service offerings Aeneas will provide to its rural service area exchange customers if designated as an ETC in those exchanges.

Aeneas Response

Aeneas currently offers POTS based telephony services to its customers based throughout Western Tennessee through the use of UNE elements purchased from the ILEC and Aeneas owned/leased facilities. Aeneas intends to expand it's service offerings in the coming years to push broadband and advanced new telephony features further into the extreme rural parts of Western, TN.

3. Provide a specific description of how the company will use the federal universal service support it would receive as a designated ETC.

Aeneas Response

Lifeline 1 4 1

Lifeline is a program designed to increase the availability of telecommunications service to low-income subscribers by providing a credit on the monthly recurring local service to qualifying residential subscribers. Being granted ETC status will allow Aeneas to seek reimbursement for the federal baseline support credit of \$8.25, the supplemental federal support credit of \$1.75, which is made available and based on the \$3.50 credit provided by Aeneas Communications, and, where applicable the subscriber line charge. As such Lifeline support is not determined by exchange, but rather, by participation in one of the eligible programs. Aeneas Communications will apply the aforementioned discounts to all subscriber accounts, which demonstrate eligibility through participation in any of the approved programs.

High Cost Support

As the Commission is aware, High Cost Support, for the BellSouth exchanges in the state of Tennessee, is limited to Interstate Access Support (IAS), which is disbursed according to service type (Residential & Single Line Business or Multi Line Business) and UNE Zone. In Tennessee, Aeneas Communications currently offers residential and commercial services available to customers in UNE Zone exchanges 1, 2, and 3. IAS fund amounts found in the HC-13 fourth quarter appendices, located in the USAC website, indicate the current amount of IAS support for residential services, on a per-line and zone basis to be the following;

Zone 1 \$0.00 Zone 2 \$0.0339 Zone 3 \$1.9289

In addition support can only be received by an ETC, such as Aeneas Communications UNEs purchased from the Incumbent, or on it's own facilities and used to provide services to it's end users. Further an ETC must apply the support to the exchange or zone that was responsible for generating the support. It is Aeneas Communications intention to use this support in a manner that is consistent with this direction by applying the amount of the disbursements, on a per line average, as a reduction to the line cost of these UNEs on a UNE zone by UNE zone basis.

As indicated above, the support available to UNE Zone 3 exchanges is greater than the amounts available to zones 1 & 2. This is intentional and designed to allow ETCs the ability to provide service to subscribers residing in rural (zone 3) exchanges at

rates that are comparable to those charged in urban (zone 1) and suburban (zone 2) exchanges. By applying these funds as a reduction to the cost it pays to the Incumbent UNEs Aeneas Communications will be able to:

- 1. Offer zone 3 subscribers the same services available to zone 1 and 2 subscribers
- 2. Offer zone 3 subscribers rates comparable to that of zone 1 and 2 subscribers
- 4. Describe Aeneas' plans for demonstrating to the Authority that for those Lifeline customers served via resale of another carrier's services, Aeneas is not receiving the federal universal service Lifeline credit from the serving company and filing for credit with the Universal Service Administration Company.

Aeneas Response:

Aeneas does not currently receive any credits on any resale services for the purpose of Lifeline. Aeneas is currently subsidizing these costs out of it's own revenues until ETC status can be granted. To ensure that there will not be any double payment on the part of USAC, Aeneas plans only to apply to USAC for the service credits, Aeneas will not be applying to the Incumbent for discounts on resale products. Furthermore Aeneas will make available to any authorized agency all data related to the lifeline program.

5. List the states where Aeneas is providing, or has requested the authority to provide, local exchange service and whether the company has applied for or has been designated as an ETC.

Aeneas Response:

Aeneas is an authorized CLEC only in the State of Tennessee, and has applied for ETC status in the state of Tennessee.

Exhibit A

Sample Aeneas Advertisement



731.554.9200 www.aeneas.com

INTERNET

Aeneas provides reliable broadband with speeds up to 3MB to make using the Internet and downloading files and information easier than ever. Choose your high-speed at low costs.

 Basic
 512k down/256k up
 \$24.95

 Intermediate
 1.5M down/256k up
 \$34.95

 Premium
 3M down/256k up
 \$44.95

ALL AENEAS INTERNET PACKAGES INCLUDE:
60 MB WEBSPACE, 5 E-MAIL ACCOUNTS, SPAM & VIRUS FILTERING

TELEPHONE

Aeneas provides feature-rich VoIP telephone at affordable prices. Save on long distance, and enjoy webbased management with all our VoIP packages.

BASIC \$15.95

Local service, Call Waiting, Call Return \$.07 long Distance rate

INTERMEDIATE \$2

\$24.95

Local area-wide service (within 40 mile radius), Call Waiting, Caller ID, Three-Way Calling, Call Forward and Call Return \$:06 long distance rate

PREMIUM

\$44.95

Unlimited Nationwide Long Distance

Call Waiting, Caller ID, Three-Way Calling, Call Forward, Call Return, Call Pick-up, Repeat Dialing, Ring Choice, Call Block, Speed Dialing.

* Plus applicable FCC taxes and charges.

\$25 one-time telephone connection fee

LIFELINE CREDIT - \$13.50

Lifeline saves telephone subscribers up to \$13.50 per month on the local service portion of your telephone bill. This program will not assist on long distance charges or special features such as Caller ID or Call Waiting. You are eligible for lifeline if you receive SSI, TANF, Food Stamps or Medicaid. Proper documentation must be provided, and the credit is only good for 1 phone line per household.

All Aeneas services include FREE LOCAL SUPPORT 7 DAYS A WEEK 731.554.9200 - Option 3