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January 23, 2014

**Via Federal Express and Electronic Filing**

Ms. Sharla Dillon, Docket Room Manager  
Tennessee Regulatory Authority  
502 Deaderick Street, 4<sup>th</sup> Floor  
Nashville, Tennessee 37243

**Re: Docket No. 13-00152**

Application of Birch Telecom of the South, Inc. dba Birch Communications of the South and Birch Communications, Inc. for Approval of Financing Arrangements

Dear Ms. Dillon:

Birch Telecom of the South, Inc. dba Birch Communications of the South, and Birch Communications, Inc. (collectively, "Applicants") hereby encloses an original and four (4) copies of these responses to staff's request for additional information ("Responses"). The Responses are also being filed electronically.

Staff requested "information describing how the proceeds of the requested financing transaction will be utilized." The instant financing is an expansion of a financing previously approved by the Tennessee Regulatory Authority on September 4, 2013, in Docket No. 13-00083. The instant request for approval only seeks to expand the amount of the financing arrangement. The additional funds associated with this request will be put to the same use as outlined in Docket No. 13-00083. As explained in that proceeding, the financing will be used by the Applicants for future acquisitions and other lawful corporate purposes.

Staff also requested "information on the expected interest rates and associated conditions of the requested financing transaction." In the initial filing in Docket No. 13-00083, Applicants included the confidential commitment letter as **Exhibit A**. This commitment letter contained the interest rates and conditions for the financing. The rates and conditions set forth in that commitment letter continue to govern the instant request to increase the financing amount.

Please date stamp the extra copy of these Responses, and return it in the enclosed envelope. If you have any questions concerning this matter, please contact the undersigned.

Respectfully submitted,



Angela F. Collins  
Counsel for Birch Communications, Inc. and  
Birch Telecom of the South, Inc.

cc: Sharla Dillon (via electronic mail)  
Jerry Kettles (via electronic mail)