

TENNESSEE PUBLIC UTILITY COMMISSION



502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

June 26, 2017

Paul Thompson
Executive V.P. and General Manager
Tri-County Fiber Communications, LLC
405 College Street
Lafayette, Tennessee 37083

RE: Docket No. 17-00053, *Application of Tri-County Fiber Communications, LLC for Certificate to Provide Competing Local Telecommunications Services in Tennessee*

Dear Mr. Thompson:

CLEC applicants are required, by statute, to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of Tri-County Fiber Communications, LLC's application for certificate of convenience and necessity to provide competing local telecommunications services in Tennessee, you are requested to provide the following:

1. If Tri-County Fiber Communications, LLC ("TCFC") intends to utilize leased existing fiber from Tri-County Electric Membership Corporation ("TCEMC") for its feeder facilities, provide the total estimated annual expenses that TCFC will incur during the first three years of operations, including any assumptions and/or explanations as necessary. Also, if TCEMC leases fiber to TCFC, will TCEMC provide leased fiber to other similar situated entities under the same rates, terms and conditions. If not, please explain.
2. Provide the total estimated cost of distribution cable for the proposed project that TCFC will incur during the first three years operations. In your response please include an itemization of all expenses by year, including any assumptions and/or explanations as necessary. Also, identify the entities that will perform this work? If the distribution cable will be rented by TCFC from TCEMC, please discuss all terms, rates and conditions related to such rental and discuss whether TCEMC will make rental of distribution cable available to all other similarly situated entities at the same rates, terms and conditions.
3. Provide the total estimated cost of the proposed drop plant that TCFC will incur during the first three years operations. In your response please include an itemization of all expenses, including any assumptions and/or explanations as necessary.

4. Provide a detailed written description of all terms, rates and conditions that will apply to TCFC for attaching to TCEMC's electric poles. Also, will TCEMC make these same rates, terms and conditions for pole attachments available to all other similar situated entities seeking to attach to TCEMC poles? If not, please provide a detailed explanation.

5. Provide a written description of all rates, terms and conditions of loans (existing and proposed) between the two entities, including, but not limited to, interest rates charged, length of loan and other specific loan terms.

6. Explain in detail all accounting measures, policies, procedures and other safeguards that will TCEMC and TCFC will implement to prevent cross-subsidization from TCEMC's electric operations to TCFC operations. These explanations should identify which direct costs/expenses will be assigned to TCFC and also which expenses/cost will be allocated from TCEMC to TCFC. If certain costs/expenses will be allocated, please discuss the basis and rationale for such allocation.

It is requested that this information be provided no later than 2:00 pm on July 12, 2017 and that you reference Docket Number 17-00053 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 John Hutton at 615-770-6889.

Sincerely,

A handwritten signature in black ink, appearing to read "D Foster", is written over the typed name.

David Foster
Director, Utilities Division

C: Docket File