

Company ID: 128247

PaeTecCommunications, Inc.
290 Woodcluff Drive
Fairport, NY 14450

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, TN December 1, 1998

IN RE: CASE NUMBER: 98-00691

Application for Authority to Provide Operator Services and/or Resell Telecommunications Services in Tennessee Pursuant to Rule 1220-4-2-.57.

---ORDER---

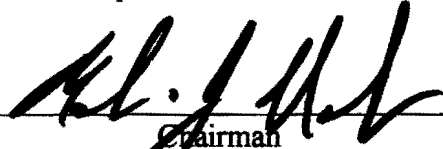

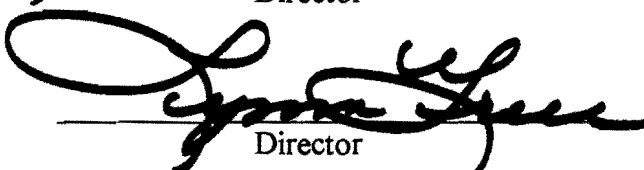
This matter is before the Tennessee Regulatory Authority upon the application of the above-mentioned company for certification as a reseller or telecommunication operator service provider in Tennessee. The TRA considered this application at a Conference held on December 1, 1998 and concluded that the applicant has met all the requirements for certification and should be authorized to provide operator services and/or resell telecommunications services on an intrastate basis.

IT IS THEREFORE ORDERED:

1. That the above-mentioned company is issued a Certificate of Convenience and Necessity as an operator service provider and/or reseller of telecommunications services for state-wide service in Tennessee as specified in its application on file with the Authority.
2. That said company shall comply with all applicable state laws and TRA rules and regulations.
3. That this order shall be retained as proof of certification with this Authority, and may be used to obtain appropriately tariffed service and billing arrangements from Authority authorized telecommunications service providers.

ATTEST:


Executive Secretary


Chairman

Director

Director

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

COPY

WASHINGTON OFFICE
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE (202) 424-7647

September 29, 1998

NEW YORK OFFICE
919 THIRD AVENUE
NEW YORK, NY 10022-9998
TELEPHONE (212) 758-9500
FACSIMILE (212) 758-9526

VIA OVERNIGHT DELIVERY

3

K. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

RECEIVED
ADMINISTRATIVE

OCT 07 1998

Re: Application of PaeTec Communications, Inc.

TN REGULATORY AUTHORITY

Dear Mr. Waddell:

Enclosed for filing on behalf of PaeTec Communications, Inc. ("PaeTec"), are an original and one (1) copy of PaeTec's Application for a Certificate to Resell Interexchange Telecommunications Services in Tennessee. Also enclosed is a check in the amount \$50 in payment of the requisite filing fee.

Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, postage-paid envelope provided.

Should any questions arise concerning this filing, please do not hesitate to contact us.

Respectfully submitted,


Dana Frix
Grace R. Chiu

Counsel for PaeTec Communications, Inc.

cc: Richard E. Ottalagana (w/o encl.)
J. T. Ambrosi
Anandashankar Mazumdar

252400.1

VOUCHER NO. 727-106401
CD# 0101234 REC. 281.03
AMT. REC. 50.00
DEPOSIT DATE 10/8/98

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

ORIGINAL

WASHINGTON OFFICE
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
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460 James Robertson Parkway
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OCT 02 1998

TN REGULATORY AUTHORITY
TELECOMMUNICATIONS DIVISION

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Counsel for PaeTec Communications, Inc.

cc: Richard E. Ottalagana (w/o encl.)
J. T. Ambrosi
Anandashankar Mazumdar

128247
98-00691
00691

TENNESSEE REGULATORY AUTHORITY
460 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243-0505

KEITH BISSELL, CHAIRMAN
STEVE HEWLETT, COMMISSIONER
SARA KYLE, COMMISSIONER

PAUL ALLEN, EXECUTIVE DIRECTOR

**APPLICATION FOR CERTIFICATE
TO PROVIDE OPERATOR SERVICES AND/OR
RESELL INTEREXCHANGE
TELECOMMUNICATION SERVICES IN TENNESSEE
[RULE 1220-4-2-57]**

SECTION A

Part I: General Information

A. Name of Applicant PaeTec Communications, Inc.
Address 290 Woodcliff Drive, Fairport
State New York Zip Code 14450 Phone No. 716/340-2500

B. Owner, Partners, or Corporate Officer

<u>NAME</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
Arunas A. Chesonis <i>Chairman of Board of Directors, President, and Chief Executive Officer</i>	290 Woodcliff Drive, Fairport, New York	14450		
Joseph D. Ambersley <i>Director and President - PaeTec South</i>	same as above			
John Baron <i>Director and President - PaeTec North</i>	same as above			
Bradford M. Bono <i>Director and President - PaeTec East</i>	same as above			
Edward J. Butler, Jr. <i>Director and President - Wholesale Markets</i>	same as above			
Richard E. Ottalagana <i>Director, Executive Vice President, and Treasurer</i>	same as above			
Richard J. Padulo <i>Executive Vice President - Engineering and Operations</i>	same as above			
Daniel J. Venuti <i>Executive Vice President, Secretary, and General Counsel</i>	same as above			
Timothy J. Bancroft <i>Vice President - Finance</i>	same as above			

128247

(To be filled out by PSC) 98-00691

Company ID Number _____
Date Approved _____
Evaluator _____

- C. Name and telephone number of Tennessee contact person authorized to respond to Commission inquiries Monday through Friday.

PaeTec will conduct its Tennessee operations from its headquarters in Fairport, New York. The contact person is:

<u>Mr. J. T. Ambrosi</u>	<u>716/340-2500</u>	<u>716/340-2563</u>
Name	Phone No.	Fax No.

- D. List a toll-free telephone number that consumers can call to report service problems and/or request refunds or adjustments. 877/4-PAETEC (877/472-3832)

- E. Check the type of telecommunications services you plan to provide in Tennessee.

☒ Resell Interexchange long distance services
☐ Operator Services
☒ Other (describe below)

PaeTec proposes to provide resold intrastate interexchange telecommunications services, including direct-dialed ("1+") message telecommunications services, 800/877 services, operator services (to presubscribed customers only), and post-paid calling card services.

- F. If providing operator services, list company name, address and contact person for all reseller carriers you serve in Tennessee. Provide the above information on Appendix I.

PaeTec will provide operator services only to presubscribed customers.

- G. List the state(s) you are authorized to operate in at this time.

PaeTec was formed to provide all forms of telecommunications services, including resold local exchange and interexchange services. PaeTec is in the process of seeking authority, where required, throughout the United States to provide competitive resold intrastate interexchange telecommunications services. PaeTec currently is authorized to provide resold intrastate interexchange telecommunications services, by virtue of certification, registration or tariff requirements, or on an unregulated basis, in California, Massachusetts, Michigan, New Hampshire, New Jersey, Ohio, Rhode Island, Texas, and Virginia. PaeTec has pending applications for authority in Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Maine, Maryland, Nevada, New York, Pennsylvania, South Carolina, and Vermont. In addition, PaeTec is currently authorized to provide competitive local exchange telecommunications services in Massachusetts and New Jersey. PaeTec has pending applications to provide competitive local exchange telecommunications services in California, Connecticut, Florida, Illinois, Maryland, New York, Pennsylvania, and Virginia.

- H. List any states that you have been denied authority to provide service.

None.

- I. Areas in Tennessee to be served.

Applicant intends to provide service to and from all points in the State of Tennessee.

- J. What type of customers will the company serve?
a. Business X
b. Residential X
c. Aggregators _____
 (e.g., Hotels, Payphones)
d. Other (specify) _____
- K. Do you allow a property imposed fee (PIF) to be added to the price of intrastate telephone calls over your network? No. If yes, specify amount: _____
- L. Are your prices for intrastate services plus any PIF equal to or less than the dominant carrier's price for similar services? Yes X No _____
- M. Describe the type of services and price that the applicant will be offering in Tennessee on the Informational Tariff Form found in Appendix II.¹
- N. What is the applicant's 10XXX or 800 access code? 6340
- O. Does the applicant now have or plan to have any telecommunication's facilities (e.g. switches, fiber lines) in Tennessee? No.
- P. What facility-based network will the applicant be reselling? Frontier Communications
- Q. Will the applicant be utilizing the local telephone company's billing system or billing customers directly?²

1/ Applicant is required to fill out an Informational Tariff form. Failure to fill out this form will cause the applicant's request to be rejected.

- T. Applicant has the ability and agrees to honor the form of call blocking that the consumer has subscribed to with their local telephone company. Yes X No
- U. Applicant gives permission to the local telephone company to provide the Commission a periodic sample of the reseller's intrastate toll calls. The purpose of this analysis is to audit the reseller's rates to assure they are at or below the dominant carrier's tariffed rates. Yes X No

Part II: Organization Structure

A. Type of Organization

 Individual X Corporation

 Partnership Other (Explain on separate sheet)

B. If partnership and/or Non-resident

(1) Attach a copy of Articles of Incorporation and current by-laws.

See Exhibit A.

(2) Attach a copy of Certification of Authority issued by Tennessee Secretary of State showing corporation's authority to engage in business in Tennessee.

See Exhibit B.

Part III: Financial Information

- A. Attach a current financial statement showing in detail the applicant's financial condition, including balance sheet and income statement, or a copy of IRS form 1120 or 1065 filed by your business for the previous year. Attach, if available, a copy of your company's 10K and/or stockholder reports.

See Exhibit C.

Part IV: Display Card

Attach a copy of the display card to be placed on the aggregators telephone which shows what operator services are to be provided. The card must contain all required information listed in the attached Rule (1220-4-2-57,B)³, which includes a toll-free number consumers can call for service problems and refunds.

Not applicable. Applicant will provide operator services only to presubscribed customers.

Part V: Rule Compliance Agreement

- A. The Interexchange Reseller or Operator Service Provider applicant, hereby, affirms the following:
- Has received, read, and understands the Tennessee Regulatory Authority's (TRA) Interexchange Reseller Rules and Regulations, (Appendix III).
 - Understands the penalties for non-compliance, and all associated fees to provide such service.
 - Will comply with the TRA Interexchange Reseller Rules and all other applicable T.R.A. Rules and state laws, including T.C.A. Section 65-5-206 (Appendix IV).
 - That all information provided in the attached registration document is true to the best of my knowledge.

PaeTec Communications, Inc.

Company Name

9-15-98

Date

Richard E. Ottalagana

Richard E. Ottalagana, Executive Vice President

Subscribed and sworn before me this 15th day of September, 1998

Karen F. Ferrini

Notary Public

My Commission Expires: 11/30/98

KAREN F. FERRINI
Notary Public, State of New York
No. 4765553
Qualified in Monroe County 98
Commission Expires Nov. 30, 98

seal

Appendix I

<u>Reseller Name</u>	<u>Address</u>	<u>Contact Person</u>
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Not applicable. Applicant will provide operator services only to presubscribed customers.

Appendix II
Informational Tariff Sheet
of
PaeTec Communications, Inc.

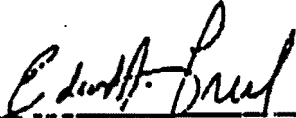
Description of Service	Applicant's proposed price charge to consumer	Dominant Carrier's price for similar service
Commercial Switched Outbound (1+)	Billing Minimum: Six Seconds Billing Increments: Six Seconds Rate: \$ 0.159	\$0.06-0.24 per minute
Commercial Switched Inbound	Billing Minimum: Thirty Seconds Billing Increments: Six Seconds Rate: \$ 0.159	\$0.211 per minute
Commercial Dedicated Outbound	Billing Minimum: Six Seconds Billing Increments: Six Seconds Rate: \$ 0.091	\$0.06-0.24 per minute
Commercial Dedicated 800/888/877 Inbound	Billing Minimum: Thirty Seconds Billing Increments: Six Seconds Rate: \$ 0.086	\$0.211 per minute
Residential Switched Outbound (1+)	Billing Minimum: One Minute Billing Increments: One Minute Rate: \$ 0.185	\$0.06-0.24 per minute
Residential Switched 800/888/877 Inbound	Billing Minimum: One Minute Billing Increments: One Minute Rate: \$ 0.195	\$0.211 per minute
Commercial 800/888/877 Travel Card Service	Billing Minimum: Thirty Seconds Billing Increments: Six Seconds Rate: \$ 0.20	\$0.211 per minute
Residential 800/888/877 Travel Card Service	Billing Minimum: One Minute Billing Increments: One Minute Rate: \$ 0.20	\$0.211 per minute
Directory Assistance	Per Request: \$0.75	\$0.50-2.00
Public Pay Telephone Surcharge	Per Call Charge: \$ 0.35	

State of Delaware
Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "PAETEC COMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE TWENTY-EIGHTH DAY OF MAY, A.D. 1998, AT 3:05 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.




Edward J. Freel, Secretary of State

2901942 8100

981205214

AUTHENTICATION. 9107400

DATE 05-28-98

Secretary of State

Corporations Section

**James K. Polk Building, Suite 1800
Nashville, Tennessee 37243-0306**

DATE: 06/24/98
REQUEST NUMBER: 3525-0867
TELEPHONE CONTACT: (615) 741-0537
FILE DATE/TIME: 06/24/98 1037
EFFECTIVE DATE/TIME: 06/24/98 1037
CONTROL NUMBER: 0353109

TO:
HIQ CORPORATE SERVICES
816 B CHARLES ST.

BALTIMORE, MD 21201-5052

RE:
PAETEC COMMUNICATIONS, INC.
APPLICATION FOR CERTIFICATE OF AUTHORITY -
FOR PROFIT

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED CERTIFICATE OF
AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED ABOVE.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF STATE
ON OR BEFORE THE FIRST DATE OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE
CORPORATION'S FISCAL YEAR. PLEASE PROVIDE THIS OFFICE WITH WRITTEN
NOTIFICATION OF THE CORPORATION'S FISCAL YEAR. THIS OFFICE WILL MAIL THE
REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE CORPORATION AT THE
ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING ADDRESS PROVIDED TO THIS
OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO MAINTAIN A REGISTERED
AGENT AND OFFICE WILL SUBJECT THE CORPORATION TO ADMINISTRATIVE REVOCATION
OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -
FOR PROFIT

ON DATE: 06/24/98

FROM:
HIQ CORPORATE SERVICES
516 N CHARLES ST
SUITE 501
BALTIMORE, MD 21201-0000

	FEES	
RECEIVED:	\$600.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$600.00

RECEIPT NUMBER: 00002329914
ACCOUNT NUMBER: 00137567



Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR

PAETEC COMMUNICATIONS, INC.

FILED
To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of Section 48-25-103 of the Tennessee Business Corporation Act, the undersigned corporation hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the corporation is **PAETEC COMMUNICATIONS, INC.**

If different, the name under which the certificate of authority is to be obtained is _____

[NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign corporation for profit if its name does not comply with the requirements of Section 48-14-101 of the Tennessee Business Corporation Act. If obtaining a certificate of authority under an assumed corporate name, an application must be filed pursuant to Section 48-14-101(d).]

2. The state or country under whose law it is incorporated is **DELAWARE**

3. The date of its incorporation is **5/28/98** (must be month, day, and year), and the period of duration, if other than perpetual, is _____

4. The complete street address (including zip code) of its principal office is _____

290 WOODCLIFF DRIVE	FAIRPORT	NY, USA	14450
Street	City	State/Country	Zip Code

5. The complete street address (including the county and the zip code) of its registered office in this state is _____

1912 HAYES STREET	NASHVILLE TN	USA	37203
Street	City/State	County	Zip Code

The name of its registered agent at that office is

HIQ CORPORATE SERVICES, INC.

6. The names and complete business addresses (including zip code) of its current officers are: (Attach separate sheet if necessary.)

SEE ATTACHED

7. The names and complete business addresses (including zip code) of its current board of directors are: (Attach separate sheet if necessary.)

SEE ATTACHED

8. The corporation is a corporation for profit.

9. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is _____, 19____ (date), _____ (time).

[NOTE: A delayed effective date shall not be later than the 90th day after the date this document is filed by the