

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE TENNESSEE

IN RE:	July 5, 2005)	
)	
APPLICATION OF CLASSIC TELEPHONE COMPANY)	DOCKET NO.
FOR AUTHORITY TO PROVIDE OPERATOR SERVICES)	99-00565
AND/OR RESELL TELECOMMUNICATIONS SERVICES)	
IN TENNESSEE PURSUANT TO RULE 1220-4-2-.57)	Company ID: 128398

**ORDER REVOKING AUTHORITY GRANTED TO
CLASSIC TELEPHONE COMPANY FOR FAILURE TO PROVIDE
SURETY BOND OR IRREVOCABLE LETTER OF CREDIT**

This matter came before Chairman Pat Miller, Director Deborah Taylor Tate and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on January 31, 2005, to consider whether to revoke the authority of Classic Telephone Company¹ (the "Company") to conduct business in the State of Tennessee as a public utility for failure to comply with Tenn Code Ann § 65-4-125 (j) (2004).²

The Company originally filed its Application for a certificate to provide operator services and/or resell telecommunications services within the State of Tennessee on August 5, 1999. During a regularly scheduled Authority Conference held on January 25, 2000, the Directors found that the Company had

¹ A name change to Hart Communications was effected by Order dated October 24, 2000 (TRA Docket No 00-00887). A name change to HTR & L Enterprises, Inc. was effected by Order dated January 23, 2001 (TRA Docket No 01-00034). A name change to Tel West Communications, L L C was effected by Order dated July 10, 2001 (TRA Docket No 01-00531).

² Tenn Code Ann § 65-4-125(j) (2004) provides

By September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the authority, except those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to § 65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million dollars (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, compiled in title 47, chapter 18, part 15, by or on behalf of the authority.

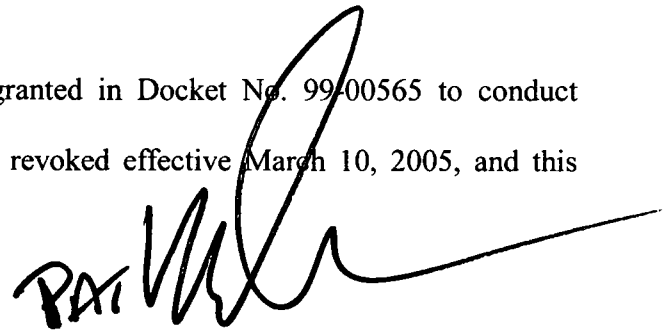
met all the requirements for certification and the requirements of Tenn. Comp. R. & Regs 1220-4-2-.57, which was promulgated pursuant to, *inter alia*, Tenn. Code Ann. § 65-2-102 (2004) and Tenn Code Ann. § 65-4-201 (2004), and voted unanimously to approve the Application as filed.

On August 10, 2004, the Authority received notification from Hartford Fire Insurance Company that the Company's surety bond would be cancelled effective October 16, 2004. A notice advising the Company of its failure to comply with the requirements of Tenn. Code Ann § 65-4-125(j) (2004) was mailed on August 13, 2004. A second notice was sent via certified mail on October 25, 2004.

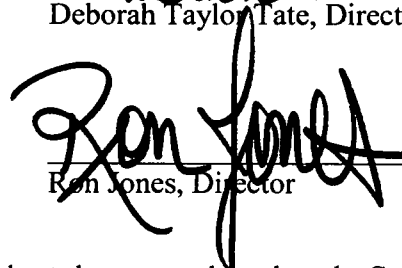
As of the January 31, 2005 Authority Conference, the Company had failed to file with the Authority a \$20,000 corporate surety bond or an irrevocable letter of credit to secure the payment of any monetary sanction imposed in any enforcement proceeding.³ The panel, however, weighed the competing interests and found that based on a letter that was sent to customers notifying them that their service will be discontinued March 10, 2005, the end users have a reasonable expectation that they will continue to receive service until that date. Accordingly, the panel voted unanimously to revoke the authority of the Company to conduct business in the State of Tennessee effective March 10, 2005

IT IS THEREFORE ORDERED THAT:

The authority of Classic Telephone Company granted in Docket No. 99-00565 to conduct business in the State of Tennessee as a public utility is revoked effective March 10, 2005, and this docket is closed.



Pat Miller, Chairman


Deborah Taylor Tate, Director
Ron Jones, Director

³ At the January 31, 2005 Authority Conference, the panel voted unanimously to deny the Company's request in TRA Docket No. 04-00272 for a waiver of the corporate surety bond or irrevocable letter of credit required by Tenn Code Ann. § 65-4-125(j) (2004)