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December 26, 2007

AZ CORP COMMISSION
DOCKET CONTROL

Grace R. Chiu
3000 K St NW Ste 300
Washington, District of Columbia 20007-5116

RE: Staff's Letter of Insufficiency and First Set of Data Requests to US LEC Communications, Inc.
Docket No. T-04194A-07-0624

Dear Ms. Chiu:

On October 30, 2007, US LEC Communications Inc. ("US LEC") filed an application to cancel their Certificate of Convenience and Necessity ("CC&N") to provide telecommunications services in Arizona. The Application submitted is not sufficient. This data request lists the information Staff needs to complete its analysis of your Application.

For purposes of this data request set, the words "US LEC", "Applicant", "the Company", "you", and "your" refer to US LEC Communications Inc., any representative, including every person and/or entity acting with, under the control of, or on behalf of US LEC Communications Inc. **For each answer, please identify by name, title, e-mail address, telephone number and address each person providing information that forms the basis for the response provided.**

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please provide Docket Control with the information being requested within **10 days** of the date of this letter. Mail an Original plus 13 copies to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received, Staff will recommend that the Application be terminated. If the Application is terminated, the Applicant cannot discontinue the telecommunications services that it is authorized to provide in Arizona, until such time as a new application is filed with and approved by the Commission.

Arizona Corporation Commission

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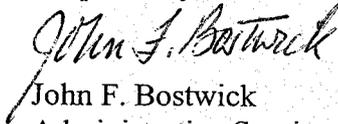
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Remember that information submitted concerning a CC&N will be made a part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. If you have any questions, please contact me at (602) 542-0856. Thank you for your prompt response to this request.

Respectfully,



John F. Bostwick
Administrative Services Officer II
Utilities Division

Enclosure(s)

CC: Docket Control (Original and Thirteen Copies)

STAFF'S FIRST SET OF DATA REQUESTS TO
US LEC COMMUNICATIONS INC.
DOCKET NO. T-04194A-07-0624

Please make sure each numbered item and each part of the item is answered completely. If it is not, Staff will resubmit the numbered item(s) and/or part(s) of the item in a following data request. Also, please make sure all information you provide in response to item(s) concerning this Application, including Staff's data requests, is updated and current. If you need to update your response to any item(s)/request(s), please reference the item(s)/request(s) and provide your current response(s). In order for Staff to continue with its review of this application, the following information must be submitted:

- JFB1-1 You are approved to provide resold long distance telecommunications services in Arizona. Do you want to cancel the provisioning of resold long distance telecommunications services? If no, please indicate the telecommunications services you want to provide in Arizona. **(NOTE: You are approved to provide resold long distance in Decision No. 66740,)**
- JFB1-2 Please indicate the reason(s) for the proposed discontinuance of services or abandonment of service area.
- JFB1-3 Please provide a copy of the legal notice of the Application to cancel telecommunications services in all counties affected by the Application. Counties affected are those counties where the Applicant is certificated to provide telecommunications services. Refer to Arizona Administrative Code ("A.A.C.") rule R14-2-1107.
- JFB1-4 Did the Applicant ever provide service in Arizona? If so, please indicate the date the last residential customer was served in Arizona. Also, please indicate the date the last business customer was served in Arizona. **(Note: You reported in your 2006 Utilities Division Confidential Annual Report that you received revenue and provided service to zero number of residential and business customers/access lines. You reported in your 2005 Utilities Division Confidential Annual Report that you received revenue from Arizona and provided service to a zero number of access lines.)** How do you generate revenue in Arizona without customers or access lines?
- JFB1-4.a Please provide evidentiary data that is undisputable that you are not serving customers in Arizona.
- JFB1-4.b Please provide the name of the telecommunications services provider(s) whose services you sold. Also, provide documentation that your account(s) with the telecommunications provider(s) is paid in full and closed.

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DOCKET NO. T-04194A-07-0624

- JFB1-4.c Please provide the name of the telecommunications services provider(s) whom you had an interconnection agreement(s) with. Also, provide documentation that you have cancelled your interconnection agreement(s) with the telecommunications services provider(s).
- JFB1-5 Please indicate if the customers were notified of the Applicant's discontinuance of telecommunications services. Please provide a copy of the customer notification sent and indicate the date it was sent. If no notice was sent, please explain why.
- JFB1-6 Please indicate if the Applicant has ever collected advances, deposits, and/or prepayments. If so, indicate the amount of advances, deposits, and/or prepayments that have been returned to customers in Arizona whose services are being discontinued. Indicate the outstanding amount of advances, deposits and/or prepayments held by the company from customers in Arizona.
- JFB1-7 If applicable, indicate a plan for the refund of deposits collected pursuant to subsection A.A.C. R14-2-503 (B).
- JFB1-8 Was a list of all alternative carriers providing the same or similar service within the affected geographic area provided to the customers whose service was being discontinued or abandoned? If a list was not provided, please explain.
- JFB1-9 Please indicate if the Applicant's performance bond, if required, is still valid. Also, indicate the total amount of the performance bond. **(NOTE: Decision No. 66740 did not require you to procure a performance bond to provide resold interexchange telecommunications services in Arizona.)**
- JFB1-10 Please indicate the number of residential and business customers the Applicant provided service to in Arizona. Also, provide a breakdown of the number of customers receiving telecommunications services by type of service. How many customers received resold long distance telecommunications services in Arizona?
- JFB1-11 Please indicate if there are any affiliates of the Applicant currently offering telecommunications services in Arizona. If yes, are the telecommunications services provided by the Applicant similar to those offered by the Applicant's affiliates?
- JFB1-12 Please indicate if customers have been transferred to other telecommunications carriers. Indicate the telecommunications carriers the customers were transferred to and the number of customers in Arizona transferred to each carrier.
- JFB1-13 Please indicate the state(s) the Applicant currently operates in to provide telecommunications services to customers in Arizona.

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- JFB1-14 Does the Applicant have conforming tariff(s) on file with the Commission? Please identify by type of service each tariff filed by the Applicant. If conforming tariffs not filed, please explain the reason(s) the tariff(s) are not filed with the Commission. **(NOTE: Please be advised the tariff will be removed when the CC&N is cancelled by the Commission.)**
- JFB1-15 Does the Applicant have any employees in Arizona? If so, please list the number of employees by type of category (i.e. management, technical, and customer service).
- JFB1-16 Does the Applicant have any facilities in Arizona? If so, please list the number of facilities, a description of each facility, and the location of each facility.
- JFB1-17 Did the Applicant have any service contracts with customers? If so, please describe how the service contracts were honored or terminated with the customers.
- JFB1-18 Please provide evidentiary data that is undisputable that you are out of business in Arizona.
- JFB1-19 Talk America has one "Compliance Due" item pending before the Commission in Docket Nos. T-04194A-03-0514. Please contact the Compliance and Enforcement Section of the Utilities Division of the Arizona Corporation Commission to determine the items and/or issues that need to be addressed or completed to close Docket No. T-04194A-03-0514. Closure of this item will help to ensure quick processing of this application.