

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00	:	
2. BUREAU: FUS	:	
3. SECTION(S):	:	
5. APPROVED BY:	:	4. PUBLIC MEETING DATE:
DIRECTOR:	:	00/00/00
SUPERVISOR:	:	
6. PERSON IN CHARGE:	:	7. DATE FILED: 03/19/99
8. DOCKET NO: A-310828 F0003	:	9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT:

RESPONDENT/APPLICANT: FIBERNET TELECOMMUNICATNS OF PA

COMP/APP COUNTY:

UTILITY CODE: 310828

ALLEGATION OR SUBJECT

APPLICATION OF FIBERNET TELECOMMUNICATIONS OF PENNSYLVANIA, LLC., FOR APPROVAL TO OFFER, RENDER, FURNISH OR SUPPLY TELECOMMUNICATIONS SERVICES AS A COMPETITIVE ACCESS PROVIDER TO THE PUBLIC IN THE COMMONWEALTH OF PENNSYLVANIA.

DOCKETED
JUN 07 1999

DOCUMENT
FOLDER

ORIGINAL

*Fibernet Telecommunications of
Pennsylvania, LLC*

222 Richmond Street

Suite 206

Providence, RI 02903

Phone: 274-6383

Fax: 272-9751

A-310828 F0003

March 19, 1999

By Overnight Mail

James McNulty
Secretary
Pennsylvania Public Utilities Commission
Corner of Commonwealth Avenue and North Street
North Office Building, Room 206
Harrisburg, PA 17105

RECEIVED

MAR 19 1999

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RE: Application of Fibernet Telecommunications of Pennsylvania, LLC for Approval to Render, Furnish, or Supply Telecommunication Services as an **Competitive Access Provider, an Interexchange Reseller, and a Competitive Local Exchange Carrier** to the public of the Commonwealth of Pennsylvania

Dear Secretary McNulty:

Enclosed please find for filing in the above-captioned matter an original and three (3) copies of the Application for Competitive Access Provider, Application for Interexchange Reseller, and Application for Competitive Local Exchange Carrier for Fibernet Telecommunications of Pennsylvania, LLC. Also enclosed is a certificate of service.

Thank you for your assistance in this matter.

Sincerely,


Scott Sawyer

DOCUMENT
FOLDER

Enclosures

SS/sm

Certificate of Service

I hereby certify that I have this day placed in the overnight mail an original and three (3) copies of the Application for Competitive Access Provider, Application for Interexchange Reseller, and Application for Competitive Local Exchange Carrier to James McNulty, Secretary, Pennsylvania Public Utilities Commission, Corner of Commonwealth Avenue and North Street, North Office Building, Room 206, Harrisburg, Pennsylvania, and served a true copy of the foregoing document upon the participants, listed below, in accordance with the requirements of §1.54 by placing one copy of the foregoing in first class U.S. mail.

Irwin A. Popowsky
Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Office of Trial Staff
Office of Special Assistants
Bureau of Consumer Services
Bureau of Fixed Utility Services

Bernard A. Ryan, Jr.
Small Business Advocate
Commerce Building
300 North Second Street
Harrisburg, PA 17101

Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

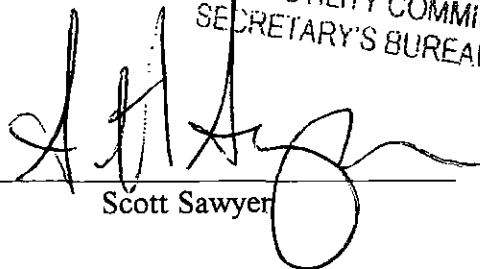
Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

RECEIVED

MAR 19 1999

Dated this 19th day of March, 1999.

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU


Scott Sawyer

Counsel for
Fibernet Telecommunications of Pennsylvania, LLC

ORIGINAL

Application of
**Fibernet Telecommunications
of Pennsylvania, LLC**
("Applicant")
d/b/a/ (n/a), for approval
to render, furnish, or supply
telecommunication services
as an
Competitive Access Provider
to the public in the
Commonwealth of Pennsylvania

Application Docket No.

A-310828 F0003

1999

DOCUMENT
FOLDER

To the Pennsylvania Public Utility Commission:

- 1. **IDENTITY OF THE APPLICANT:** The name, address, telephone number and FAX number of the Applicant are:

Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street
Suite 206
Providence, Rhode Island 02903
Telephone: (401) 274-6383
Fax: (401) 351-6919

DOCKETED
JUN 07 1999

Please identify any predecessor(s) of the Applicant and provide other names under which the Applicant has operated within the preceding five (5) years, including name, address and telephone number.

Applicant has no such predecessors and has not operated under any other names.

- 2. **CONTACT PERSON:** The name, title, address, telephone number, and FAX number of the person to whom questions about this application should be addressed are:

Scott Sawyer, Esq.
Vice President, Regulatory Affairs
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street
Suite 206
Providence, Rhode Island 02903
Telephone: (401) 274-6383
Fax: (401) 351-6919

DOCUMENT
FOLDER

RECEIVED

MAR 19 1999

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

2. **CONTACT PERSON** (continued)

Monique Byrnes
Consultant for:
Fibernet Telecommunications of Pennsylvania, LLC
210 North Park Avenue
Winter Park, FL 32789
Telephone: (407) 740-6575
Fax: (407) 740-0613

3. **ATTORNEY:** If applicable, the name, address, telephone number and FAX number of the Applicant's attorney are:

Scott Sawyer, Esq.
Vice President, Regulatory Affairs
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street
Suite 206
Providence, Rhode Island 02903
Telephone: (401) 274-6383
Fax: (401) 351-6919

4. **FICTITIOUS NAME:**

The Applicant will not be *using* a fictitious name.

5. **BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**

The Applicant is a domestic limited liability company (15 Pa. C. S. §8913).

Provide proof of compliance with appropriate Department of State filing requirements as indicated above.

In compliance with 15 Pa. C. S. §8913, Applicant's Certificate of Organization was filed with the office of the Secretary of the Commonwealth on February 3, 1999. A Good Standing Certificate issued by the Secretary of the Commonwealth is attached hereto as Exhibit 1.

5. **BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:** (cont'd)

Give names and addresses of officers.

The names and addresses of Applicant's officers are provided in Exhibit 2, attached to this Application.

The Applicant is organized in the Commonwealth of Pennsylvania.

6. **AFFILIATES AND PREDECESSORS WITHIN PENNSYLVANIA:**

The Applicant is owned 100% by Mountaineer Telecommunications, L.L.C., a West Virginia limited liability company (the "Parent Company"). The ownership structure of the Parent Company is currently being finalized. It will be owned by Blackstone TWF Capital Partners, L.P.; Blackstone TWF Capital Partners A L.P.; Blackstone TWF Capital Partners B L.P.; and Blackstone TWF Family Investment Partnership L.P. (together owning 80 percent); and Robert C. Fanch and/or entities controlled by him (together owning 20 percent).

The Applicant has no predecessors which have done business in Pennsylvania.

7. **AFFILIATES AND PREDECESSORS RENDERING PUBLIC UTILITY SERVICE OUTSIDE PENNSYLVANIA:**

Affiliate(s) of the Applicant rendering public utility service in any jurisdiction other than Pennsylvania are:

The Applicant has an affiliate company in West Virginia, Fibernet, LLC, that is not yet providing public utility service.

Predecessor(s) of the Applicant which rendered public utility service in any jurisdiction other than Pennsylvania are:

None

8. **TRANSACTIONS WITH AFFILIATES:**

Identify any affiliate(s) which provide services to or receive services from the Applicant. Describe the nature of the services and how the transactions between or among affiliates will be handled.

The Parent Company has established a management company, CLEC Management, LLC, a New Hampshire limited liability company, to provide technical, managerial, financial, engineering, operational, and legal expertise to the Applicant, as needed. Attached hereto as Exhibit 2 is a list of the officers of CLEC Management. (The officers of CLEC Management are also officers of the Applicant.)

The only other affiliate relationship will be a possible use by the Applicant of fiber capacity on fiber optic lines owned by TWFanch-one Co., a general partnership that provides cable television service in portions of Pennsylvania. Robert C. Fanch, who owns part of the Applicant, also owns indirectly a minority interest in TWFanch-one Co. The pricing for fiber capacity of TWFanch-one Co. to be utilized by the Applicant would be based on arms-length negotiations.

9. **APPLICANT'S PRESENT OPERATIONS:**

The Applicant is not presently doing business in Pennsylvania as a public utility.

10. **APPLICANT'S PROPOSED OPERATIONS:** *The Applicant proposes to operate as a:*

Competitive Assess Provider.

Simultaneously with the filing of this application, the Applicant is filing applications with the Pennsylvania Public Utility Commission to operate as an Interexchange Reseller of Toll Services and a Competitive Local Exchange Carrier within the Commonwealth of Pennsylvania.

11. **PROPOSED SERVICES:** Describe the services which the Applicant proposes to offer.

The Applicant seeks authority to provide dedicated access, switched access and interconnection services to customers within the Commonwealth of Pennsylvania.

12. **SERVICE AREA:** Describe the geographic service area in which the Applicant proposes to offer services.

The Applicant proposes to offer services initially in all areas of Pennsylvania served by Bell Atlantic – Pennsylvania, Inc. and GTE North, Inc.

The Applicant does not assert that it is or will be a rural telephone company.

13. **MARKET:** Describe the customer base to which the Applicant proposes to market its services.

The Applicant proposes to initially market its services to businesses and may in the future expand its customer base to include residential customers.

14. **INITIAL TARIFF:** Attach to the Application a proposed Initial Tariff setting forth the rates, rules, and regulations of the Applicant. The tariff shall state on its cover sheet the nature of the Applicant's operations as identified in Item 10, above.

Applicant's proposed Initial Tariff will be provided to the Commission within two weeks.

15. **FINANCIAL:** Provide a general description of the Applicant's capitalization and, if applicable, its corporate stock structure.

Mountaineer Telecommunications, L.L.C., a West Virginia limited liability company with an address of 209 Broad Street, Charleston, West Virginia 25301, is the 100% owner of the Applicant. The owners of Mountaineer Telecommunications, L.L.C. have committed to capitalize the Parent Company with \$5,000,000 in equity.

Attach to the Application a tentative operating balance sheet and a projected income statement for the first year of operation within the Commonwealth of Pennsylvania.

A tentative operating balance sheet and a projected income statement for the first year of operation are attached hereto as Exhibit 4.

The name, address, telephone number, and FAX number of the Applicant's custodian for its accounting records and supporting documentation are:

Patricia Casey
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street
Suite 206
Providence, RI 02903
Telephone: (401) 274-6383
Fax: (401) 531-6919

15. **FINANCIAL:** (cont'd)

Karen Broach
Fibernet Telecommunications of Pennsylvania, LLC
120 Southmont Boulevard
Johnstown, PA 15905
Telephone: (814) 539-8971
Fax: (814) 535-7749

Robert J. Shanahan
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street
Suite 206
Providence, Rhode Island 02903
Telephone: (401) 274-6383
Fax: (401) 351-6919

The Applicant's accounting records and supporting documentation are, or will be, maintained at:

Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street
Suite 206
Providence, Rhode Island 02903

Fibernet Telecommunications of Pennsylvania, LLC
120 Southmont Boulevard
Johnstown, PA 15905

16. **START DATE:**

The Applicant proposes to begin offering services on August 1, 1999 (approximate date).

17. **FURTHER DEVELOPMENTS:** Attach to the Application a statement of further developments, planned or contemplated, to which the present Application is preliminary or with which it forms a part, together with a reference to any related proceeding before the Commission.

None

The Applicant is under a continuing obligation to amend this Application if any matter asserted herein changes during the pendency of the Application or while the Applicant is providing public utility service within the Commonwealth.

18. **NOTICE:** Pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14, serve a copy of the signed and verified Application with attachments to the following:

Irwin A. Popowsky
Consumer Advocate
1425 Strawberry Square
Harrisburg, PA 17120

Office of Trial Staff – 1 copy
Office of Special Assistants – 1 copy
Bureau of Consumer Services – 1 copy
Bureau of Fixed Utility Services – 1 copy

Bernard A. Ryan, Jr.
Small Business Advocate
Commerce Building
300 North Second Street
Harrisburg, PA 17101

Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Office of the Attorney General
Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

Pursuant to Sections 1.57 and 1.58 of the Commission's Regulations, 52 Pa. Code §§1.57 and 1.58, attach Proof of Service of the Application and attachments upon the above named parties. Upon review of the Application, further notice may be required pursuant to Section 5.14 of the Commission's Regulations, 52 Pa. Code §5.14.

19. **AFFIDAVIT:**

The Affidavit of the Applicant is attached hereto as Exhibit 5.

20. **FEDERAL TELECOMMUNICATIONS ACT OF 1996:** State whether the Applicant claims a particular status pursuant to the federal Telecommunications Act of 1996. Provide supporting facts.

Not applicable.

21. **COMPLIANCE.** State specifically whether the Applicant, an affiliate, a predecessor of either, or a person identified in this Application has been convicted of a crime involving fraud or similar activity. Identify all proceedings, limited to proceedings dealing with business operations, in the last five (5) years, whether before an administrative body or in a judicial forum, in which the Applicant, an affiliate, a predecessor of either, or a person identified herein has been a defendant or a respondent. Provide a statement as to the resolution or present status of any such proceedings.

None of the Applicant, an affiliate, a predecessor of either, nor a person identified in this Application have been convicted of a crime involving fraud or similar activity. There are, and have been, no such proceedings as described above, and a statement by the President of the Applicant as to that fact is provided in Exhibit 6 attached hereto.

22. **CONTACT FOR RESOLVING COMPLAINTS.** Provide the name, address, telephone number, and FAX number for the person and an Alternate person responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints and queries filed with the Public Utility Commission or other agencies.

Scott Sawyer (Initial Contact)
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street
Suite 206
Providence, Rhode Island 02903
Telephone: (401) 274-6383
Fax: (401) 351-6919

David L. Mayer, Esq. (Alternate Person)
Attorney for
Fibernet Telecommunications of Pennsylvania, LLC
Cameron & Mittleman, LLP
56 Exchange Terrace
Providence, Rhode Island 02903
Telephone: (401) 331-5700
Fax: (401) 331-5787

23. **FALSIFICATION.** The Applicant understands that the making of false statement(s) herein may be grounds for denying the Application, or if later discovered, for revoking any authority granted pursuant to this Application. This Application is subject to 18 Pa. C.S. §§4903 and 4904, relating to perjury and falsification in official matters.

24. **CESSATION:** The Applicant understands that if it plans to cease doing business within the Commonwealth of Pennsylvania, it is under a duty to request authority from the Commission for permission prior to ceasing business.

Applicant:
Fibernet Telecommunications of Pennsylvania, LLC

By: Robert J. Shanahan
Robert J. Shanahan
Title: President and Chief Operating Officer

Exhibit 1

A Good Standing Certificate issued by the Secretary of the Commonwealth is attached.

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF STATE

MARCH 05, 1999

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

I DO HEREBY CERTIFY THAT,

FIBERNET TELECOMMUNICATIONS OF PENNSYLVANIA, LLC

is duly organized as a Pennsylvania Limited Liability Company under the laws of the Commonwealth of Pennsylvania and remains subsisting so far as the records of this office shown as of the date herein.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written.

A handwritten signature in cursive script, appearing to read "Kim H. Kuylenstierna".

ACTING Secretary of the Commonwealth

SSCH

Exhibit 2

A brief description of the officers of the Company is attached.

Officers and Management

Robert C. Fanch
Chairman, Chief Executive Officer
Fibernet Telecommunications of Pennsylvania, LLC
1873 South Bellaire Street, Suite 1550
Denver, Colorado 80222

Robert J. Shanahan
President, Chief Operating Officer
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street, Suite 206
Providence, Rhode Island 02903

Theodore F. Kunkel
Executive VP Sales and Marketing
Fibernet Telecommunications of Pennsylvania, LLC
120 Ledyard Street
Hartford, Connecticut 06114

Blaine B. Patrick
Senior VP Engineering
Fibernet Telecommunications of Pennsylvania, LLC
11 Bedford Farms, Kilton Road
Bedford, New Hampshire 03110

Patricia E. Casey
Vice President Finance
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street, Suite 206
Providence, Rhode Island 02903

John Yahemiak
Vice President Operations
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street, Suite 206
Providence, Rhode Island 02903

Scott A. Sawyer
Vice President Regulatory Affairs
Fibernet Telecommunications of Pennsylvania, LLC
222 Richmond Street, Suite 206
Providence, Rhode Island 02903

Michael P. Smith
Vice President Service Delivery
Fibernet Telecommunications of Pennsylvania, LLC
11 Bedford Farms, Kilton Road
Bedford, New Hampshire 03110

Robert C. Fanch, Chairman and Chief Executive Officer

More than twenty nine years experience in the telecommunications industry, most recently as Chairman and CEO of Fanch Communications ("FCI"). FCI is one of the top 20 cable television MSO's in the country, owning and operating over 525,000 subscribers. Most of FCI's subscribers are owned in a joint venture with Time Warner and The Blackstone Group. FCI was formed in 1985 with 20,000 subscribers, and has grown through acquisition. Ten years prior to forming FCI, Bob Fanch co-founded Coaxial Analysts, a cable television consulting company that became one of the premier consulting firms to the industry. He was employed by ATC for three years after obtaining an MSBA-Finance degree from the University of Denver. He is a Certified Public Accountant, and has a BS-Accounting degree from Clarkson University.

Robert J. Shanahan, President and Chief Operating Officer

Fifteen years experience in management, sales, operations, finance and regulatory in telecommunications, long distance, wireless bypass, competitive access and competitive local exchange. Former Regional Vice President of Brooks Fiber and original member of the Brooks senior management team. Successfully developed a nine-city, six-state region for Brooks Fiber. Active member of a service delivery task force, OSS task force, engineering standards committee, marketing and sales compensation committee. Served as General Manager for New England for Frontier Communications, responsible for sales and operations. Also Sales Manager for MCI as well as regional manager for ACC Corp. Earned a B.S. from Marist College in 1983.

Officers and Management, continued

Theodore F. Kunkel, Executive Vice President, Sales and Marketing

More than seventeen years of experience in the telecommunications industry. Most recently Ted was Regional Vice President of Sales for Brooks Fiber, where he was responsible for the company's sales in Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut and Long Island, New York. Prior to Brooks Fiber was General Manager for Executone. Ted has also held sales positions and sales management positions with IBM/ROLM systems, with whom he was employed for nine years. Ted received an MBA from the University of New Haven in 1977 and has attended numerous IBM management courses.

Blaine B. Patrick, Senior Vice President, Engineering

Twenty eight years experience in planning, design, engineering, installation, surveillance and restoration of telecommunications infrastructure. Blaine held numerous technical and engineering management positions with New England Telephone, Nynex, and Nynex Corporate as well as competitive local exchange carriers serving the Northeast. Blaine was the Vice President of Technical Operations for XCOM Technologies prior to joining the company. Blaine holds a B.S. in Civil Engineering from New England College and has completed the University of New Hampshire Executive Development Program offered through the Whittemore School of Business and Economics.

Patricia E. Casey, Vice President, Finance

Trish has over 12 years experience in accounting and finance. Most recently, she has held the position of Finance Manager for Brooks Fiber Communications' Northeast Region. Her responsibilities included preparation and monitoring of nine city operating and capital budgets, LAN administration, monthly financial statement review, operating and capital expenditure authorization and other financial projects. Prior to her employment at Brooks Fiber Communications, Trish held the position of Director of Accounting at a Regional Health Care Organization. Trish earned a B.S. in Accounting in 1986, has been a Certified Public Accountant for nine years, and is currently a member of the A.I.C.P.A.

John J. Yahemiak, Vice President, Operations

Jack has more than 32 years of telecommunications experience, most recently holding the position of General Manager of the Portland, Maine office of Brooks/WorldCom. Prior to the General Management position, Jack was the Director of Operations for Brooks Fiber Communications' Northeast Region. Jack spent 30 years with Southern New England Telephone before coming to Brooks, holding various positions in Engineering, Operations and Customer Service.

Scott A. Sawyer, Vice President, Regulatory Affairs

Scott has extensive experience in legal and regulatory matters pertaining to competitive local exchange carriers (CLECs). Prior to joining the company, Scott established and directed the regulatory affairs department for Brooks Fiber Communications' northeast operations. Scott has represented major interexchange carriers, CLECs and public interest entities in regulatory proceedings before several state commissions and before federal agencies and state legislatures. He received an undergraduate degree in Government and Legal Studies from Bowdoin College in Maine and later earned a master's degree in Public Affairs from the Lyndon Baines Johnson School of Public Affairs at the University of Texas at Austin. He is a graduate of Northeastern University School of Law and is admitted to practice law in Rhode Island, Maine and Texas. Scott is a member of the Rhode Island Bar Association.

Officers and Management, continued

Michael P. Smith, Vice President, Service Delivery

Mike has over 25 years experience in management, operations, marketing and training in the telecommunications industry. Most recently Mike was the general manager for Mediaone Digital Telephone Services, where his responsibilities included creating and developing the switching, provisioning, and technical support organizations. Prior to Mediaone, Mike was the Executive Vice President of PowerHouse Training Consultants where he was instrumental in developing the small consulting firm into a national multimillion dollar consulting, training, and outsourcing organization. Mike spent 19 years with Nynex before going to PowerHouse, holding positions in network operations, customer service and training. Mike holds a BA degree from Northeastern University and a MBA from University of Lowell.

Exhibit 3

A proposed Initial Tariff setting forth the rates, rules, and regulations of the Applicant will be provided in approximately two weeks.

Exhibit 4

A tentative opening balance sheet and a projected income statement for the first year of operation are attached.

Mountaineer Telecommunications, LLC
Balance Sheet
Unaudited
As of March 31, 1999

ASSETS

Current Assets:

Cash \$ 100,000

Total Current Assets \$ 100,000

Property, Plant and Equipment \$ -

Less: Accumulated Depreciation \$ -

Net Property, Plant and Equipment \$ -

Intangible Assets \$ -

Total Assets \$ 100,000

LIABILITIES AND MEMBERS' CAPITAL

Accounts Payable and Accrued Liabilities \$ -

Members' Capital (Deficit):

Members' Contributions \$ 100,000

Current Year (Loss) \$ -

Total Members' Capital \$ 100,000

Total Liabilities and Members' Capital \$ 100,000

Mountaineer Telecommunications, LLC

Five Year Projected Income Statement

For the Years Ending December 31, 1999, 2000, 2001, 2002 and 2003

(\$ in thousands, unless otherwise noted)

	1999E	2000E	2001E	2002E	2003E
Telecom Revenues					
Cap Revenue	\$ 377.7	\$ 1,060.5	\$ 1,705.0	\$ 2,438.8	\$ 2,926.6
Internet Revenue	25.2	180.0	352.8	525.6	630.7
Non-Recurring Local Installation Revenue	125.9	258.0	270.3	263.4	263.6
Local Revenue	657.7	5,156.5	10,106.2	14,219.8	18,177.9
Long Distance Revenue	<u>226.8</u>	<u>1,828.0</u>	<u>3,687.8</u>	<u>5,512.6</u>	<u>7,259.5</u>
Total Telecom Revenues	1,413.3	8,483.1	16,122.1	22,960.2	29,258.3
Gross Margin					
Cap Expense	\$28.2	\$81.9	\$131.9	\$212.6	\$226.2
Internet Expense	17.6	126.0	247.0	367.9	441.5
Total Local Network Expenses	297.6	1,829.4	3,437.6	4,920.4	6,317.5
Long Distance Expenses	158.8	1,279.6	2,581.4	3,858.8	5,081.7
Total Cost of Sales	<u>502.2</u>	<u>3,316.9</u>	<u>6,397.9</u>	<u>9,359.8</u>	<u>12,066.8</u>
Gross Margin	911.2	5,166.2	9,724.1	13,600.4	17,191.5
Total SG&A Expenses	2,374.4	4,313.7	4,913.4	5,521.0	5,901.9
Contribution Margin	(1,463.2)	852.5	4,810.8	8,079.4	11,289.6
Management Fees	<u>240.0</u>	<u>296.9</u>	<u>564.3</u>	<u>803.6</u>	<u>1,024.0</u>
EBITDA	(1,703.2)	555.6	4,246.5	7,275.8	10,265.5
Depreciation and Amortization	929.9	1,698.8	1,987.7	2,329.1	2,678.5
Net Income (Loss)	(\$2,633.1)	(\$1,143.2)	\$2,258.8	\$4,946.7	\$7,587.0

Exhibit 5

The Affidavit of the Applicant is attached.

AFFIDAVIT

State of Rhode Island :
: SS.
County of Providence :

Robert J. Shanahan, Affiant, being duly sworn according to law, deposes and says that:


He is the President of Fibernet Telecommunications of Pennsylvania, LLC;

That he is authorized to and does make this affidavit for said company;

That Fibernet Telecommunications of Pennsylvania, LLC, the Applicant herein, acknowledges that it may have an obligation to serve or to continue to serve the public by virtue of the Applicant commencing the rendering of service pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; with the Telecommunications Act of 1996, signed February 6, 1996; or with other applicable statutes or regulations;


That Fibernet Telecommunications of Pennsylvania, LLC, the Applicant, herein, asserts that it possesses the requisite technical, managerial and financial fitness to render public utility service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

That the facts above set forth are true and correct to the best of his knowledge, information and belief and that he expects said company to be able to prove the same at any hearing hereof.



Robert J. Shanahan

Sworn and subscribed before me this 18th day of March, 1999.



Signature of official administering oath

My commission expires August 7, 2001

DAVID L. MAYER, Notary Public
My Commission Expires Aug-7, 2001

Exhibit 6

Attached is a statement by the President of the Applicant as to the resolution or present status of any of the proceedings described in the application's Item 21 "Compliance".

Statement as to the Resolution or Status of Proceedings

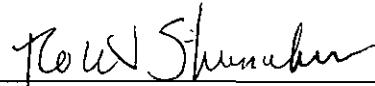
Robert J. Shanahan, hereby states:

That he is the President of Fibernet Telecommunications of Pennsylvania, LLC (the "Applicant");

That he is authorized to and does make this statement for said company;

That there are, and have been, no proceedings, limited to proceedings dealing with business operations, in the last five (5) years, whether before an administrative body or in a judicial forum, in which the Applicant, an affiliate, a predecessor of either, or a person identified herein has been a defendant or a respondent.

The facts above set forth are true and correct to the best of my knowledge, information and belief.



Robert J. Shanahan
President

DATE: June 7, 1999

SUBJECT: A-310828; A-310828F0002
A-310828F0003

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary *ddt*

Application of Fibernet Telecommunications of PA, LLC

We attach hereto a copy of the Application of Fibernet Telecommunications of Pennsylvania, LLC., for approval to provide telecommunication services as an Interexchange Reseller (A-310828), Competitive Local Exchange Carrier (A-310828F0002), and Competitive Access Provider (A-310828F0003, to the public in the Commonwealth of Pennsylvania, which has been captioned and docketed to the above numbers.

The Protest period for this application expired on April 3, 1999.

Since no protests have been received within this time period, this matter is being referred to your Bureau to schedule it for consideration by the Commission at Public Meeting.

ddt

Attachment

DOCKETED
JUN 07 1999

**DOCUMENT
FOLDER**

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

June 7, 1999

SCOTT SAWYER, ESQUIRE
VICE PRESIDENT, REGULATORY AFFAIRS
FIBERNET TELECOMMUNICATIONS OF PA LLP
222 RICHMOND STREET
SUITE 206
PROVIDENCE RHODE ISLAND 02903

DOCUMENT
FOLDER

Dear Mr. Sawyer:

Please be advised that the Application of Fibernet Telecommunications of Pennsylvania, LLC., for approval to provide telecommunications services as an Interexchange Reseller (A-310828), Competitive Local Exchange Carrier (A-310828F0002), and Competitive Access Provider (A-310828F0003), to the public in the Commonwealth of Pennsylvania, has been reviewed and found to be in compliance with the filing requirements of the Commission's Opinion and Order entered June 3, 1996, at Docket Number M-00960799.

The protest period for this application expired on April 3, 1999.

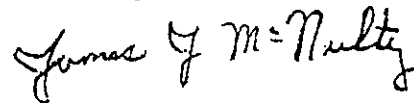
Since no protests have been received within the time period, this matter is being referred to the Bureau of Fixed Utility Services to schedule it for consideration by the Commission at Public Meeting.

Please be advised that you now have provisional authority to do business in Pennsylvania.

Should you have any further questions concerning this matter, please do not hesitate to contact me.

Sincerely,

DOCKETED
JUN 07 1999



James J. McNulty
Secretary

JJM:ddt

cc: Monique Byrnes