

**FILED<sup>3</sup>**

APR 10 2003

Missouri Public  
Service Commission

**Sage Telecom, Inc.**

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(Full Company Name)

**COMPETITIVE  
LOCAL EXCHANGE CARRIER  
ANNUAL REPORT  
TO THE  
MISSOURI PUBLIC SERVICE COMMISSION**

**For Period Ending December 31, 2002**

- 1 State in full the exact '**certificated**' name of the Competitive Local Exchange Carrier:

Sage Telecom, Inc.

- 2 State in full the mailing and street address of the Competitive Local Exchange Carrier:

805 Central Expressway South, Suite 100

Allen, TX 75013-8010

- 3 State in full the name, street address, telephone number, and **email address** of the individual to contact concerning the carrier's competitive local exchange operations:

Stephanie Timko, Regulatory Manager

805 Central Expressway South, Suite 100, Allen, TX 75013-8010

214-495-4700

stimko@sagetelecom.net

- 4 This Competitive Local Exchange Carrier is a (Check box with an X -- Give explanation if 'Other' is identified):

| <u>Type</u>                         |                     | <u>Explanation</u> |
|-------------------------------------|---------------------|--------------------|
| <input checked="" type="checkbox"/> | Corporation         |                    |
| <input type="checkbox"/>            | Partnership         |                    |
| <input type="checkbox"/>            | Sole Proprietorship |                    |
| <input type="checkbox"/>            | LLC                 |                    |
| <input type="checkbox"/>            | LP                  |                    |
| <input type="checkbox"/>            | Other               |                    |

- 5 Date of incorporation or other original organization (e.g. 00/00/0000):

07/22/98

- 6 Date of certification by the Missouri Public Service Commission and associated case number:

Date (e.g 00/00/0000): 09/23/01 Case No: TA-2002-29

- 7 Under the laws of what state is the Competitive Local Exchange Carrier organized:

Texas

8 Was the Competitive Local Exchange Carrier certificated in Missouri under any other name(s)? If yes, please provide all name(s) and time periods involved since original

No.

9 Whether a corporation or not, give the particulars called for below concerning the principal general officers of the Competitive Local Exchange Carrier at the end of the year:

[illegible]

- 10** Please provide a description of **ALL MATERIAL** extraordinary items which affected the total company Competitive Local Exchange Carrier's operations during the past year. In addition, for company operations affecting Missouri, **please include a listing of all consolidations, reorganizations, major plant changes and lawsuits.**

None.

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal black lines running across the width of the page. The lines are thin and consistent in thickness. There are no margins, text, or other markings on the paper.

**Sage Telecom, Inc.**

**11 Please Provide the following information concerning Total Company and Missouri Specific Revenues:**

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→ \* \*

**12** Type of tax return filed (i.e. 1120C, 1120S, Partnership, ect.): 1120 C

13 Taxpayer ID: 75-2663894

\* Missouri Revised Statutes §386.020(53)

## Annual Report of

**Sage Telecom, Inc.**

for the year ended December 31, 2002

## COMPETITIVE LOCAL EXCHANGE CARRIER ACCESS LINE REPORT

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Exhibit A

2002 Missouri Competitive Local Exchange Carrier Access Line Report  
Sage Telecom, Inc.

Page 1 of 4

\*\*This information is deemed to be highly confidential

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Exhibit A  
2002 Missouri Competitive Local Exchange Carrier Access Line Report  
Sage Telecom, Inc.

Page 2 of 4

\*\*This information is deemed to be highly confidential

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## **Instructions for completing the Competitive Local Exchange Carrier Access Line Report**

### **I. BACKGROUND**

In opening local telephone markets to competition, the Missouri Public Service Commission (MoPSC) is interested in determining and tracking the amount of actual competition occurring throughout the state. For a variety of reasons including but not limited to statutory reasons, the MoPSC finds it necessary to track the level of competition in local telephone markets.

### **II. PURPOSE**

The purpose of this portion of the Annual Report is to ascertain, on an exchange specific basis, the number of voice-grade equivalent access lines in service being provided by your company in each exchange (as identified in your tariff) in Missouri. Information is sought for residential and business voice-grade equivalent access lines on an exchange-by-exchange basis. **Please use the common exchange name as shown in your tariffs.** Further, information is sought on the following ways of provisioning each access line: (A) pure resale lines; (B) unbundled network element lines (UNE); (C) unbundled network element platform lines (UNE-P); and , (D) pure facility based lines. **Please report on a separate line the number of company used lines.**

### **III. WHAT IS MEANT BY "VOICE TELEPHONE SERVICE"?**

Voice telephone service means local exchange or exchange access services that allow end users to originate and terminate local telephone calls on the public switched telephone network, whether used by the end user for telephone calls or for other types of calls carried over the public switched network (for example, lines used for facsimile equipment and "dial-up" internet lines).

### **IV. WHAT IS MEANT BY "VOICE-GRADE" EQUIVALENT LINES?**

You are to report voice-grade equivalent lines. Count as one voice-grade equivalent line: traditional analog POTS lines, Centrex-CO extensions, and Centrex-CU trunks. Count lines based on how they are charged to the customer rather than how they are physically provisioned. For example, count Basic Rate Integrated (BRI) and Digital Network (ISDN) Services lines as two voice-grade equivalent lines. Report 8 voice-grade equivalent lines if a customer buys 8 trunks that happen to be provisioned over a DS1 circuit. If a customer buys a DS1 circuit that is provided as channelized service, report 24 voice-grade equivalent lines, even if there is some indication that the customer is only using 8 of the derived lines. Thus, a voice-grade equivalent line is a line that directly connects an end user to a carrier and allows the end user to originate and terminate local telephone calls on the public switched network.

Voice-grade equivalent lines include high capacity (DS1, DS-3, etc.) lines that are channelized to provide voice-grade service. In such instances, it is the number of channels available for voice traffic to/from the public switched network that should be counted as voice-grade equivalent access lines. **Note for competitive LEC's providing local exchange service over hybrid fiber-coaxial cable television systems:** Count your records and report how many voice-grade equivalent lines are being billed.

**Instructions for completing the  
Competitive Local Exchange Carrier Access Line Report Con't.**

**V. WHAT IS MEANT BY PURE RESALE VOICE GRADE EQUIVALENT LINES?**

Pure resold lines are those lines provided pursuant to § 251 (c)(4) of the Communications Act of 1934, as amended. Pure resold lines are those lines not owned or controlled by the telephone company billing the end user for the service. Pure resold lines are typically leased from an underlying carrier at a wholesale discount off the tariffed rate. The use of resold lines exclusively provides a means to offer service without owning or controlling any equipment. Pure resold lines are those lines provided under a general or local exchange tariff, but without benefit of an accompanying switched access tariff.

**VI. WHAT IS MEANT BY UNBUNDLED NETWORK ELEMENT (UNE) LINES?**

UNE lines are those lines where the carrier provides some portion of the equipment required to provide telephone service. The most common example is a competitive LEC who provides the switching but leases a loop (or extended loop) from the incumbent LEC. UNE loops are obtained on a stand alone basis and service is provided to the end user without combining other UNEs. Service provisioned over UNE loops requires the carrier to lease a loop from another LEC in order to connect the customer to the carrier's own switch. UNE lines are provided under a general or local exchange tariff in combination with a switched

**VII. WHAT IS MEANT BY UNE-P VOICE GRADE EQUIVALENT LINES?**

UNE Platform (UNE-P) lines are those lines utilizing a combination of UNEs so that service provisioned over UNE-P lines does not require the carrier to use its own switch, port, or loop. UNE-P lines are commonly used by competitive LECs. UNE-P lines are provided under a general or local exchange tariff in combination with a switched access tariff.

**VIII. WHAT IS MEANT BY FULL FACILITY BASED VOICE GRADE EQUIVALENT LINES?**

Full facility based lines are those lines owned or controlled exclusively by a local exchange carrier and used to connect to an end user's premises. Count as your own such facilities, those facilities that you actually owned as well as facilities such as dark fiber that you obtained the right to use from other entities. Do not include, as full facilities based lines, lines provided over UNE loops that you obtained from another carrier. Full facility based lines are provided under a general or local exchange tariff in

**IX. WHAT IS MEANT BY PUBLIC ACCESS LINES?**

Some carriers (particularly incumbent carriers) still separate pay telephone lines from business lines. Use this column to report pay telephone lines if your company tariffs reflect pay telephone lines distinct from business lines.

Annual Report of Sage Telecom, Inc. for the year ended December 31, 2002

### VERIFICATION

The foregoing report must be verified by the oath of the President or chief officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

### OATH

State Of Texas  
County Of Collin } ss:

Gary P. Nuttall makes oath and says that  
(Insert here the name of the affiant)

he is Vice President/Chief Technical Officer  
(Insert here the official title of the affiant)

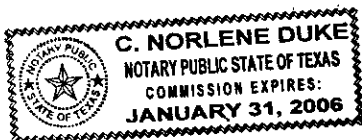
of Sage Telecom, Inc.  
(Insert here the exact legal title or name of the respondent)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

1-Jan, 2002, to and including 31-Dec, 2002

Gary P. Nuttall  
(Signature of affiant)

Subscribed and sworn before me, a Notary Public in and for the  
State and county above named, this 2<sup>nd</sup> day of April, 2003  
My Commission expires \_\_\_\_\_, 20\_\_\_\_



C. Norlene Duke  
(Signature of officer authorized to administer oaths)