Exhibit No.:

Issue: Policy

Witness: Craig A. Unruh

Type of Exhibit: Direct Testimony

Sponsoring Party: Southwestern Bell Telephone, L.P. d/b/a/ SBC Missouri

Case No.: TO-2006-0102

Date Testimony Prepared: September 19, 2005

## SOUTHWESTERN BELL TELEPHONE, L.P. d/b/a SBC MISSOURI

CASE NO. TO-2006-0102

DIRECT TESTIMONY

OF

CRAIG A. UNRUH

St. Louis, Missouri

Case No(s):10-2006-0102 Date 10-205 Rptr +F

# BEFORE THE PUBLIC SERVICE COMMISSION

# OF THE STATE OF MISSOURI

In the Matter of the Request of Southwestern Bell Telephone, L.P., d/b/a SBC Missouri, for Competitive Classification Pursuant to Section 392.245.6, RSMo 2005 - 60-day Petition  ) Case No. TO-2006-0102 )
AFFIDAVIT OF CRAIG A. UNRUH
STATE OF MISSOURI ) ) SS
CITY OF ST. LOUIS )
I. Craig A. Unruh, of lawful age, being duly sworn, depose and state:
<ol> <li>My name is Craig A. Unruh. I am presently Executive Director – Regulatory for Southwestern Bell Telephone, L.P., d/b/a/ SBC Missouri.</li> <li>Attached hereto and made a part hereof for all purposes is my direct testimony.</li> <li>I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.</li> </ol>
Subscribed and sworn to before this 19th day of September, 2005.
Maryana Turcell Notary Public
My Commission Expires: 01/05/2008  MARYANN PURCELL Notary Public - Notary Seal STATE OF MISSOURI City of St. Louis My Commission Expires: Jan. 5, 2008

# **Table of Contents**

INTRODUCTION1
PURPOSE AND MAIN POINTS OF TESTIMONY1
STATUTORY CRITERIA FOR OBTAINING A COMPETITIVE
CLASSIFICATION UNDER THE 60 DAY PROCESS
SBC MISSOURI'S REQUEST FOR COMPETITIVE CLASSIFICATION MEETS
THE SIMPLIFIED 60 DAY PROCESS CRITERIA7
SUMMARY14

L

r

1 2 3 4 5		CASE NO. TO-2006-0102 SOUTHWESTERN BELL TELEPHONE, L.P. D/B/A/ SBC MISSOURI DIRECT TESTIMONY OF CRAIG A. UNRUH
6 7	INTI	RODUCTION
8	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
9	A.	My name is Craig A. Unruh and my business address is One SBC Center, Room
10		3528, St. Louis, Missouri, 63101.
11		
12	Q.	BY WHOM ARE YOU EMPLOYED AND IN WHAT POSITION?
13	A.	I am employed by Southwestern Bell Telephone, L.P. d/b/a SBC Missouri (SBC
14		Missouri) and serve as its Executive Director - Regulatory. I am responsible fo
15		advocating regulatory policy and managing SBC Missouri's regulatory
16		organization.
17		
18	Q.	HAVE YOU PREPARED AN EXHIBIT THAT SUMMARIZES YOUR
19		PROFESSIONAL AND EDUCATIONAL BACKGROUND AND
20		EXPERIENCE BEFORE THE MISSOURI PUBLIC SERVICE
21		COMMISSION (COMMISSION)?
22	A.	Yes. This information is contained in Unruh - Schedule 1.
23		
24	PUR	POSE AND MAIN POINTS OF TESTIMONY
25	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?

ì.

1 A. My testimony explains that SB 237 has significantly changed the manner in which 2 competitive classifications are granted. With a 60 day request, the legislature has 3 made clear that competitive classification requests are to be granted unless there is a compelling reason to find that granting the request is not in the public interest. 5 My testimony also presents the evidence that was provided in SBC Missouri's 6 Petition demonstrating the significant number of competitors in each of the exchanges requested by SBC Missouri under the 60 day process. Also, since 7 Staff has already submitted its recommendations and testimony for this case, my 8 testimony will also respond to some general points raised in Mr. Van Eschen's 10 testimony. 11 12 Q. WHAT ARE THE MAIN POINTS THE COMMISSION SHOULD UNDERSTAND ABOUT YOUR TESTIMONY? 13 The Commission should understand the following points about my testimony and 14 Α. 15 this case in general: SB 237 significantly changed the manner in which the Commission grants 16 17 competitive classifications. The Commission no longer determines whether "effective competition" exists and 18 is not to review the "extent" of competition or make pricing and service 19 20 comparisons. 21 The focus of the statute is now on "choice." The law recognizes that as long as there is choice for consumers, the competitive marketplace should be permitted to 22 23 work.

Ē

1 The law requires that the Commission grant the requested competitive 2 classifications within 60 days unless the Commission finds that a competitive 3 classification is contrary to the public interest. 4 5 Q. WHAT IS THE PURPOSE OF THIS CASE? 6 A. SBC Missouri seeks a competitive classification, under the provisions of Section 7 392.245.5 RSMo, for each of the 49 residential exchanges and for each of the 26 8 business exchanges that it specifically identified in its Petition for the 60 day process to the extent these exchanges are not classified as competitive in Case No. 10 TO-2006-0093 (SBC Missouri's 30 day case). In addition, SBC Missouri seeks 11 competitive classification in this case for each of the exchanges for which SBC 12 Missouri requested competitive classification in Case No. TO-2005-0093 to the 13 extent competitive classification was not granted in that case. 14 15 STATUTORY CRITERIA FOR OBTAINING A COMPETITIVE 16 CLASSIFICATION UNDER THE 60 DAY PROCESS 17 WHAT ARE THE CRITERIA SPELLED OUT IN 392.245.5 FOR Q. 18 OBTAINING A COMPETITIVE CLASSIFICATION UNDER THE 60 DAY 19 PROCESS? 20 The 60-day track requires the Commission to examine all types of competition A. 21 that exists within the exchange and is not limited to the type of competition 22 specified for the 30 day process. Section 392.245.5 permits a price cap regulated ILEC to seek competitive classification based on competition from other entities 23

providing "local voice service." In addition to competition from entities providing local service using their own facilities in whole or in part, the 60 day track also requires consideration of competitors that use the ILEC's facilities or a third party's facilities. The statute requires the Commission to grant competitive classification within 60 days unless it determines that such classification is contrary to the public interest:

Notwithstanding any other provision of the subsection, any incumbent local exchange company may petition the commission for competitive classification within an exchange based on competition from any entity providing local voice service in whole or in part by using its own telecommunications facilities or other facilities or the telecommunications facilities or other facilities of a third party, including those of the incumbent local exchange company as well as providers that rely on an unaffiliated third party Internet service. The commission shall approve such petition within 60 days unless it finds that such competitive classification is contrary to the public interest.

In conducting the 60-day review, the statute permits the Commission to consider data pertinent in a 30-day review (e.g., the number of carriers providing basic local telecommunications service in an exchange that meet the criteria spelled out in 392.245.5(1)-(5)). But the relevant and mandatory inquiry is much broader: 60-day petitions can be based on competition from any entity providing local voice service in whole or in part by using its own telecommunications facilities or other facilities or the telecommunications facilities or other facilities of a third party, including those of the incumbent local exchange company as well as providers that rely on an unaffiliated third party Internet service. Thus, for the 60-day investigation, the Commission must consider service being provided by:

1		<ul> <li>Companies providing service using their own facilities;</li> </ul>
2		Companies providing service using their own facilities and facilities of the
3		ILEC;
4		Companies providing service using their own facilities and facilities from an
5		unaffiliated carrier;
6		Wireless carriers;
7		• Companies providing service using facilities from an unaffiliated carrier (e.g.,
8		another CLEC) and facilities from the ILEC;
9		Companies providing service using only facilities from the ILEC (either
10		through UNE-P or a commercial agreement);
11		
12		As one can see, the focus is on ensuring the customer has a choice of service
13		providers. The intent is clear. The legislature created a simplified manner for
14		obtaining a competitive classification - one which requires the Commission to
15		grant a competitive classification unless it finds that such classification is contrary
16		to the public interest.
17		
18	Q.	SB 237 REQUIRES THE COMMISSION TO GRANT THE REQUESTED
19		COMPETITIVE CLASSIFICATION UNLESS THE COMMISSION FINDS
20		THAT DOING SO WOULD BE CONTRARY TO THE PUBLIC

INTEREST. WOULD GRANTING SBC MISSOURI'S REQUEST FOR

<sup>&</sup>lt;sup>1</sup> Section 392.245.5.

i		COMPETITIVE CLASSIFICATION IN THIS CASE BE CONTRARY TO
2		THE PUBLIC INTEREST?
3	A.	No. SB 237 makes clear the legislature intends for competitive classifications to
4		be granted. For the 60 day process, Section 392.245.5 requires the Commission
5		to grant competitive classification unless the Commission finds it is contrary to
6		the public interest. The legislature has already determined that the competitive
7		marketplace is preferable to the asymmetric regulation that exists today so unless
8		a party produces a very compelling reason why a competitive classification is
9		contrary to the public interest, the law requires the Commission to grant the
0		requested competitive classification. Staff has presented no such evidence.
1		
2	Q.	IS STAFF'S POSITION THAT SBC MISSOURI MUST DEMONSTRATE
3		THAT ITS REQUEST IS IN THE PUBLIC INTEREST (VAN ESCHEN
4		DIRECT, P. 18-19) CONSISTENT WITH THE STATUTE?
5	A.	No. Staff's position is inconsistent with this approach. Staff erroneously claims
6		that the party seeking the competitive classification must prove why its request is
7		in the public interest. Staff has it backwards. The legislature has already
8		determined that competitive classification must be granted unless the Commission
9		finds that it is contrary to the public interest. Clearly, Staff's position must be
20		rejected because it is inconsistent with the law.
21		
22	Q.	HOW DOES SB 237 CHANGE THE PROCESS FOR GAINING
23		COMPETITIVE CLASSIFICATIONS?

1 Α. SB 237 reinforces the legislature's intent to allow full and fair competition to 2 function instead of regulation where the statutory criteria are met.<sup>2</sup> Among other 3 things, SB 237 creates a simplified manner in which competitive classification requests are to be evaluated. Prior to SB 237, the Commission was required to 5 determine if "effective competition" existed in the exchange. This led to a 6 service-by-service analysis where the Commission examined the "extent" of 7 competition, made pricing comparisons and assessed service comparability. The 8 process established by SB 237, however, simply requires the Commission to determine if choice is available in the exchange. The new law recognizes that as 10 long as customers have the ability to choose an alternative provider of voice 11 service other than the ILEC, customers are better served by letting competitive 12 forces manage the marketplace. Once customers have choice, the law makes clear 13 that competitive classification must be granted.

14

15

# SBC MISSOURI'S REQUEST FOR COMPETITIVE CLASSIFICATION MEETS

## 16 THE SIMPLIFIED 60 DAY PROCESS CRITERIA

## 17 Q. WHAT IS SBC MISSOURI SEEKING IN THIS CASE?

A. SBC Missouri seeks a competitive classification for each of the 49 residential
exchanges and for each of the 26 business exchanges (out of 160 total exchanges)
that were identified in the 60 day portion of SBC Missouri's Petition to the extent
these exchanges were not classified as competitive in Case No. TO-2006-0093
(SBC Missouri's 30 day case). In addition, SBC Missouri seeks competitive

<sup>&</sup>lt;sup>2</sup> SB 237 was overwhelmingly passed by both the Missouri Senate (29 to 3) and House of Representatives

1	classification of any exchanges where SBC Missouri sought, but did not receive,
2	competitive classification in Case No. TO-2006-0093. I have attached the
3	following exhibits which identify the exchanges where SBC Missouri seeks a
4	competitive classification under the 60 day criteria plus information regarding the
5	competitors operating in those exchanges:
6 7 8 9 10	Revised Exhibit B-1, which identifies for each SBC Missouri exchange for which competitive classification is being sought under the 60-day trigger, the minimum number of carriers providing local voice service to business customers using each of the following methods of providing service:  • Use of wholesale services from SBC Missouri (i.e., replacement for UNE-P) under a commercial agreement;
12	<ul> <li>UNE-P from SBC Missouri;</li> </ul>
13	Wireless carrier;
14	<ul> <li>VolP provider using a third-party's network.</li> </ul>
15	
16	Revised Exhibit B-2, which identifies for each SBC Missouri exchange for
17	which competitive classification is being sought under the 60-day trigger,
18	the minimum number of carriers providing local voice service to
19	residential customers using each of the following methods of providing
20	service:
21 22	Use of wholesale services from SBC Missouri (i.e., replacement  for UNE B) under a commercial agreement.
23	for UNE-P) under a commercial agreement;  • UNE-P from SBC Missouri;
24	· · · · · · · · · · · · · · · · · · ·
25	<ul> <li>Wireless carrier;</li> <li>VolP provider using a third-party's network.</li> </ul>
26	• Vote provider using a unitu-party's network.
27	Exhibit B-3, which is a map geographically depicting the exchanges
28	identified in Exhibit B-1;
29	identified in Exhibit B-1,
30	Exhibit B-4, which is a map geographically depicting the exchanges
31	identified in Exhibit B-2.
32	retinite in Dimion D 2,
33	These are the exhibits, including the same exhibit names, that were included in
34	SBC Missouri's Petition. <sup>3</sup>

<sup>(155</sup> to 3), was signed by the Governor, and became law on August 28, 2005.

The Highly Confidential "(HC)" designation has been removed from the exhibit name since the information originally labeled as Highly Confidential has been declassified pursuant to the Commission's Order in this case. Exhibit B-1 has been revised to identify the correct number of CLECs with commercial

2

3

Q. WHICH COMPANIES DID SBC MISSOURI EXCLUDE FROM T	HE 60
--	-------

#### DAY EVIDENCE?

4 A. The data in SBC Missouri's exhibits reflect only a minimum number of 5 competitors in each of the designated exchanges since there may be 6 additional competitors who are providing service in the exchange. For 7 example, SBC Missouri has examined only six VoIP providers (which use 8 a third-party's network) and only counted those VolP providers in exchanges where cable modem service is available (i.e., excluding DSL) 10 and only if the customer in that exchange can port their telephone number 11 or obtain a new local telephone number in the exchange. SBC Missouri's 12 data only counts wireless carriers who use their own facilities (ignoring 13 Mobile Virtual Network Operators, or MVNOs, such as Virgin Mobile) 14 and it does not include any competitive services currently being offered by 15 AT&T or its affiliates, prepaid carriers or resellers. SBC Missouri also 16 only counted CLECs with active customers in the exchange. There are 17 many more CLECs whose tariffs indicate they are willing to provide 18 service in the requested exchanges. The information presented also 19 excludes SBC Missouri affiliates, such as Cingular Wireless.

20

1	Q.	EVEN AFTER ELIMINATING VARIOUS COMPETITORS, ARE THERE
2		STILL A SIGNIFICANT NUMBER OF COMPETITORS IN EACH OF
3		THE REQUESTED EXCHANGES?
4	A.	Yes. As can be seen by Exhibits B-1 and B-2, there are a substantial number of
5		competitors in each of the SBC Missouri exchanges where competitive
6		classification is requested. The fewest competitors identified in any exchange is
7		five. Most exchanges have significantly more.
8		
9	Q.	STAFF POINTS OUT THAT SBC MISSOURI DID NOT NAME ITS
· 10		COMPETITORS (P. 18) AND CLAIMS THAT COMPANIES SHOULD BE
11		REQUIRED TO IDENTIFY THEIR COMPETITORS BY NAME (P. 19).
12		DID STAFF ASK SBC MISSOURI FOR THE NAMES OF THE
13		COMPETITORS QUANTIFIED IN EXHIBITS B-1 AND B-2?
14	A.	No.
15		
16	Q.	IS IT NECESSARY FOR SBC MISSOURI TO NAME COMPETITORS IN
17		EACH OF THE REQUESTED EXCHANGES?
18	A.	No. I do not believe the names of the competitors are relevant. The exhibits SBC
19		Missouri has presented quantify the minimum number of competitors separated
20		into different provisioning types (i.e., via commercial agreements, UNE-P,
21		wireless and VoIP). This evidence demonstrates that there are a significant
22		number of competitors in each of the requested exchanges, which clearly satisfies

l the legislative criteria for granting a competitive classification under the 60 day 2 process. 3 4 Q. HAVE YOU, NONETHELESS, CHOSEN TO PROVIDE THE NAMES OF 5 THE COMPETITORS IN YOUR TESTIMONY? 6 Yes. I have attached two tables that identify, for each of the requested exchanges, A. 7 the names of the CLECs with lines in the exchange which are operating under a commercial agreement, the names of the CLECs with lines in the exchange that 8 9 are using UNE-P, the names of the wireless carriers providing service in the 10 exchange, and the names of selected VoIP providers that rely on a third-party's network.4 These are the names of the competitors that equate to the numbers that 11 12 are presented in Exhibits B-1 and B-2. As I mentioned above, these represent a 13 minimum number of competitors in these exchanges for the reasons I explained. 14 15 Q. DO THE TABLES IN UNRUH - SCHEDULE 2(HC) AND UNRUH -16 SCHEDULE 3(HC) PROVIDE ANY ADDITIONAL INFORMATION 17 BEYOND THE NAMES OF THE COMPETITORS? 18 A. Yes. The tables also identify the CLECs that have their own switching equipment. So, while the CLECs are using SBC Missouri's switching facilities, 19 20 either through UNE-P or through a commercial agreement, to provide service in 21 the identified exchanges, many also have their own switching facilities that could

be used to provide service in the identified exchanges.

2	Q.	STAFF LIMITS ITS RECOMMENDATIONS TO ONLY SUPPORTING
3		THE EXCHANGES THAT MEET THE 30 DAY CRITERIA (P. 2). IS
4		THIS CONSISTENT WITH THE LAW?
5	A.	No. Staff ignores competition from CLECs that are not using their own facilities
6		in whole or in part, competition from wireless carriers and competition from Voll
7		providers in its 60 day analysis. This is contrary to the law which requires the
8		Commission to consider competition from:
9 0 1 2 3 4 5		any entity providing local voice service in whole or in part by using its own telecommunications facilities or other facilities or the telecommunications facilities or other facilities of a third party, including those of the incumbent local exchange company as well as providers that rely on an unaffiliated third-party Internet service. <sup>5</sup>
6		There are CLECs that choose to use SBC Missouri's facilities rather than build
7		their own. That is their choice and their choice does not make them any less of a
8		competitor capable of serving customers in the exchange. For example, Sage has
9		chosen to enter into a commercial agreement with SBC Missouri to purchase a
20		UNE-P replacement service whereby Sage uses SBC Missouri's facilities (e.g.,
21		loops and switching) to enable Sage to provide service to its customers. Sage
22		chose to take this approach to serving its customers rather than deploying its own
23		facilities (such as its own switches) and signed a seven year agreement to

See Unruh – Schedule 2(HC) for the names of the competitors for business services and Unruh – Schedule 3(HC) for the names of the competitors for residential services.
 Section 392.245.5 (emphasis added).

1		purchase services from SBC Missouri. Other companies have also signed similar
2		commercial agreements.
3		
4	Q.	WHAT CONCLUSION DO YOU DRAW FROM STAFF'S POSITION IN
5		THIS CASE?
6	A.	Staff does not support competitive classification in the 60 day case unless the
7		evidence meets the criteria applicable to a request under the 30 day track. As I
8		indicated above, this is not consistent with the statute. Staff appears to continue
9		to believe that regulation is the preferred avenue rather than permitting
10		competitive markets to work. I believe this philosophy and the slow-pace at
11		which we were moving to fully competitive markets is why the legislature
12		decided to change the law. The legislature recognizes and re-emphasized that
13		competition is preferable to regulation and that is why the law was changed to
14		create an environment where competitive classifications were to be granted unless
15		there was some very compelling reason not to do so. The Commission should
16		recognize this changed environment and follow the legislative directive.
17		
18	Q.	DOES SBC MISSOURI'S REQUEST FOR COMPETITIVE
19		CLASSIFICATION IN THE IDENTIFIED EXCHANGES MEET THE 60
20		DAY STATUTORY CRITERIA?
21	A.	Yes. Customers have choices among several providers in each of the requested
22		exchanges. The legislature simply wants to ensure that customers have a choice.
23		Once customers have choice, then the competitive marketplace should be

permitted to work. The Commission should grant competitive classification in each of the requested exchanges that have not already been granted a competitive classification in SBC Missouri's 30 day case (TO-2005-0093) by October 29, 2005 (i.e., within 60 days of the request). In addition, as requested by SBC Missouri in its Petition, the Commission should also grant competitive classification in any exchanges requested in SBC Missouri's 30 day case that the Commission finds did not meet the 30 day statutory criteria.

## SUMMARY

### Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. My testimony has explained that SB 237 significantly alters the manner in which competitive classification requests are to be reviewed. The legislature has created a simplified approach where the Commission is to grant a competitive classification unless there is a compelling reason why the request is contrary to the public interest. The Commission is not to determine whether there is "effective competition" or examine the "extent" of competition, make pricing comparisons, or assess service comparability as it did under the old statutory framework. The process now focuses on "choice." The legislature recognizes that as long as customers have a choice then competition is preferable to regulation for managing the marketplace. The exchanges requested by SBC Missouri meet the statutory criteria and the Commission should grant a competitive classification for these exchanges by October 29, 2005 (i.e., within 60 days of the request).

1

- 2 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 3 A. Yes, it does.

1	SUN	SUMMARY OF EDUCATION, WORK EXPERIENCE AND QUALIFICATIONS			
2 3 4	Q.	PLEASE SUMMARIZE YOUR PROFESSIONAL AND EDUCATIONAL			
5		BACKGROUND?			
6	A.	I received a Bachelor of Science in Computer Science from Kansas State			
7		University in 1986. I received a Master of Business Administration from			
8		Washington University in St. Louis in 1995. I have been employed by SBC			
9		Missouri since 1986 and have held several positions in the company mostly			
10		working in the regulatory area. I have worked on regulatory issues at both the			
11		federal and state level.			
12					
13	Q.	HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?			
14	A.	Yes, I have previously testified in the following Missouri cases:			
15		• Missouri Case No. TO-98-212, In the Matter of the Investigation into the			
16		Exhaustion of Central Office Codes in the 314 Numbering Plan Area			
17		Missouri Case No. TO-97-217, In the Matter of an Investigation Concerning			
18		the Continuation or Modification of the Primary Toll Carrier Plan (PTC)			
19		When IntraLATA Presubscription is Implemented in Missouri			
20		Missouri Case No. TO-99-14, In the Matter of the Implementation of Number			
21		Conservation Methods in the St. Louis, Missouri Area			
22		• Missouri Case No. TO-99-254, et al., In the Matter of an Investigation			
23		Concerning the Primary Toll Carrier Plan and IntraLATA Dialing Parity			
24		• Missouri Case No. TO-99-483, In the Matter of an Investigation for the			
25		Purpose of Clarifying and Determining Certain Aspects Surrounding the			

1		Provisioning of Metropolitan Calling Area Service after the Passage and
2		Implementation of the Telecommunications Act of 1996
3	•	Missouri Case No. TR-2001-344, In the Matter of Northeast Missouri Rural
4		Telephone Company's Rate Case in Compliance with the Commission's
5		Orders in TO-99-530 and TO-99-254
6	•	Missouri Case No. TO-98-329, Investigation into Various Issues Relating to
7		the Missouri Universal Service Fund
8	•	Missouri Case No. TT-2002-227, et al., In the Matter of Southwestern Bell
9		Telephone Company's Proposed Revisions to PSC MO No. 26, Long
10		Distance Message Telecommunications Service Tariff
11	•	Missouri Case No. TR-2001-65, Investigation of actual costs incurred in
12		providing exchange access service and the access rates to be charged by
13		competitive local exchange telecommunications companies
14	•	Missouri Case No. IT-2004-0015, In the Matter of Southwestern Bell
15		Telephone Company, d/b/a SBC Missouri's Proposed Revised Tariff Sheet
16		Intended to Increase by Eight Percent the Rates for Line Status Verification
17		and Busy Line Interrupt as Authorized by Section 392.245, RSMo, the Price
18		Cap Statute
19	•	Missouri Case No. TO-2005-0035, In the Matter of The Second Investigation
20		into the State of Competition in the Exchanges of Southwestern Bell
21		Telephone, L. P., d/b/a SBC Missouri

- Missouri Case No. TO-2006-0093, In the Matter of the Request of
- Southwestern Bell Telephone, L.P., d/b/a SBC Missouri, for Competitive
- 3 Classification Pursuant to Section 392.245.6, RSMo 2005 30 day Petition.

#### Qualifying SBC Missouri Exchanges 60 Day Trigger for Business Minimum Number of Competitors

Line	Exchange	Business Total	Business Commercial Agreements	Business UNE-P	Business Wireless Companies	Business VolP
1	Archie	7	3	1	3	VOIL
2	Ash Grove	8	2	4	2	
3	Billings	7	1	3	3	
4	Boonville	15	4	3	5	3
5	Carthage	16	4	7	4	1
6	Cedar Hill	14	4	6	3	1
7	Chillicothe	15	4	6	4	1
<del></del> /8	De Soto	16	4	5	3	4
9		15	3	6	2	4
	Dexter	7	2	2	3	4
10	Farley				3	
11	Gray Summit	14	4	5		2
12	Hannibal	14	4	7	2	1
13	Hillsboro	11	3	3	3	2
14	Kennett	14	4	5	2	3
15	Kirksville	17	4	8	5	
16	Marionville	7	2	2	3	
17	Marshall	14	4	6	3	1
18	Mexico	18	4	7	3	4
19	Moberly	15	4	5	3	3
20	Neosho	13	3	7	3	
21	Portage Des Sioux	5	1	1	3	
22	Richmond	14	4	5	4	1
23	St Clair	14	4	6	3	1
24	Union	17	4	6	3	4
25	Ware	8	2	0	3	3
26	Webb City	13	4	5	4	

Competitor counts exclude resellers, prepaid providers, AT&T companies and SBC affiliates including Cingular. The commercial agreements were mutually negotiated between SBC and the CLEC. Companies included in the commercial agreement column were excluded from the UNE-P column.

The count of wireless competitors excludes companies that do not have their own network (i.e., Mobile Virtual Network Operators, or MVNOs, such as Virgin Mobile).

VoIP providers were counted only where cable modern service was available (excluding exchanges where only DSL was available) and only where a customer can port their number or obtain a local telephone number. Only 5 VoIP providers were investigated.

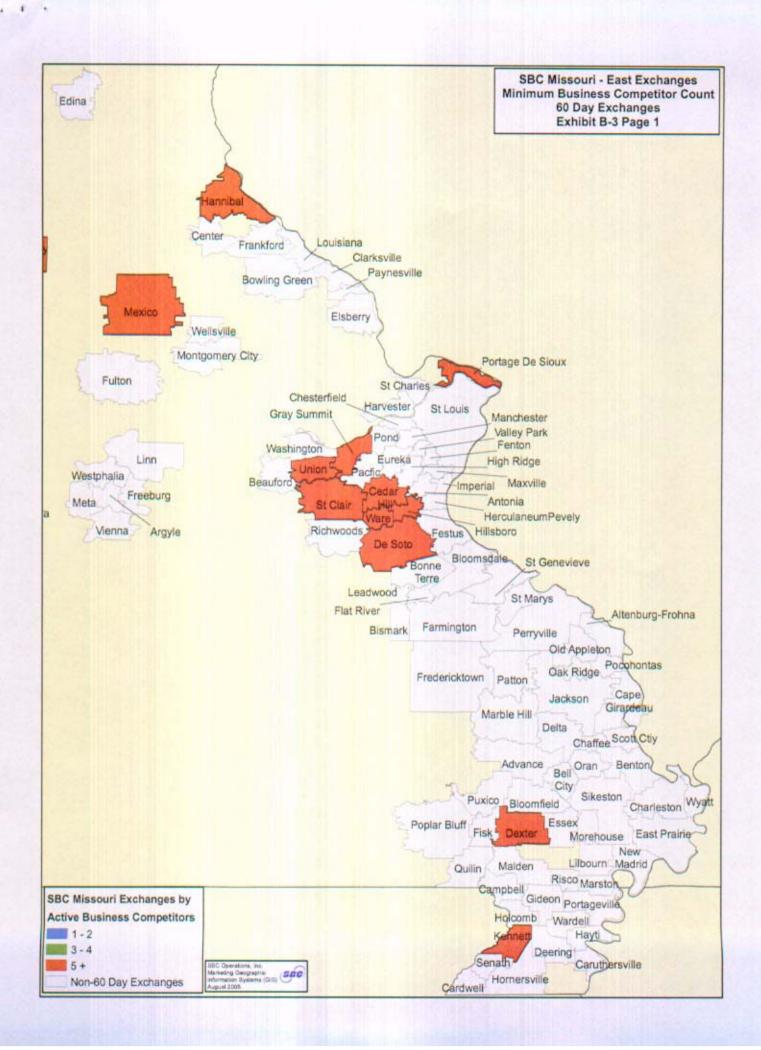
#### Qualifying SBC Missouri Exchanges 60 Day Trigger for Residential Minimum Number of Competitors

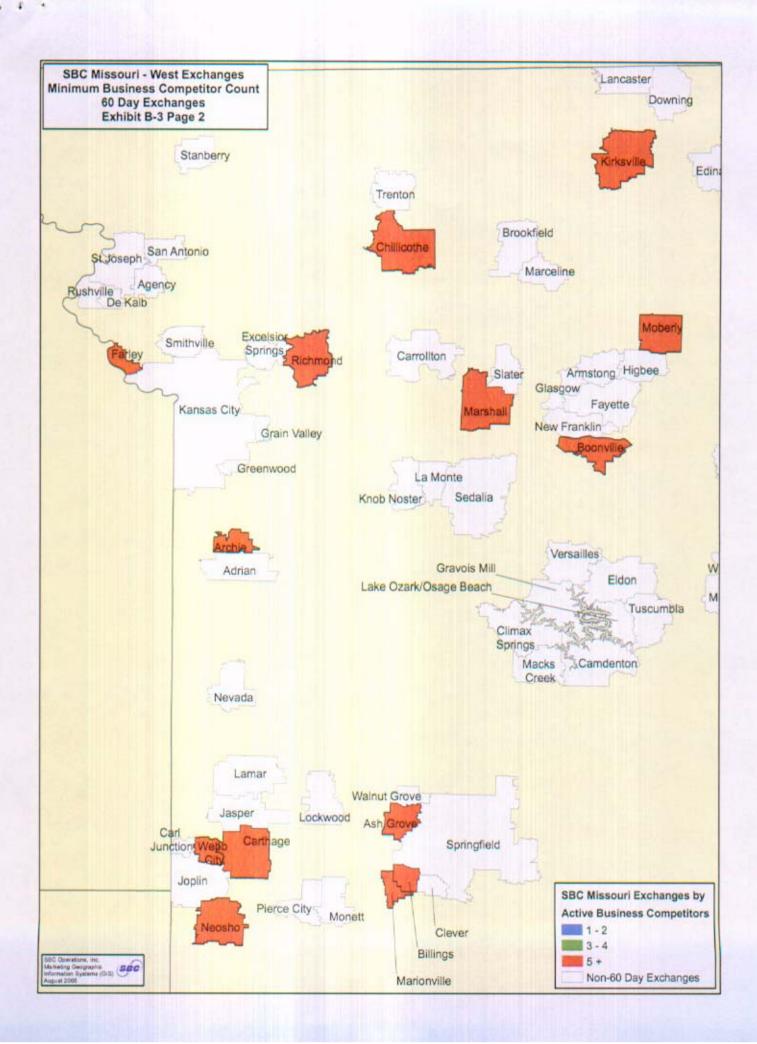
Line	Exchange	Residential	Residential	Residential	Residential	Residential
	<u> </u>	Total	Commercial Agreements	UNE-P	Wireless Companies	VoiP
1	Antonia	11	3	2	3	3
2	Archie	9	3	2	3	1
3	Ash Grove	8	2	4	2	
4	Billings	6	2	1	3	
5	Bonne Terre	11	2	6	2	1
6	Boonville	16	3	5	5	3
7	Camdenton	17	3	8	3	3
8	Cape Girardeau	17	3	7	3	4
9	Carthage	15	3	7	4	1
10	Cedar Hill	15	4	6	3	2
11	Chillicothe	13	3	5	4	1
12	Clever	7	2	2	3	
13	De Soto	17	4	5	3	5
14	Dexter	14	2	6	2	4
15	Eldon	15	3	6	4	2
16	Excelsior Spring	16	4	5	3	4
17	Farley	9	3	2	3	1
18	Festus-Crystal City	17	3	6	3	5
19	Flat River	13	2	7	2	2
20	Fulton	14	4	6	3	1
21	Grain Valley	11	4	2	3	2
22	Gravois Mill	16	4	7	4	1
23	Gray Summit	13	2	5	3	3
24	Greenwood	13	4	5	3	1
25	Hannibal	12	3	6	2	1
26	Herculaneum-Pevely	12	3	4	3	2
27	High Ridge	18	4	5	4	5
28	Hillsboro	14	4	4	3	3
29	Imperial	18	4	6	3	5
30	Jackson	13	2	7	3	1
31	Joplin	18	3	7	4	4
32	Kennett	14	2	7	2	3
33	Kirksville	13	3	5	5	
34	Lake Ozark-Osage Beach	14	3	7	3	1
35	Marionville	7	2	2	3	
36	Marshall	14	3	7	3	11
37	Maxville	18	4	6	3	5
38	Mexico	15	2	6	3	4
39	Moberly	15	3	6	3	3
40	Neosho	13	3	7	3	
41	Poplar Bluff	14	3	7	3	1
42	Portage Des Sioux	7	3	1	3	
43	Richmond	14	3	5	4	2
44	Sedalia	17	4	7	5	1
45	St Clair	12	3	5	3	1
46	Union	16	3	6	3	4
47	Walnut Grove	5	2	1	2	
48	Ware	12	2	3	3	4
49	Webb City	13	2	7	4	

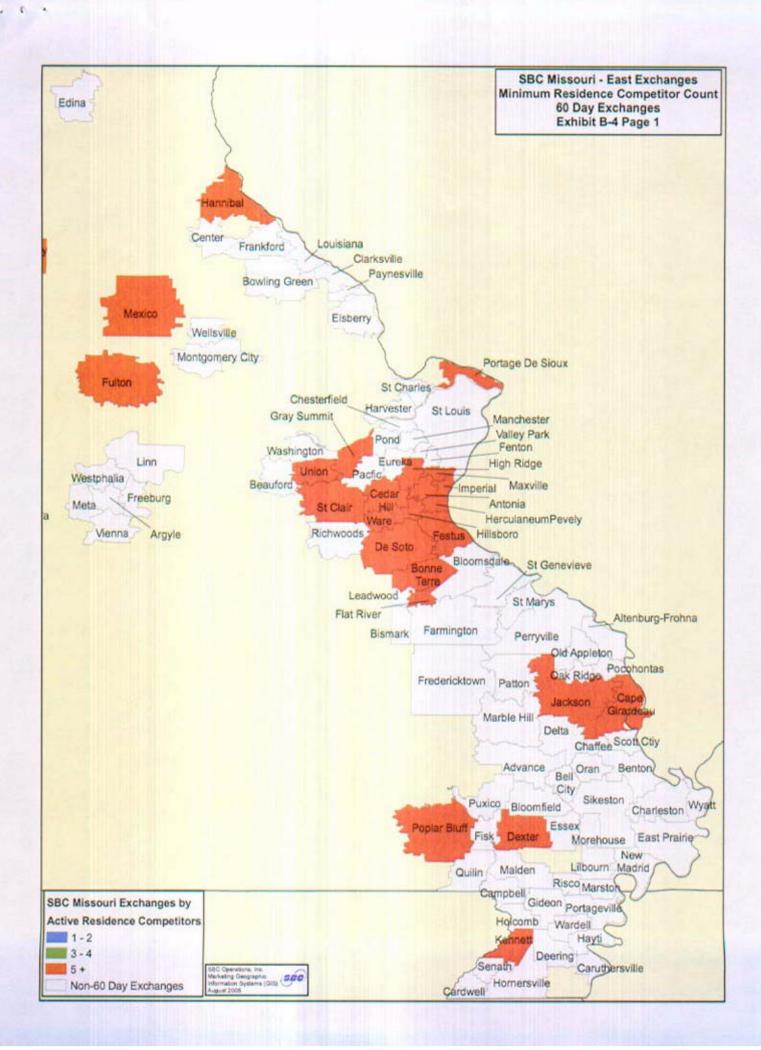
Competitor counts exclude resellers, prepaid providers, AT&T companies and SBC affiliates including Cingular. The commercial agreements were mutually negotiated between SBC and the CLEC. Companies included in the commercial agreement column were excluded from the UNE-P column.

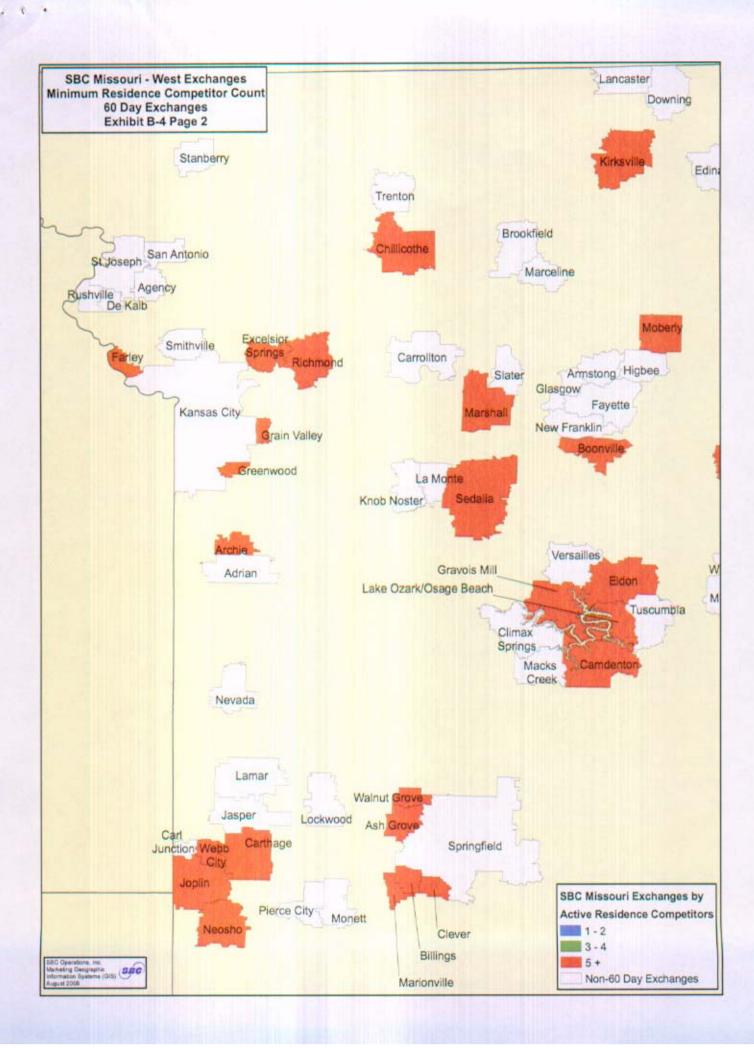
The count of wireless competitors excludes companies that do not have their own network (i.e., Mobile Virtual Network Operators, or MVNOs, such as Virgin Mobile).

VoIP providers were counted only where cable modem service was available (excluding exchanges where only DSL was available) and only where a customer can port their number or obtain a local telephone number. Only 6 VoIP providers were investigated.









Exchange Archie	Commercial Agreements	CLECs with UNE-P	Companies	Companies
			Sprint-Nextel	
			T-Mobile Verizon	
Ash Grove			Alltel Sprint-Nextel	
Billings			Alltel Sprint-Nextel	
			US Celiular	
3oonville			Alitel Sprint-Nextel T-Mobile US Cellular Verizon	Nuvio Packet 8 1Touchtone
Carthage			Sprint-Nextel T-Mobile US Cellular Verizon	Packet 8
O - J 1491			One in Market	Maria
oedai Aili			T-Mobile Verizon	Vonage
Chillicothe			Alltel	Packet 8
			Cellular One Sprint-Nextel T-Mobile	, saidt s
De Soto			Sprint-Nextel	Nuvio
			T-Mobile Verizon	Packet 8 Vonage 1Touchtone
Dexter			Sprint-Nextel Verizon	Nuvio Packet 8 Vonage 1Touchtone
Farley			Sprint-Nextel T-Mobile	
	edar Hill hillicothe	edar Hill The informatwo columns  chillicothe	edar Hill  The information contained in these two columns is Highly Confidential.  hillicothe	Alltel Sprint-Nextel US Cellular  Alltel Sprint-Nextel T-Mobile US Cellular Verizon  anthage  Sprint-Nextel T-Mobile US Cellular Verizon  edar Hill  The information contained in these two columns is Highly Confidential.  Alltel Cellular Overizon  Alltel Cellular One Sprint-Nextel T-Mobile Verizon  Alltel Cellular One Sprint-Nextel T-Mobile Verizon  Sprint-Nextel T-Mobile Verizon  Description  Sprint-Nextel T-Mobile Verizon

Unruh - Schedule 2 (NP)

# TO-2006-0102 60 Day Business Exchanges Minimum List of Competitors by Mode of Competition

Line	Exchange	CLECs with Commercial Agreements	CLECs with UNE-P	Wireless Companies	Sample VolP Companies
	Gray Summit	<u> </u>		Sprint-Nextel T-Mobile Verizon	Packet 8 Vonage
12	Hannibal			Sprint-Nextel US Cellular	Vonage
13	Hillsboro			Sprint-Nextel T-Mobile Verizon	Packet 8 Vonage
14	Kennett			Sprint-Nextel Verizon	Nuvio Vonage 1Touchtone
15	Kirksville		n contained in these Highly Confidential.	Alitel Chariton Valley Sprint-Nextel T-Mobile Verizon	
16	Marionville			Alltel Sprint-Nextel US Cellular	
17	Marshall			Mid-Missouri Sprint-Nextel T-Mobile	Vonage
18	Mexico			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 Vonage 1Touchtone
19	Moberly			Chariton Valley Sprint-Nextel T-Mobile	Nuvio Packet 8 1Touchtone

	T	CLECs with		Wireless	Sample VolP
Line	Exchange	Commercial Agreements	CLECs with UNE-P	Companies	Companies
20	Neosho			Sprint-Nextel US Cellular Verizon	
21	Portage Des Sioux			Sprint-Nextel T-Mobile Verizon	
22	Richmond			Mid-Missouri Sprint-Nextel T-Mobile Verizon	Vonage
23	St Clair		ation contained in these ns is Highly Confidential.	Sprint-Nextel T-Mobile Verizon	Vonage
24	Union			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 Vonage 1Touchtone
25	Ware			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 1Touchtone
26	Webb City			Sprint-Nextel T-Mobile Verizon US Cellular	

Competitor counts exclude resellers, prepaid providers, AT&T companies and SBC affiliates including Cingular. The commercial agreements were mutually negotiated between SBC and the CLEC. Companies included in the commercial agreement column were excluded from the UNE-P column.

The count of wireless competitors excludes companies that do not have their own network (i.e., Mobile Virtual Network Operators, or MVNOs, such as Virgin Mobile).

VoIP providers were counted only where cable modern service was available (excluding exchanges where only DSL was available) and only where customers can port their number or obtain a local telephone number. Only 5 VoIP providers were investigated.

Γ.		CLECs with	01.50	Wireless Companies	Sample VolP
Line	Exchange	Commercial Agreements	CLECs with UNE-P	,	Companies
1	Antonia			Sprint-Nextel T-Mobile	Packet 8 Verizon
				Verizon	Vonage
2	Archie			Sprint-Nextel	Verizon
				T-Mobile Verizon	
3	Ash Grove			Alitel Sprint-Nextel	
		•		A	
4	Billings			Alitel Sprint-Nextel	
				US Cellular	
5	Bonne Terre			Sprint-Nextel	Vonage
				US Cellular	
6	Boonville			Chariton Valley	Nuvio
				Mid-Missouri Sprint-Nextel	Packet 8 1Touchtone
				T-Mobile Verizon	
		The information	contained in these		Nhada
7	Camdenton	two columns is	Highly Confidential.	Alltel Sprint-Nextel	Nuvio Packet 8
				T-Mobile	1Touchtone
8	Cape Girardeau			Sprint-Nextel T-Mobile	Nuvio Packet 8
				Verizon	Vonage
					1Touchtone
0	Carthage			Sprint-Nextel	Packet 8
9	Cannage			T-Mobile	
				US Cellular Verizon	
	•				
10	Cedar Hill			Sprint-Nextel	Verizon
				T-Mobile Verizon	Vonage

<u> </u>		CLECs with		Wireless	Sample VolP
Line	Exchange	Commercial Agreements	CLECs with UNE-P	Companies	Companies
11	Chillicothe			Ailtel Cellular One Sprint-Nextel T-Mobile	Packet 8
12	Clever			Alltel Sprint-Nextel US Cellular	
13	De Sota			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 Verizon Vonage 1Touchtone
14	Dexter			Sprint-Nextel Verizon	Nuvio Packet 8 Vonage 1Touchtone
15	Eldon			Alltel Sprint-Nextel T-Mobile US Cellular	Packet 8 Vonage
16	Excelsior Spring		n contained in these Highly Confidential.	Sprint-Nextel T-Mobile Verizon	Packet 8 Nuvio Verizon 1Touchtone
17	Farley			Sprint-Nextel T-Mobile Verizon	Verizon
18	Festus-Crystal City			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 Verizon Vonage 1Touchtone
19	Flat River			Sprint-Nextel US Cellular	Packet 8 Vonage
20	Fulton			Sprint-Nextel T-Mobile Verizon	Vonage
21	Grain Valley			Sprint-Nextel T-Mobile Verizon	Packet 8 Verizon

	<del>                                     </del>	CLECs with		Wireless	Sample VolP
Line	Exchange	Commercial Agreements	CLECs with UNE-P	Companies	Companies
22	Gravois Mill			Alltel Sprint-Nextel T-Mobile US Cellular	Vonage
23	Gray Summit			Sprint-Nextel T-Mobile Verizon	Packet 8 Verizon Vonage
24	Greenwood			Sprint-Nextel T-Mobile Verizon	Verizon
25	Hannibal			Sprint-Nextel US Cellular	Vonage
26	Herculaneum-Pevely			Sprint-Nextel T-Mobile Verizon	Verizon Vonag <del>e</del>
27	High Ridge		contained in these Highly Confidential.	Sprint-Nextel T-Mobile US Cellular Verizon	Nuvio Packet 8 Verizon Vonage 1Touchtone
28	Hillsboro			Sprint-Nextel T-Mobile Verizon	Packet 8 Verizon Vonage
29	Imperial			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 Verizon Vonage 1Touchtone
30	Jackson			Sprint-Nextel T-Mobile Verizon	Vonage
31	Joplin			Sprint-Nextel T-Mobile US Cellular Verizon	Lingo Nuvio Packet 8 1Touchtone

lina	Evchana	CLECs with	CLECs with UNE-P	Wireless Companies	Sample VolP Companies
	Exchange  Kennett	Commercial Agreements	TOLLOS MILLIONE-F	Sprint-Nextel Verizon	Nuvio Vonage 1Touchtone
33	Kirksville			Alltel Chariton Valley Sprint-Nextel T-Mobile Verizon	
34	Lake Ozark-Osage Beach			Alltel Sprint-Nextel T-Mobile	Vonage
35	Marionville			Alltel Sprint-Nextel US Cellular	
36	Marshall			Mid-Missouri Sprint-Nextel T-Mobile	Vonage
			contained in these Highly Confidential.		
37	Maxville			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 Verizon Vonage 1Touchtone
38	Mexico			Sprint-Nextel T-Mobile US Cellular	Nuvio Packet 8 Vonage 1Touchtone
39	Moberly			Chariton Valley Sprint-Nextel US Cellular	Nuvio Packet 8 1Touchtone
40	Neosho			Sprint-Nextel US Cellular Verizon	

<u> </u>		CLECs with		Wireless	Sample VolP
Line	Exchange	Commercial Agreements	CLECs with UNE-P	Companies	Companies
	Poplar Bluff	·		Sprint-Nextel T-Mobile Verizon	Vonage
42	Portage Des Sioux			Sprint-Nextel T-Mobile Verizon	
43	Richmond			Mid-Missouri Sprint-Nextet T-Mobile Verizon	Verizon Vonage
44	Sedalia			Chariton Valley Mid-Missouri Sprint-Nextel T-Mobile Verizon	Vonage
45	St Clair		n contained in these Highly Confidential.	Sprint-Nextel T-Mobile Verizan	Vonage
46	Union			Sprint-Nextel T-Mobile Verizon	Nuvio Packet 8 Vonage 1Touchtone
47	Walnut Grove			Alltel Sprint-Nextel	
48	Ware			Sprint-Nextel T-Mobile Verizon	Nuvio Vonage Verizon 1Touchtone
49	Webb City			Sprint-Nextel T-Mobile US Cellular Verizon	

Competitor counts exclude resellers, prepaid providers, AT&T companies and SBC affiliates including Cingular. The commercial agreements were mutually negotiated between SBC and the CLEC. Companies included in the commercial agreement column were excluded from the UNE-P column.

The count of wireless competitors excludes companies that do not have their own network (i.e., Mobile Virtual Network Operators, or MVNOs, such as Virgin Mobile).

VoIP providers were counted only where cable modern service was available (excluding exchanges where only DSL was available) and only where customers can port their number or obtain a local telephone number. Only 6 VoIP providers were investigated.