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APR 20 2005
Missouri Public
Service Commission

April 15, 2005

alex.valencia@phonesforall.com

Manager of the Data Center
Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, MO 65102-0360

Re: 2004 Competitive Local Exchange Carrier (CLEC) and Interexchange Carrier (IXC) Annual Report

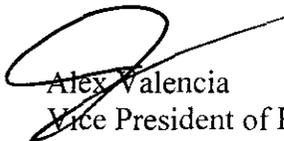
Dear Sir or Madam:

Please find attached the completed 2004 CLEC and IXC Annual Report for Preferred Carrier Services, Inc. as required by the Commission.

Should you have any questions or require additional information, please feel free to contact me at (972) 503-3388. Thank you for your attention to this matter.

Sincerely,

PREFERRED CARRIER SERVICES, INC.



Alex Valencia
Vice President of Regulatory Affairs

Enc.

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Missouri Public
Service Commission

Preferred Carrier Services, Inc.

Full Company Name (Do not abbreviate, yet include any Commission approved
AKA/DBA/Fictitious Name, if applicable.)

COMPETITIVE LOCAL EXCHANGE CARRIER

and / or

INTEREXCHANGE TELECOMMUNICATIONS CARRIER

ANNUAL REPORT

TO THE

MISSOURI PUBLIC SERVICE COMMISSION

For The Year Ending December 31, 2004

CLEC-IXC

Annual Report of Preferred Carrier Services, Inc.
for the year ending December 31, 2004

1. State in full the exact 'certificated' name of the
Competitive Local Exchange Carrier/Interexchange Telecommunications Carrier:
(Do not abbreviate; yet include any Commission approved AKA/DBA/Fictitious Name, if applicable.)

Preferred Carrier Services, Inc.

2. Is utility certificated as a Competitive Local Exchange Carrier (CLEC)? If yes, state effective
a. date of certification by the MO Public Service Commission and associated case number:

Date (e.g. 00/00/0000): 09/18/1997 Case No: TA-97-347

b. Is utility certificated as a Interexchange Telecommunications Carrier (IXC)? If yes, state
effective date of certification by the MO Public Service Commission and associated case number:

Date (e.g. 00/00/0000): 06/05/1996 Case No: TA-96-364

3. Was the company certificated in Missouri under any other name(s)? If yes, please provide all
names and time periods involved since the original certification:

No.

4. This Competitive Local Exchange/Interexchange Telecommunications Carrier is a (Check box
with an X) and if different than certificated name listed above (e.g. parent corporation name)
or if 'Other' is identified, explain:

- Corporation
- Partnership
- Sole Proprietorship

- LLC
- LP
- Other - Explanation

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

12/09/1994

6. Under the laws of what state is the Competitive Local Exchange/Interexchange
Telecommunications Carrier organized:

TX

7. State in full the name, street address, telephone number, and e-mail address* of the individual
completing/verifying this Annual Report:

Alex Valencia VP of Regulatory Affairs
14681 Midway Rd., #105
Addison, TX 75001
972-503-3388
alex.valencia@phonesforall.com

(*) To facilitate electronic sending of the Annual Report form next year.

CLEC-IXC

Annual Report of Preferred Carrier Services, Inc.

for the year ending December 31, 2004

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

<u>Date Office Assumed</u>	<u>Title of General Officer</u>	<u>Name of Person Holding Office</u>
<u>10-09-01</u>	<u>CEO/President</u>	<u>Frank Schmaeling</u>
<u>05-15-03</u>	<u>Vice President</u>	<u>Alex Valencia</u>
<u>01-01-01</u>	<u>Exec. VP/Secretary</u>	<u>Barry Casey</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

9. Please provide a listing of all mergers, consolidations, and reorganizations, completed during the last year.

None

10. Please provide the following information concerning Total Company and gross intrastate operating revenues (i.e., Missouri Specific) Revenues for this Calendar Year: 2004

<u>Revenues:</u>	Total Company	MO Specific
Operating Revenues* from Telecommunication Services	1,847,579	29,420
Access Fee Revenues	0	0
Federal USF Subsidies	0	0
State USF Subsidies	0	0
Other Revenues	0	0
<hr/>		
TOTAL REVENUES	1,847,579	29,420

MO Specific should match Statement of Revenue
(MoPSC Assessment)

* Missouri Revised Statutes §386.020(53)

(53) "Telecommunications service", the transmission of information by wire, radio, optical cable, electronic impulses, or other similar means. As used in this definition, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. Telecommunications service does not include:

- (a) The rent, sale, lease, or exchange for other value received of customer premises equipment except for customer premises equipment owned by a telephone company certificated or otherwise authorized to provide telephone service prior to September 28, 1987, and provided under tariff or in inventory on January 1, 1983, which must be detariffed no later than December 31, 1987, and thereafter the provision of which shall not be a telecommunications service, and except for customer premises equipment owned or provided by a telecommunications company and used for answering 911 or emergency calls;
- (b) Answering services and paging services;
- (c) The offering of radio communication services and facilities when such services and facilities are provided under a license granted by the Federal Communications Commission under the commercial mobile radio services rules and regulations;
- (d) Services provided by a hospital, hotel, motel, or other similar business whose principal service is the provision of temporary lodging through the owning or operating of message switching or billing equipment solely for the purpose of providing at a charge telecommunications services to its temporary patients or guests;
- (e) Services provided by a private telecommunications system;
- (f) Cable television service;
- (g) The installation and maintenance of inside wire within a customer's premises;
- (h) Electronic publishing services; or
- (i) Services provided pursuant to a broadcast radio or television license issued by the Federal Communications Commission;

11. Local Exchange Carriers Federal/State Low-Income/Disabled Universal Service Fund Subscribers

Background and Purpose: To ascertain on a monthly basis the number of subscribers being provided federal and/or Missouri low-income/disabled support as being reported to USAC (federal support, Form 497) and the fund administrator of the Missouri programs (Missouri support).

Month	Calendar Year 2004	Calendar Year 2005	
	Number of Federal Low Income subscribers	Number of Missouri Low Income subscribers*	Number of Missouri Disabled subscribers*
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
TOTAL:	0	0	0

* Effective for 2005 calendar year Annual Report.

12. CLEC-IXC Annual Report of Preferred Carrier Services, Inc.
 for the year ending December 31, 2004

COMPETITIVE LOCAL EXCHANGE CARRIER ACCESS LINE REPORT

Exchange (Use name in the tariff)	Residential Voice Grade Equivalent Lines				Business Voice Grade Equivalent Lines				Public Access Lines	
	Pure Resale	UNE-L	UNE-P	Full Facility Based	Pure Resale	UNE-L	UNE-P	Full Facility Based	Public	Customer Owned Coin Telephone
Da Soto	2									
Independence	2									
Joplin	9									
Kansas City	2									
Lamar	4									
Springfield	16									
St Louis	27									
Fenton	3									
Totals	74									

Submitting this Annual Report is an "option" through EFIS.

A registered official company representative is authorized to utilize this option, type in all necessary information below, including the Notary's information (pursuant to Sections 432.200 and 432.295). After submitting the Annual Report through EFIS, you will receive a BMAR (confirmation) number. Indicate that BMAR number on the original and retain for your records.

CLEC-IXC
Annual Report of Preferred Carrier Services, Inc.
for the year ending December 31, 2004

VERIFICATION

The foregoing report must be verified by the oath of the President, Treasurer, General Manager or Receiver 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 Dallas } ss:

Alex Valencia makes oath and says that
(Insert here the name of the affiant)

s/he is VP of Regulatory Affairs
(Insert here the official title of the affiant)

of Preferred Carrier Services, Inc.
(Insert here the exact legal title or name of the respondent)

that s/he has examined the foregoing report; that to the best of his or her 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.

01 - 01, 2004, to and including 12 - 31, 2004

[Signature]
(Signature of affiant)

Subscribed and sworn before me, a Notary Public in and for the
State and county above named, this 15th day of April, 2005
My Commission expires April 29, 2006


[Signature]
(Signature of officer authorized to administer oaths)

Missouri Revised Statutes § 392.210

Original in its entirety must be mailed (if not utilizing EFIS) to:
Manager of the Data Center
MoPSC, 200 Madison Street, Suite 100
Jefferson City, MO 65101 (P.O. Box 360, 65102-0360)