

**Exhibit No.:** Issue(s):

**Sponsoring Party:** Case No.:

Lack of Effective Competition For Basic Services Witness/Type of Exhibit: Meisenheimer/Surrebuttal **Public Counsel** TO-2005-0035

VP

marked Case NO. T

# SURREBUTTAL TESTIMONY

**FILED**<sup>4</sup>

FEB 1 6 2005

Missouri Public Service Commission

# OF

# **BARBARA A. MEISENHEIMER**

Submitted on Behalf of the Office of the Public Counsel

#### SOUTHWESTERN BELL TELEPHONE, L.P. D/B/A SBC MISSOURI CASE NO. TO-2005-0035

\*\* Denotes Highly Confidential Information \*\*

January 21, 2005

#### **BEFORE THE PUBLIC SERVICE COMMISSION** OF THE STATE OF MISSOURI

In the Matter of the Second Investigation ) into the State of Competition in the ) Exchanges of Southwestern Bell Telephone, ) L.P., d/b/a SBC Missouri. )

Case No. TO-2005-0035

#### AFFIDAVIT OF BARBARA A. MEISENHEIMER

STATE OF MISSOURI ) ) ss COUNTY OF COLE )

Barbara A. Meisenheimer, of lawful age and being first duly sworn, deposes and states:

1. My name is Barbara A. Meisenheimer. I am Chief Utility Economist for the Office of the Public Counsel.

2. Attached hereto and made a part hereof for all purposes is my surrebuttal testimony consisting of pages 1 through 6 and Revised Schedule BAM-2.

3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

Barbara A. Meisenheimer

Subscribed and sworn to me this 21st day of January 2005.

KATHLEEN HÅRRISON Notary Public - State of Missouri County of Cole My Commission Expires Jan. 31, 2006

Kathleen Harrison Notary Public

My Commission expires January 31, 2006.

#### SURREBUTTAL TESTIMONY

OF

#### BARBARA A. MEISENHEIMER

# SOUTHWESTERN BELL TELEPHONE L.P., D/B/A SBC MISSOURI

# CASE NO. TO-2005-0035

| 1    | Q. | PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.   |
|------|----|--|
| 2    | A. | Barbara A. Meisenheimer, Chief Economist, Office of the Public Counsel, P. O. Box 2230,              |
| з    |    | Jefferson City, Missouri 65102. I am also employed as an adjunct Economics Instructor for            |
| 4    |    | William Woods University.  |
| 5    | Q. | HAVE YOU PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?  |
| 6    | А. | Yes. I filed rebuttal testimony on December 17, 2004.  |
| 7    | Q. | WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?   |
| 8    | А. | The purpose of my surrebuttal testimony is to respond to portions of the rebuttal testimony of Staff |
| 9    |    | witnesses Walter Cecil, Adam McKinnie and Bill Peters.   |
| 10   | Q. | IN PREPARATION OF YOUR TESTIMONY, WHAT MATERIALS DID YOU   |
| 11   |    | REVIEW?  |
| 12   | А. | I have reviewed the rebuttal testimony of the other parties. In addition, I have reviewed            |
| 13   |    | portions of the Annual Reports and tariffs filed with the Missouri Public Service                    |
| 14   |    | Commission by competitive local exchange carriers and additional information obtained                |
| • 15 |    | from Staff regarding the certification status and standing of CLECs.                                 |
| 16   | ٥. | HAVE YOU REVISED ANY OF THE SCHEDULES CONTAINED IN YOUR  |
| 17   |    | REBUTTAL TESTIMONY?  |

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A. Yes, I have revised the Schedule BAM-2. A copy of the revised schedule is attached to this testimony. The majority of changes shown in the revised schedule are related to further clarifying the certification status of many of the listed companies that I previously found did not have current tariffs or current Annual Reports on file with the Commission. I obtained the additional information through EFIS, discussions with the Commission Staff and in some cases in discussions with CLEC representatives. In addition, the revisions correct some errors I found in the previous schedule and identify additional relationships that I found between companies. Finally, I added information on Charter Fiberlink which I believe is relevant to include.

- 10 Q. ON PAGE 3 THROUGH 9, STAFF WITNESS WALTER CECIL DISCUSSES THE 11 STAFF'S POSITION OF REGARDING COMPETITIVE THE STATUS 12 DIRECTORY ASSISTANCE. DO YOU HAVE ANY CONCERNS REGARDING HIS 13 ANALYSIS AND CONCLUSIONS?
- 14 Yes, I have a number of concerns with the Staff's position. A significant concern is that Α. 15 despite identifying what he considers to be three deficiencies related to SBC's DA survey 16 and stating that the survey information "is not persuasive in and of itself," Mr. Cecil 17 recommends that SBC be granted a competitive classification for DA on a statewide basis. 18 Mr. Cecil's evaluation of the SBC survey results as well as his own research do not appear to consider a number of other factors that may be observed from the data presented in his 19 20 testimony. For example, based on the statistics he presents in line 5 through 12 on page 7 of 21 his testimony, a substantial proportion of Americans do not have either broadband or dial-

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1 up access to the internet from their homes. These customers do not have immediate access 2 to the search engines and websites he finds to constitute competitors for SBC's DA. 3 There are also geographic factors he does not appear to consider in his evaluation. For 4 example, due to network limitations, broadband and higher speeds of dial-up access are less 5 prevalent in areas further from the central offices so accessing internet DA maybe less 6 convenient for rural consumers. These same customers may have far few fewer options for 7 locally available contacts obtainable from a printed directory. Rural areas also tend to be 8 sparsely populated and in turn less attractive in terms of facilities based competition. 9 Granting statewide competitive status for DA disproportionately subjects less technology 10 savvy and customers in rural areas to the potential abuse of price increases following receipt of a competitive classification. Cases of inadequate substitutes are not limited to rural areas 11 12 or unsophisticated telecommunications users. For example, travelers that do not have 13 portable PC's or ready access to printed directories would also be more vulnerable to a lack 14 of adequate substitutes if price caps were eliminated. Where DA is allowed as a component 15 of prepaid service or a CLEC offers a resold product of the incumbent, customer local DA 16 calls may be defaulted to the incumbent provider on a mandatory basis.

Another concern I have with Mr. Cecil's evaluation relates to his comparison of carrier DA rates. In Schedule WCI, he provides a comparison of Local DA and National DA rates available from alternative carriers. The "macro" comparison he provides is not representative of the actual availability of alternatives to consumers within a particular

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exchange. For example, when comparing his list with the advertised local alternative carriers shown for Booneville Missouri in Schedule BAM REB-1.A HC of my rebuttal testimony, there is a stark contrast in the number of apparent substitutes.

The requirement that SBC demonstrate effective competition on an exchange-by- exchange basis offers protection to those consumers less likely to have good substitutes and sufficient substitutes for SBC's incumbent DA services. In my opinion, the Commission was correct in finding in TO-2001-467 for SBC and in IO-2003-0281 for Sprint that the competitiveness of DA is closely linked to the competitiveness of basic service. I do not believe that Mr. Cecil's or SBC's evidence in this case justifies overturning the Commission's previous finding and granting a blanket competitive classification for DA services.

#### 12 Q. PLEASE COMMENT ON THE TESTIMONY OF STAFF WITNESS MR. 13 MCKINNIE.

A. I agree with Mr. McKinnie's discussion of the degree of substitutability that exists between
wireless and wireline offerings as well as between traditional voice and VoIP. I also agree
with his conclusion that the current relationships between these services can best be
characterized as complementary in an economic sense. In addition to considering the
complementary nature of wireline with wireless technologies and VoIP as "stand alone"
products, bundles of complementary goods that carriers can provide affect competition.
SBC is a major player in both wireless and evolving internet technologies. SBC owns

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approximately 60% of Cingular wireless<sup>1</sup> and has with the acquisition of AT&T Wireless avoided some degree of potential competition from alternative wireless providers. SBC has also formed strategic alliances with companies including Yahoo and Dish Network and appears poised to introduce a package of internet protocol based services called U-verse one component of which is expected to be VoIP.<sup>2</sup> The ability of SBC to offer one-stop shopping in the future for a package of high speed services may prove to be a significant competitive advantage.

8 Ο. PLEASE COMMENT ON THE TESTIMONY OF STAFF WITNESS BILL PETERS. 9 Α. As with Staff witness McKinnie, I agree with much of Mr. Peter's testimony. In particular, 10 I believe that Mr. Peter's testimony correctly points out that SBC relies heavily on 11 speculation regarding the potential for competition, aggregate data, and unreliable sources 12 such as the alternative providers listed in the SBC directories as opposed to quantifying the actual level of competition that exists on an exchange-by exchange basis. As I demonstrate 13 14 in Schedule BAM REB 1A, Schedule BAM REB 1B and Revised Schedule BAM-2, many 15 of the carriers listed in the directory do not actually provide service in the relevant area.

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<sup>&</sup>lt;sup>1</sup> http://www.sbc.com/gen/press-room?pid=4800&cdvn=news&newsarticleid=21266

<sup>&</sup>lt;sup>2</sup> http://www.infoworld.com/article/05/01/06/HNwhitacreipservices\_1.html?source=rss&url=http://www.infoworld.com/article/05/01/06/HNwhitacreipservices\_1.html

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 DOES THIS CONCLUDE YOUR TESTIMONY?

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 Yes, it does.

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| CLEC Name  | Remarks   |
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| 1-800 Reconex, Inc.<br>(Formerly Sterling International Funding, Inc., d/b/a<br>Reconex)<br>P. O. Box 40 2500 Industrial Avenue<br>Hubbard, OR 97032 | Prepaid, I called 1-800-reconnex and got a<br>message that if I dialed one at anytime I could get<br>the correct number from an automated system but I<br>would be billed \$2.99 on my local phone bill. If I<br>had a rotary dial phone I could stay on the line. (I<br>assume it would have also been billed) Or I could<br>dial a local operator for assistance. <b>176 Access</b><br><b>lines, resale only.</b> |
| 2nd Century Communications, Inc.<br>7702 Woodland Center Boulevard,<br>Suite 50 Tampa, FL 33614  | Called and got a recorded message that the<br>Company was bankrupt. Called back and got an<br>out of service message. No currently effective<br>tariffs or Annual Reports.<br>Certificate cancelled TD-2002-408.  |
| AccuTel of Texas, Inc.<br>7900 John W. Carpenter Freeway<br>Dallas, TX 75247   | Prepaid, Called the Company but reached<br>company called For A Phone. 642 Res and nO<br>Bus lines as of 2003 Annual Report.  |
| Adelphia Business Solutions Operations, Inc.<br>121 Champion Way Canonsburg, PA 15317  | Business Only. No Currently effective Tariffs or<br>Annual Reports. Became TelCove<br>Operations, Inc. LN-2004-0592. Still<br>Business Only.  |
| Allegiance Telecom o f Missouri<br>1950 Stemmons Freeway, Suite<br>3026 Dallas, TX 75207-3118  | Business Only. Still Business Only.   |
| ALLTEL Communications, Inc.<br>One ALLIED Drive P.O. Box 2177<br>Little Rock, AR 72203   | Found No Annual Report For 2000. 2003 Annual report indicates no Access lines.  |
| American Communication Services of<br>Kansas City, Inc.<br>131 National Business Parkway, Suite 100<br>Annapolis Junction, MD 20701                  | No Basic Local Res. No currently effective<br>tariffs or Annual reports. Also operated as e.<br>spire. Transferred assets to Xspedius TM-2002-<br>1155. Still No Basic Local Res.   |
| AT&T Communications of the<br>Southwest, Inc.<br>101 West McCarty, Suite 216<br>Jefferson City, MO 65101   |   |
|  | Not seeking Residential in Missouri   |
| BarTel Communications, Inc.<br>333 Leffingwell, Suite 101 St. Louis, MO 63122  | Prepaid, Ceased doing business 12/31/2002.  |
| Birch Telecom o f Missouri, Inc.<br>2020 Baltimore Avenue Kansas City, MO 64108  | 2003 Annual Report shows, **  |
| BroadSpan Communications, Inc.<br>see Mpower Communications Central Corp.  | Bus & Res No Currently effective tariffs or Annual reports.   |

Schedule BAM-2.1 NP Revised

| Brooks Fiber Communications of Missouri, Inc.<br>701 Brazos, Suite 600 Austin, TX 78701             | 2003 Annual Report, Business Only.   |
|---|--|
| BTI (Business Telecom, Inc.)<br>4300 Six Forks Road, Suite 500<br>Raleigh, North Carolina 27609     | As of 12/31/03, 0 access lines.  |
| Business Telecom, Inc.<br>See BTI   | Repeated Company (affiliate provides service<br>under different name). As of 12/31/03, 0 access<br>lines.  |
| Buy-Tel Communications, Inc.<br>6409 Colleyville Boulevard Colleyville, TX 76034                    | Prepaid, 24 Access lines in 2003. Res – Resale.  |
| Camarato Distributing, Inc.<br>900 Camarato Drive Herrin, Illinois 62948                            | Prepaid, Called reached company named New Phone. 2003 Annual Report 43 access lines.   |
| CCCMO, Inc.<br>see Connect!   | From Annual Reports for 2002 and 2003, 0 access lines.   |
| Central Missouri Telecommunications, Inc.<br>P.O. Box 596 Osage Beach, Missouri 65065               | Found No 2000 Annual Report. Business only, 505 access lines.  |
| Choctaw Communications, L.C.<br>See Smoke Signal Communications                                     | No CLEC access lines or currently effective tariffs. Certificate cancelled TC-2004-0302.   |
| Ciera Network Systems, Inc.<br>2630 Fountainview, Suite 300<br>Houston, Texas 77057<br>See Omniplex | No annual report for 2003.<br>2002 Annual Report shows revenues of \$0 in<br>Missouri.   |
| Comm South Companies, Inc.<br>See Missouri Comm South, Inc.   | Prepaid, Called twice enjoyed elevator music for<br>about 5 minutes then disconnected each time,<br>Called Back NO Bus. 2003 Annual Report shows<br>no access lines. Filed under Chapter 11<br>bankruptcy. Currently before Northern Dist. TX. |
| Computer Business Sciences, Inc.<br>See IG2, Inc.   | Repeated Company (affiliate provides service<br>under different name). Tariff cancelled 3/14/2004.   |
| Connect! (CCCMO, Inc.)<br>124 West Capitol, Suite 250 Little<br>Rock, AR 72201                      | Repeated Company (affiliate provides service<br>under different name). From Annual Reports for<br>2002 and 2003, 0 access lines.   |
| The Cube (Tin Can Communications<br>Company, L.L.C.)<br>1063 Wirt Road, Suite 202 Houston, TX 77005 | Prepaid, Found No 2000 Annual Report. No<br>Annual Reports for 2002 and 2003. Certificate<br>cancelled TD-2005-0181.   |
| Delta Phones, Inc.<br>P.O. Box 784 245 Illinois St. Delhi, LA 71232                                 | Prepaid, Found No 2000 Annual Report. For 2002, 2,484 access lines in SBC Territory. Number is out of service. Certificate cancelled TD-2005-0167.   |
| DMJ Communications, Inc.<br>2525 North Grandview, Suite 900<br>Odessa, TX 79761                     | Prepaid, Reports No MO Net Income or lines for 2000. No currently effective tariffs or Annual Report. Certificate cancelled TC-2004-0304.  |

Schedule BAM-2.2 NP Revised

| Dobson Wireless, Inc.<br>See Logix Communications Corporation  | Repeated Company (affiliate provides service<br>under different name). Business Only, 2003<br>Annual Report.                               |
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| dPi-Teleconnect, L.L.C.<br>2997 LBJ Freeway, Suite 225 Dallas, TX 75234  | Prepaid. 2003 Annual Report, 81 Access lines in SBC, Resale only.  |
| ERNEST Communications<br>5275 Triangle Pkwy, Suite, 150<br>Norcross, GA 30092  | Business Only – 480 UNE P  |
| Everest Connections Corporation<br>425 Woods Mill Road South Town &<br>Country, MO 63017   | Found No 2000 Annual Report. Called the<br>Company No MO Service available currently. For<br>2003, 1,539 access lines. Only in KC.         |
| ExOp of Missouri, Inc.<br>P.O. Box 891 303 North Jefferson<br>Kearney, MO 64060<br>Became ExOp of Missouri, Inc.,<br>d/b/a Unite in TN-2003-0249 | Sprint Only, Unite Annual Report shows no<br>lines in SBC local exchanges for 2003.<br>Expanded certificate to SBC areas CA-2004-<br>0595. |
| EZ Talk Communications, L.L.C.<br>4727 South Main Stafford, TX 74777   | Prepaid, Found No 2000 Annual Report. No<br>Annual Report for 2003. Certificate cancelled<br>TD-2005-0167.                                 |
| Fast Connections, Inc.<br>See 1-800-Reconex, Inc.  | Repeated Company (affiliate provides service<br>under different name). Certificate cancelled TD-<br>2004-0283.                             |
| Feist Long Distance Service, Inc.<br>See Ionex Communications, Inc.<br>Fidelity Communications Services I, Inc.                                  | Repeated Company (affiliate provides service under different name).  |
| 64 North Clark Street Sullivan, MO 63080   | Sprint service area only. Still no SBC lines.  |
| Fidelity Communications Services II, Inc.<br>64 North Clark Street Sullivan, MO 63080  | Verizon service area only. Still no SBC lines.   |
| Frontier Local Services, Inc.<br>See Global Crossing Local Services, Inc.  | Repeated Company (affiliate provides service<br>under different name).   |
| Frontier Telemanagement, Inc.<br>See Global Crossing Telemanagement, Inc.  | Repeated Company (affiliate provides service<br>under different name).   |
| Gabriel Communications of Missouri, Inc.<br>See NuVox Communications of Missouri, Inc.   | Repeated Company (affiliate provides service under different name).  |
| GE Capital Communication Services<br>See GE Exchange   | Certificate cancelled TD-2001-637.   |
| Global Crossing Local Services, Inc.<br>(Formerly Frontier Local Services, Inc.)<br>2710 Executive Drive Green Bay, WI 54307                     | Business Only. 2003 Annual Report, 676<br>Business Access lines.   |
| Global Crossing Telemanagement, Inc.<br>(Formerly Frontier Local Services, Inc.)<br>2710 Executive Drive Green Bay, WI 54307                     | Business Only. 2003 Annual Report, Business<br>Only – 930 Resale, 185 UNE – P.   |
| Green Hills Telecommunications Services<br>P.O. Box 227 7926 NE State Route M<br>Breckenridge, MO 64625  | Sprint service area only. Still no SBC lines.  |
| HJN Telecom, Inc.<br>3235 Satellite Blvd. Building 400,<br>Suite 300 Duluth, GA 30096  | Found no 2000 Annual Report. Sold to Reliant,<br>as of 11/14/2002. As of 5/17/2004, no access  |

Schedule BAM-2.3 NP Revised

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| ······································  | lines or revenues in Reliant Annual Report.  |
|---|--|
| IG2, Inc.<br>(Formerly Computer Business Sciences, Inc.)<br>80-02 Kew Gardens Road, Suite 5000 Kew<br>Gardens, NY 11415   | Tariff cancelled 3/14/2004. Certificate cancelled TD-2004-0283.  |
| Intermedia Communications, Inc.<br>3625 Queen Palm Drive Tampa, FL 33619<br>Merged with MCImetro Access Transmission<br>Services TM-2005-0129.<br>See MCImetro Access Transmission Services | Business Only, FB in a number of exchanges.<br>2003 Intermedia Annual Report does not report<br>access lines.  |
| Ionex Communications, Inc.<br>5710 LBJ Freeway, Suite 215 Dallas, TX 75240  | Mainly Business, ** *access<br>lines.  |
| KMC Telecom III, Inc.<br>3075 Breckinridge Blvd., Suite 415<br>Duluth, GA 30096   | 2003 Annual Report, **<br>**   |
| LDD, Inc.<br>24 South Minnesota Cape Girardeau, Missouri<br>63702<br>Assets transferred to Big River TM-2001-700.   | No currently effective LDD tariffs or Annual<br>Reports. Big River 2003 Annual Report shows<br>varying Residence and Business UNE-P and<br>Resale lines throughout the State.  |
| Level 3 Communications, LLC<br>1450 Infinite Drive Louisville, CO 80027   | Business Only.   |
| Local Line America, Inc.<br>P.O. Box 4656 Akron, OH 44310   | Sprint, Spectra and Verizon service areas, Called reached company name EZ Phone. 2003 Annual Report – 52 Resold lines, Residential only.   |
| Logix Communications Corporation<br>(Formerly Dobson Wireless, Inc.)<br>Now called Western<br>Communications.<br>14101 Wireless Way Oklahoma City,<br>OK 73134                              | Business Only, 2003 Annual Report.   |
| Mark Twain Communications Co.<br>P.O. Box 128 Hurdland, MO 63547  | CenturyTel service area. Still no SBC exchanges.   |
| Maxcom, Inc.<br>10647 Widmer Road Lenexa, KS 66215  | Bus Only, KC and Springfield. No currently<br>effective tariff or Annual Report. Called number<br>given is 1-900-622-8000, assumed toll.<br>Certificate cancelled TC-2004-0423.  |
| Max-Tel Communications, Inc.<br>P.O. Box 280 102 W. Franklin Alvord, TX 76225   | No currently effective tariff or Annual Report.<br>Given information for Maxcom. Out of business,<br>customers being reassigned.   |
| MCImetro Access Transmission Services, LLC<br>701 Brazos, Suite 600 Austin, TX 78701  | No lines reported for 2000, may be included in<br>WorldCom. Called and reached WorldCom. 2003<br>Annual Report- Facilities based service to<br>Residence and Business customers in mainly<br>St. Louis, KC, and Springfield. |

Schedule BAM-2.4 NP Revised

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| MCI Worldcom Communications, Inc.<br>(Worldcom, Inc.)<br>701 Brazos, Suite 600 Austin, TX 78701  | Bus Only, St. Louis, KC and Springfield. No<br>currently effective tariffs or Annual Report<br>information as a CLEC.   |
|--|---|
| McLeodUSA Telecommunications Services, Inc.<br>P. O. Box 3177 Cedar Rapids, IA 52406   | . In 2003, ****   |
| MGC Communications, Inc.<br>See Mpower Communications Corp.  | Repeated Company (affiliate provides service<br>under different name). Certificate cancelled TD-<br>2002-293  |
| Missouri Comm South, Inc. (Comm South<br>Companies, Inc.)<br>P.O. Box 821269 2909 Buckner Blvd., Suite 800<br>Dallas, TX 75228                         | Repeated Company (affiliate provides service<br>under different name). 2003 Annual Report<br>shows no access lines. Filed under Chapter 11<br>bankruptcy. Currently before Northern Dist. TX.                   |
| Missouri State Discount Telephone<br>804 Elkins Lake Huntsville, TX 77340  | Prepaid 2003 Annual Report 28 SBC Resold<br>Residential Lines.  |
| Missouri Telecom, Inc.<br>P.O. Box 419 515 Cleveland, Suite<br>C Monett, MO 65708  | 2003 Annual Report, **  |
| MLM Telecommunications d/b/a<br>Ameritel, Your Phone Company<br>1307 Central Avenue<br>Hot Springs, Arkansas 71901                                     | 2002 Annual Report 89 UNE P Residential But<br>No line counts in 2003 Annual Report. Chapter<br>7 in Arkansas.  |
| Mpower Communications Central Corp.<br>(Formerly Broadspan Communications, Inc.)   | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports. Certificate cancelled<br>TM-2001-429.   |
| Mpower Communications Corp.<br>(Formerly Mpower Communications Central<br>Corp.)<br>(Formerly Broadspan Communications, Inc.)<br>(Formerly MGC Communi | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports. Certificate cancelled<br>TD-2003-0280.  |
| Navigator Telecommunications, L.L.C.<br>P.O. Box 13860 8525 Riverwood Park Drive<br>North Little Rock, AR 72113-0860                                   | 2003 Annual Report - 1,634 Residential lines<br>and 543 Business lines.   |
| Net-Tel Corporation<br>See Net-Tel Communications Corporation  | Certificate cancelled TD-2001-675. Still no Annual Report.  |
| Nextlink Missouri, Inc.<br>See XO Missouri, Inc.   | Repeated Company (affiliate provides service under different name).   |
| NOW Communications, Inc.<br>713 Country Place Drive Jackson, MS 39208<br>Assets transferred to Now Acquisition<br>Corporation XM-2004-0065             | Prepaid, Found No 2000 Annual Report for 2000.<br>No Annual Report for 2003 for Now Acquisition<br>Corporation. NOW Communications, Inc<br>Annual Report for 2003 shows 31 Residence<br>resale lines statewide. |

Schedule BAM-2.5 NP Revised

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| NuVox Communications of Missouri, Inc.<br>Formerly Gabriel Communications of Missouri,Inc<br>16090 Swingley Ridge Road<br>Chesterfield, MO 63017               | Business Only – 2003 Annual Report – Approx.<br>33,000 access lines primarily St. Louis, KC and<br>Springfield, all facilities based.  |
|--|--|
| Omniplex Communications Group, LLC<br>(Formerly USA eXchange, LLC)<br>17 Research Park Drive St. Charles, MO 63304   | Resale Only. Purchased by CIERA. Certificate cancelled TD-2003-0480.   |
| The Pager Company<br>D/b/a The Pager and Phone Company<br>3030 East Truman Road Kansas City, MO 64127  | No Bus lines in Annual Report, DR Response was<br>consistent. 2003 Annual Report, 1,202 resold<br>access lines, 6,911 UNE P lines. Residential<br>only. Mainly in KC area, also serves Springfield<br>and St. Joseph.        |
| Payroll Advance<br>808 South Baker Mountain Home, AR 72643<br>Became The Phone Connection, Inc., d/b/a<br>Affordable Phone Company                             | Reports 207 Res NO Bus in Annual Report. DR<br>response consistent. Payroll Advance certificate<br>cancelled TM-2002-368. Affordable Phone<br>Company 2003 Annual Report shows resold<br>lines in 14 exchanges some not SBC. |
| Phones for All (Teléfonos Para Todos)<br>(Preferred Carrier Services, Inc.)<br>14681 Midway Road, Suite 105 Dallas, Texas<br>75244<br>See Teléfonos Para Todos | Called NO Bus. No currently effective tariffs or<br>Annual Report for Phones for All.  |
| Preferred Carrier Services, Inc.<br>see Phones for All<br>See Teléfonos Para Todos   | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Report for Preferred Carrier<br>Services.   |
| Primary Network Communications (BroadSpan<br>Communications, Inc.)<br>See Mpower Communications Central Corp.  | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports.  |
| QCC, Inc. now called Cinergy<br>(Formerly Quest Communications Corporation)<br>8829 Bond Street Overland Park, KS 66214  | Prepaid, Found No 2000 Annual Report. 2003<br>Annual Report, no access lines. Not accepting<br>new Missouri customers.   |
| Quick-Tel Communications, Inc.<br>P.O. Box 196 456 W Rock Island Boyd, Texas<br>76023  | Prepaid, Found No 2000 Annual Report. 2003<br>Annual Report, no revenues or access lines in<br>Missouri.   |
| Quintelco, Inc.<br>1 Blue Hill Plaza Pearl River, NY 10965   | 2000 Annual Report No Net Income, 0 lines. No currently effective tariffs or Annual Reports. Certificate cancelled LD-2003-0071.   |
| Qwest Communications Corporation<br>(USLD Communications, Inc.)<br>4250 N. Fairfax Drive, 12W002 Arlington, VA<br>22203  | 2003 Annual Report, no access lines or revenues in Missouri.   |

Schedule BAM-2.6 NP Revised

| Reconex<br>See 1-800-Reconex   | Repeated Company (affiliate provides service<br>under different name).   |
|--|--|
| Reitz Rentals, Inc.<br>See SouthWest TeleConnect   | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports. Certificate cancelled<br>TD-2002-1092.   |
| Ren-Tel Communications, Inc.<br>7337 S. Mitchell Ct. Villa Rica, GA 30180                                  | Prepaid, Found No 2000 Annual Report. 2003<br>Annual Report, 372 UNE P residential lines.  |
| Sage Telecom<br>805 Central Expressway South, Suite 100<br>Allen, TX 75013                                 | Business and Residential   |
| Simply Local Services, Inc.<br>2225 Apollo Dr. Fenton, MO 63026  | Prepaid. Found No 2000 Annual Report. Called<br>received message that number is not in service or<br>not from my area code (660). No currently<br>effective tariffs or Annual Reports. Certificate<br>cancelled TD-2004-0283.      |
| Smoke Signal Communications<br>(Choctaw Communications, L.C.)<br>8400 South Gessner Houston, Texas 77074   | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports. Certificate cancelled<br>TD-2004-0302.   |
| Snappy Phone of Texas, Inc.<br>See Snappy Phone<br>(Budget Phone)  | GTE service area only. Reached company named<br>Budget Phones. Expanded into SBC area. No<br>2003 Annual Report for Snappy Phone of Texas.<br>Budget Phone's Annual Report shows approx.<br>2000 resale and UNE-P residence lines. |
|  | Company offers prepaid or transferred basic services.  |
| Snappy Phone<br>(Snappy Phone of Texas, Inc. <b>and Budget</b><br><b>Phone</b> )                           |  |
| P.O. Box 29620 6901 West 70th Street<br>Shreveport, LA 71149   | GTE service area only. No 2003 Annual Report.  |
| Socket Telecom<br>1005 Cherry Street, Suite 104<br>Columbia, MO 65201                                      | Business Only  |
| SouthWest TeleConnect<br>Now called MetroConnect.<br>7000 Cameron Road, Suite 200<br>Austin, TX 78752-2828 | Prepaid. No currently effective tariffs or Annual Reports. Certificate cancelled TD-2002-1092.   |
| Sprint Communications Company, L.P.<br>5454 West 110th Street Overland Park, KS<br>66211                   | 2003 Annual Report, 5,526 UNE P Residential and 750 UNE P Business.  |
| Sterling International Funding, Inc.   | Found No 2000 Annual Report. No 2003 Annual Report.  |
| Suretel, Inc.<br>5 North McCormick Oklahoma City, OK 73127<br>Stock Sale Issues with Metro Teleconnect     | Prepaid, No 2003 Annual Report.<br>Metro Teleconnect claims that Suretel is no<br>longer operational to its knowledge and that<br>SBC migrated the customers.  |

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Schedule BAM-2.7 NP Revised

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| TCG Kansas City, Inc.<br>Teleport Communications Group Two Teleport<br>Drive Staten Island, NY 10311                                    | Metro KC Business Only - KC  |
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| TCG St. Louis<br>Two Teleport Drive, Suite 300 Staten Island, NY<br>10311   | Metro St. Louis Business Only St. Louis  |
| Tel Com Plus (United States<br>Telecommunications, Inc.)<br>5251 110th Avenue, North, Suite 118<br>Clearwater, FL 33760-4837            | Prepaid. Found No 2000 Annual Report. <b>No</b><br>currently effective tariffs or Annual Reports.<br>Certificate cancelled <u>TC-2004-0303</u>   |
| Teléfonos Para Todos (Preferred Carrier<br>Services, Inc.)<br>Also see Phones for All   | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Report Teléfonos Para Todos /<br>Preferred Carrier Services / Phones for All<br>Annual Report shows 39 resold prepaid<br>residence lines over 10 exchanges. |
| Teligent Services, Inc.<br>8065 Leesburg Pike, Suite 400<br>Vienna, VA 22182  | Certificate cancelled. 2003 Annual Report, no<br>Missouri access lines.  |
| Tel-Link, L.L.C.<br>1001 Third Avenue West, Suite 354<br>Bradenton, FL 34205<br>Assets transferred to NOW<br>Communications TM-2002-501 | Prepaid. Found No 2000 Annual Report. No currently effective tariffs or Annual Reports.  |
| Tin Can Communications Company, L.L.C.<br>See Cube, The   | Repeated Company (affiliate provides service<br>under different name). No Annual Reports for<br>2002 and 2003. Certificate cancelled TD-2005-<br>0181.   |
| TranStar Communications<br>P.O. Box 211807 Bedford, TX 76095  | Prepaid. Found No 2000 Annual Report. Called<br>and reached NOW Communications, NO Bus. No<br>currently effective tariffs or Annual Reports.<br>Certificate cancelled TD-2002-482.   |
| United States Telecommunications, Inc.<br>See Tel Com Plus  | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports. Certificate cancelled<br>TC-2004-0303  |
| Universal Telecom, Inc.<br>105 East Adams Street Building II,<br>Suite 200 LaGrange, KY 40031   | Prepaid, Sprint, Verizon and CenturyTel service<br>areas, 2000 Report indicates no customers or lines,<br>I am served by CenturyTel but the calls could not<br>be completed as entered. 2003 Annual Report,<br>1,013 Statewide resold residential lines.                       |
| Universal Telephone<br>2405 E. Pawnee, Suite 10 Wichita,<br>KS 67211-5455   | Prepaid. Found No 2000 Annual Report. No<br>currently effective tariffs or Annual Reports.<br>Phone number disconnected. Certificate<br>cancelled TD-2004-0475.  |
| USA eXchange, LLC<br>See Omniplex Communications Group  | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports. Name Change TA-97-<br>506.   |

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| USLD Communications, Inc.<br>See Qwest Communications Corporation   | Repeated Company (affiliate provides service<br>under different name). No access lines, 2003<br>Annual Report (Qwest)       |
|---|---|
| U.S. Telco, Inc.<br>4001 McEwen, Suite 200 Dallas, TX 75244   | Prepaid. Found No 2000 Annual Report. No currently effective tariffs or Annual Reports. Certificate Cancelled TD-2002-104.  |
| Winstar Wireless, Inc.<br>Now called Winstar Communications<br>1615 L Street, NW, Suite 1260 Washington DC<br>20036 | Bus Only, KC and St. Louis 2003 Annual Report, 2,507 Resale lines, business only.   |
| WorkNet Communications Inc.<br>7777 Bonhomme Avenue, Suite 2000<br>St. Louis, MO 63105                              | Bus Only. Found No 2000 Annual Report. No currently effective tariffs or Annual Reports. Certificate Cancelled TD-2002-462. |
| Worldcom, Inc.<br>See MCI Worldcom Communications, Inc.   | Repeated Company (affiliate provides service<br>under different name). No currently effective<br>tariffs or Annual Reports. |
| XO Missouri, Inc. (f/k/a Nextlink Missouri, Inc.)<br>2020 Westport Center Drive Maryland Heights,<br>MO 63146       | Found No 2000 Annual Report. Business Only, St. Louis.  |
| Z-Tel Communications, Inc.<br>601 South Harbour Island Blvd., Suite 220<br>Tampa, FL 33602                          | 990 access lines in SBC.  |

#### <u>Others</u>

Bullseye \$70 per month recurring charge according to tariff.

Big River, Called, basic local, no services, \$21.00.

MyLine is Excel, Called, Not accepting new customers.

One Choice is Vartec, Called, Not accepting new customers.

877 RingAgain Prepaid. Annual Report for Texas Hometel, Inc 50 resold residential lines in MO. Talk.com is Talk America, \$52.95 per month.

Charter Fiberlink Annual Report Approx. 30,000 MO residential facilities based lines including O'Fallon, Harvester, St. Charles, St. Peters, Dardenne exchanges

Schedule BAM-2.9 NP Revised