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June 12, 2009

Reneé J. Jenkins, Secretary
Public Utilities Commission of Ohio
180 East Broad Street, 13th Floor
Columbus, Ohio 43215-3793

Re: AT&T Ohio
Case No. 09-494-TP-BLS

Dear Ms. Jenkins:

Enclosed for filing is AT&T Ohio's application for approval of an alternative form of regulation of basic local exchange service and other Tier 1 services in sixteen of its exchanges. The application includes confidential supporting information which is submitted for filing under seal. A motion for a protective order addressing that confidential information accompanies this filing.

Thank you for your courtesy and assistance in this matter. Please contact me if you have any questions.

Very truly yours,

/s/ Jon F. Kelly

Enclosures

cc: Office of the Ohio Consumers' Counsel

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Ohio Bell Telephone Company d/b/a AT&T Ohio)
For Approval of an Alternative Form of)
Regulation of Basic Local Exchange)
And Other Tier 1 Services Pursuant to)
Chapter 4901:1-4, Ohio Administrative)
Code.)

Case No. 09-~~494~~-TP-BLS

APPLICATION

The Ohio Bell Telephone Company d/b/a AT&T Ohio ("AT&T Ohio"), the applicant in this proceeding, is a telephone company providing public telecommunications service to approximately 2.1 million retail access lines in its local service area in the State of Ohio.

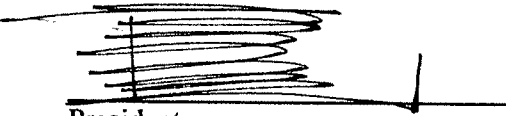
Applicant submits this application pursuant to Section 4927.03, Revised Code, for approval of an alternative form of regulation for Basic Local Exchange Service and other Tier 1 Services pursuant to Chapter 4901:1-4, Ohio Administrative Code.

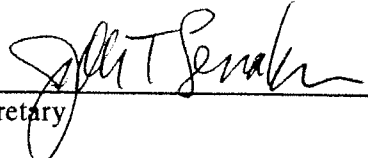
Exhibits 1 through 5 are attached to this application and are incorporated herein.

The applicant requests the Commission to consider the proposals set forth in this application and to approve the applicant's alternative regulation proposal for Basic Local Exchange Service and other Tier 1 Services.

Respectfully submitted,

AT&T Ohio



President

Secretary

150 E. Gay St., Rm. 4-A
Columbus, Ohio 43215

614-223-7928

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VERIFICATION

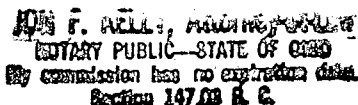
State of Ohio)
County of Franklin)

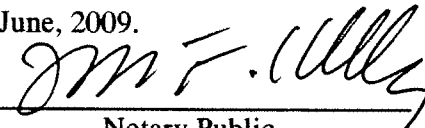
I, Thomas C. Pelto, President of The Ohio Bell Telephone Company d/b/a AT&T Ohio, hereby verify that the information contained in this application is true and correct to the best of my knowledge.



President

Sworn and subscribed before me this 10th day of June, 2009.


J. F. KELLY, Notary Public
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date.
Section 147.03 R.C.

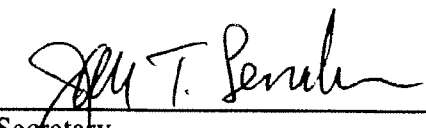


Notary Public

My term expires: none

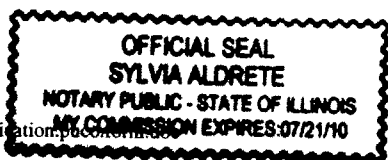
State of Illinois)
County of Cook)

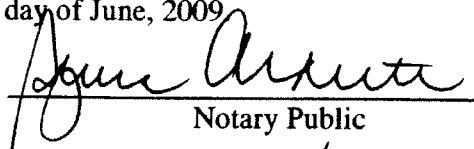
I, John T. Lenahan, Secretary of The Ohio Bell Telephone Company d/b/a AT&T Ohio, hereby verify that the information contained in this application is true and correct to the best of my knowledge.



Secretary

Sworn and subscribed before me this 5 day of June, 2009





Notary Public

My term expires: 07/21/2010

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of	)	
The Ohio Bell Telephone Company d/b/a AT&T Ohio	)	
For Approval of an Alternative Form of	)	
Regulation of Basic Local Exchange	)	Case No. 09-494-TP-BLS
And other Tier 1 Services Pursuant to	)	
Chapter 4901:1-4, Ohio Administrative	)	
Code.	)	

MEMORANDUM IN SUPPORT OF APPLICATION

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MEMORANDUM IN SUPPORT OF APPLICATION

Introduction

AT&T Ohio¹, by its attorneys, submits this memorandum in support of its application filed in the captioned case. This application, the tenth application filed by the Company pursuant to R. C. § 4927.03 and Section 4901:1-4-09 of the Commission's rules, includes the forms, affidavits, supporting information and detailed analysis, proposed tariff revisions, and the proposed legal notice called for by that rule, as explained below.² In this application, AT&T Ohio seeks approval of an alternative form of regulation for basic local exchange service ("BLES") and other tier 1 services in sixteen exchanges.

In so doing, AT&T Ohio proposes a Company-specific alternative competitive market test as it is permitted to do under Section 4901:1-4-10(C) of the Commission's rules. Like the four tests prescribed in that rule, the test proposed here is "sufficiently rigorous and granular to support a finding that, consistent with H.B. 218, there are reasonably available alternatives to BLES in the affected exchange or that BLES is subject to competition in the affected exchange." See, Case No. 05-1305-TP-ORD, Entry on Rehearing, May 3, 2006, p. 19.

The application specifically addresses the statutory criteria of R. C. § 4927.03(A) and demonstrates that the Company meets each of those criteria. Given that this is the first

¹ The Ohio Bell Telephone Company uses the name AT&T Ohio, which is also referred to herein as "the Company."

² The sample application form provided by the Commission includes a reference to R. C. § 4927.04. AT&T Ohio believes that this application is filed under, and should be dealt with, under R. C. § 4927.03. However, to the extent the Commission relies on R. C. § 4927.04 to grant the requested relief, the Company does not object.

Company-specific alternative competitive market test, a review of the Company's previous nine applications is prudent, and is undertaken here.

To date, AT&T Ohio has filed nine applications pursuant to R. C. § 4927.03 and Section 4901:1-4-09 of the Commission's rules ("BLES applications"), all of which relied on test 3 and/or test 4, as prescribed in Section 4901:1-4-10 of the Commission's rules. The Commission has ruled on eight of AT&T Ohio's BLES applications (BLES 1 – 8), and the ninth application (BLES 9) is pending.³

Through the Commission's Orders in the Company's first eight BLES applications, 173 of AT&T Ohio's 192 exchanges have been found to be competitive. Using March 2009 data, these 173 exchanges represent 98.96% of AT&T's Ohio access lines (2,052,900 of 2,074,552 lines). AT&T Ohio's ninth BLES application, which is pending, encompasses three exchanges and represents 0.40% of AT&T Ohio's access lines (8,383 of 2,074,552 lines).

Assuming the Commission approves the Company's ninth application as filed, there will remain only sixteen of the Company's 192 exchanges that will have not passed one of the Commission's four prescribed competitive market tests. These sixteen exchanges - - in total - - represent a mere 0.64% of AT&T Ohio's total lines in service. These sixteen exchanges are the subject of this application (BLES 10)⁴:

³ Case No. 09-447-TP-BLS, filed May 29, 2009.

⁴ To the extent the Commission does not approve AT&T's ninth BLES application (Case No. 09-447-TP-BLS) as filed, the Company reserves the right to amend this application to include any or all exchanges as necessary.

	Qty.	Residence		Business		Total	
	Exchanges	Lines	Pct.	Lines	Pct.	Lines	Pct.
Approved							
BLES 1 - 8	173	1,366,970	98.71%	685,930	99.45%	2,052,900	98.96%
Pending							
BLES 9	3	6,247	0.45%	2,136	0.31%	8,383	0.40%
BLES 10	16	11,586	0.84%	1,683	0.24%	13,269	0.64%
Total	192	1,384,803	100.00%	689,749	100.00%	2,074,552	100.00%

The average number of lines in each of these sixteen exchanges is less than 830, or 0.04% (i.e., four one-hundredths of one percent), of AT&T Ohio's access lines. Without question and regardless whether they are considered individually or collectively, the sixteen exchanges addressed in this application represent a *de minimis* number of AT&T Ohio's access lines.

Conversely, 98.96% of AT&T Ohio's access lines are in exchanges that have previously been found by the Commission to be competitive and that have qualified for BLES alternative regulation.⁵ These previous findings, along with the new data presented herein, should lead the Commission to conclude: 1) that customers in these sixteen exchanges enjoy the benefits of competition or have reasonably available alternatives to AT&T Ohio's basic local exchange service; 2) that it is in the public interest to grant AT&T Ohio the prescribed regulatory relief, moving AT&T Ohio closer to parity with its competitors; 3) that there are no barriers to entry in the sixteen exchanges; and 4) that it should, therefore, grant alternative regulation of basic local exchange service and other tier 1 services in each of these sixteen exchanges.

⁵ 98.6% represents the residence and business lines contained in the exchanges that have attained BLES approval via AT&T's first eight cases, using March 2009 data. Assuming AT&T's 9th BLES application is approved as filed, the percentage of lines increases to 99.36%.

Exhibit 1 - Compliance With Elective Alternative Regulation Commitments

As demonstrated by the affidavit of Thomas C. Pelto, the President of AT&T Ohio, the applicant fully complies with the elective alternative regulation commitments as required by divisions (A) and (B) of Section 4901:1-4-06 of the Commission's rules. AT&T Ohio is in compliance with those requirements, as reflected in the rules and in the Company's application filed in Case No. 02-3069-TP-ALT which established its current elective alternative regulation plan.

Exhibit 2 - Exchange Areas/County Matrix

As a guide to those reviewing the application, there is included in this filing a matrix identifying the sixteen exchanges which are the subject of this application and the county or counties in which each exchange is located. AT&T Ohio is proposing a Company-specific alternative competitive market test, as permitted by Ohio Admin. Code § 4901:1-4-10(C), for each of the sixteen exchanges..

Exhibit 3 - Supporting Information and Detailed Analysis

In this exhibit, AT&T Ohio specifies its Company-specific alternative competitive market test and identifies how it meets the applicable statutory criteria using that test.

The Company-Specific Alternative Market Test

AT&T Ohio proposes the following three-part, Company-specific alternative competitive market test, as permitted by Ohio Admin. Code § 4901:1-4-10(C):

- 1) The applicant must demonstrate that, in the aggregate, seventy-five percent (75%) of its telephone exchange areas have attained prior Commission approval for BLES alternative regulation using any of the Commission's four competitive market tests; and
- 2) The applicant must demonstrate that, in the aggregate, ninety percent (90%) of its residential access lines are in telephone exchange areas that have attained prior Commission approval for BLES alternative regulation using any of the Commission's four competitive market tests; and
- 3) The applicant must demonstrate the presence of at least two unaffiliated facilities-based alternative providers (including, but not limited to, facilities-based CLECs, wireless, and VoIP providers) serving the residential market in each requested telephone exchange area.

The Statutory Criteria

The Company-specific alternative competitive market test proposed here clearly meets the applicable statutory criteria. In order to authorize an exemption or to establish alternative regulatory requirements under R. C. § 4927.03, the law requires the Commission to find that the proposed alternative regulation is in the public interest and that either of the following conditions exists:

The telephone company or companies are subject to competition with respect to such public telecommunications service;

OR

The customers of such public telecommunications service have reasonably available alternatives.

R. C. § 4927.03(A)(1)(a)-(b). Additionally, with respect to basic local exchange service, the Commission must additionally find that there are no barriers to entry. R. C. § 4927.03(A)(3). Each of the statutory criteria is addressed in the following sections.

Competition And Reasonably Available Alternatives Are Flourishing Nationally And Statewide

As the Commission is aware, the telecommunications marketplace is ever-changing and ever-evolving. New technologies displace old ones. New carriers and alternative providers arrive on the scene while others depart. The use of wireless and VoIP services has exploded. The alternative technologies and providers have advanced significantly, displacing traditional wireline service, in an environment where these technologies and providers are lightly regulated, if at all. Indeed, thirteen years after the passage of the Telecommunications Act of 1996, it is self-evident that customers throughout AT&T Ohio's service territory enjoy the benefits of competition or have reasonably available competitive alternatives.

Clearly, the telecommunications marketplace has significantly changed since the adoption of the Telecommunications Act of 1996, since the passage of Am. Sub. H. B. 218 in 2005, and since the Commission adopted its BLES alternative regulation rules in 2006. It has also changed since the applications in the early BLES cases were ruled upon by the Commission. The accelerating transformation of the telecommunications marketplace from one dominated by traditional wireline providers to wireless and VoIP providers has increased, not reduced, competition and consumer choice.⁶ And, importantly, all of these forms of competition have shown that they are sustainable.

It should be noted that the traditional exchange structure of the ILECs is irrelevant to new technologies such as wireless and VoIP. The services provided by these intermodal

⁶ The Commission has recognized the need to include VoIP and wireless providers in the funding for intrastate telecommunications relay service. *In the Matter of the Adoption of Rules for the Telecommunications Relay Service Assessment Pursuant to Section 4905.84, Revised Code, as Enacted by House Bill 562*, Case No. 08-815-TP-ORD, Finding and Order, August 27, 2008.

competitors bears no relationship to ILEC exchanges and exchange boundaries, other than their "presence" in an exchange. More than ever, exchanges and exchange boundaries are irrelevant in assessing competition.

There are many reports and studies that confirm that competition for access lines has significantly increased. For example, a recent report issued by the FCC's Wireline Competition Bureau (Wireline Report) shows that for December 31, 2007, Ohio's CLECs have a 20% share of the total end user lines served by Ohio LECs.⁷

While the 20% represents the Ohio CLECs' share of lines provided to residence and business lines, utilizing data from the Wireline Report's Tables 10, 11, and 12, one can determine that Ohio CLECs have a 19.0% share of residence lines:

Total ILEC End User Lines Table 10	Total CLEC End User Lines Table 11	Pct of Lines Provided to Res Table 12	Residence Lines	Pct Share of Residence Lines
4,762,633		65%	3,095,711	81.0%
	1,170,979	62%	726,007	19.0%
			3,821,718	

While the percentage of lines that Ohio ILECs provide to residence customers (65%) is close to the ILEC nationwide average (63%), Ohio's CLECs provide a much greater share of their lines to

⁷ *Local Telephone Competition: Status as of December 31, 2007*, Industry Analysis and Technology Division, Wireline Competition Bureau, September 2008, Table 7. See, http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-285509A1.pdf. It is worth noting that the Nationwide CLEC share is 18%, while Ohio's CLEC share is 20%. Wireline Report, Table 7. The Report is included as Attachment 1.

residence customers (62%) compared to the CLECs' nationwide average (42%). (Wireline Report, Table 12).

CLEC competition is vibrant and growing in Ohio, but that is only part of the story. One must also examine competition from wireless and VoIP providers.

The FCC has also issued its most recent *Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Services*, Thirteenth Report, WT Docket No. 08-27, Released January 16, 2009 (Wireless Report), which documents the significant increase in wireless subscribership and competition.⁸ The Wireless Report shows that for December 2007, there were 9,098,920 mobile wireless telephone subscribers in Ohio. (Wireless Report, Table A-2).⁹ Perhaps most notably, the number of wireless subscribers exceeds the total number of lines provided by Ohio LECs by 3.165 million. And of the total of Ohio lines provided by LECs plus wireless subscribers, ILECs - - which once dominated the marketplace - - have less than one-third of the total.¹⁰ Or, said another way, the number of Ohio wireless subscribers plus the number of lines provided by CLECs is over *twice* (2.16 times) the number of lines provided by ILECs:

⁸ See, http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-09-54A1.pdf.

⁹ The Wireless Report's Table A-2 is identical to the Wireline Report's Table 14.

¹⁰ Here again, the nationwide ratio for ILEC lines, CLEC lines, and wireless subscribers is nearly identical to Ohio's ratio. Nationally, ILECs have a 31.8% share, CLECs 7.0% and Wireless 61.1%. Calculated from data in Wireline Report, Tables 10, 11, and 14.

	<u>Lines Subscribers</u>	<u>Percent Share</u>	
Ohio ILEC Lines	4,762,633	31.70%	Table 10
Ohio CLEC Lines	1,170,979	7.80%	Table 11
<u>Ohio Wireless Subscribers</u>	<u>9,098,920</u>	<u>60.50%</u>	<u>Table 14</u>
Ohio Total	15,032,532		

(Data from the Wireless Report.)

The Wireless Report also shows that:

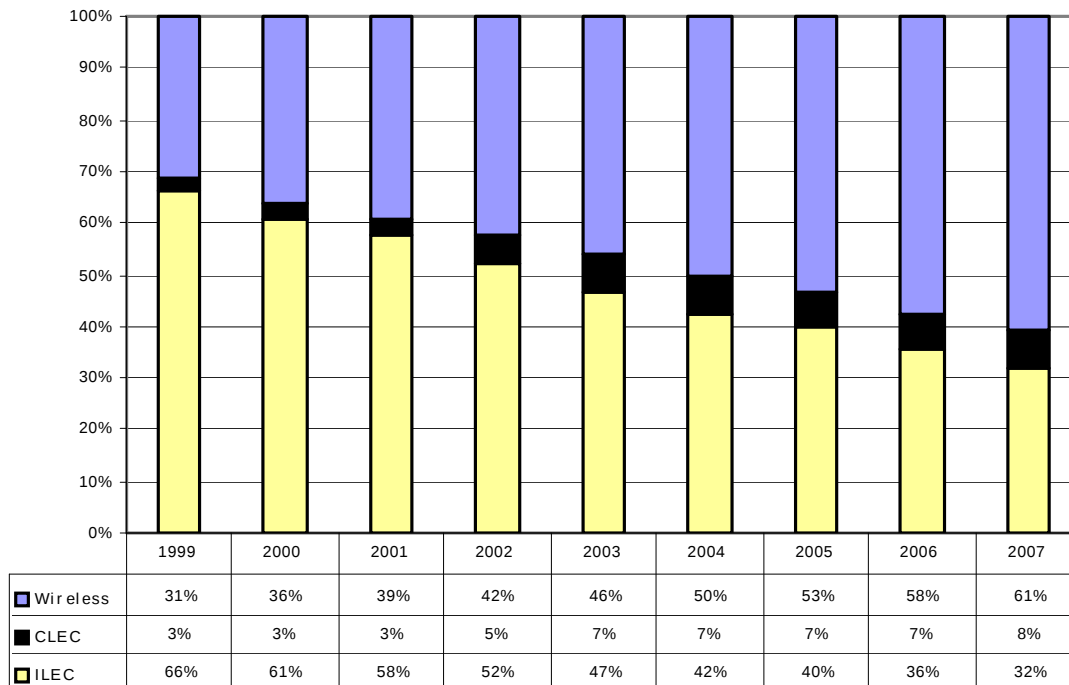
- Approximately 99.6% of the total U.S. population have one or more different operators (cellular, PCS, and/or SMR) offering mobile telephone service in the census blocks in which they live. (Wireless Report, p. 5)
- More than 95% of the U.S. population lives in census blocks with at least three mobile telephone operators competing to offer service, and more than 60 percent of the population lives in census blocks with at least five competing operators. (Wireless Report, p. 5)
- Average concentration in the U.S. mobile telephone market, as measured by the Herfindahl-Hirschman Index ("HHI"), was unchanged at 2674 at the end of 2007. No single competitor has a dominant share of the market. (Wireless Report, p. 6)
- At the end of 2007, there were 263 million mobile telephone subscribers in the United States, up from 241.8 million at the end of 2006. (Wireless Report, p. 6)
- The additional 21.2 million subscribers represent an increase of almost 9 percent in 2007. (Wireless Report, p. 6)
- The nationwide mobile penetration rate at year end 2007 rose to approximately 86 percent of approximately 305.6 million people in the United States. (Wireless Report, pp. 6 - 7)
- Average minutes-of-use per subscriber per month ("MOUs") rose to about 769 minutes in the second half of 2007, up from 714 minutes in the same period of 2006. (Wireless Report, p. 7)
- It is estimated that the average number of text messages sent per subscriber was 182.9 per month using December 2007 text messaging traffic data. For December 2006, the average number of text messages sent per subscriber was 77.3 per month. The additional 105 text messages per subscriber in December 2007 represents an increase of almost 120 percent compared to December 2006. (Wireless Report, pp. 7-8)
- On average, U.S. mobile subscribers paid about \$0.06 per minute for mobile voice calls in December 2007 based on an estimate of average revenue per minute ("RPM")...declin[ing] by one cent from \$0.07 in 2006 to \$0.06 in 2007, continuing the price trend since 1994. (Wireless Report, p. 8)
- The *Thirteenth Report* includes an analysis "Voice RPM," which excludes the portion of Average Revenue Per Unit ("ARPU") generated by data services. As the overall RPM declined during 2007, voice RPM also dropped from \$ 0.06 in 2006 to \$ 0.05 in 2007. (Wireless Report, p. 8)

- The J.D. Power and Associates 2008 Wireless Call Quality Performance Study (Volume 2), released in September 2008, found that the overall number of reported wireless call quality problems is 15 per 100 calls, unchanged from the same reporting period in 2007; these are the lowest levels in the history of the study. (Wireless Report, p. 10)
- During the second half of 2007, 14.5 percent of U.S. adults lived in households with only wireless phones, up from 11.8 percent in the second half of 2006, 7.8 percent in the second half of 2005, and than quadruple the percentage (3.5 percent) in the second half of 2004. (Wireless Report, p. 10)
- [During the second half of 2007], one in three adults aged 18 – 24 years (31 percent) lived in households with only wireless telephones, and 34.5 percent of adults aged 25 – 29 years lived in wireless-only households. (Wireless Report, p. 10)
- Both T-Mobile and Sprint Nextel now offer, on a nationwide basis, add-on services using Wi-Fi and femtocell technology, respectively, for their mobile customers. These add-on services improve indoor coverage and allow customers to avoid using their monthly cellular airtime minutes while at home or in their offices. For those T-Mobile customers who want to use their wireline number at home, T-Mobile now offers a \$10 monthly add-on plan for home service. (Wireless Report, p. 10)

Summarizing this data, one can conclude that 1) wireless penetration levels increased to approximately 86% of approximately 305.6 million people; 2) wireless average minutes-of-use increased; 3) average number of text messages increased; 4) the price per minute for mobile voice calls decreased; 5) the number of reported wireless call quality problems are at the lowest levels in history; 6) two wireless carriers offer add-on services that improve indoor coverage while at home or in the office; and 7) 14.5% of U.S. adults live in households with only wireless telephones. These statistics are for the period ending in December 2007, nearly 1 ½ years ago.¹¹ The incredible growth in wireless and the severe declines in ILEC access lines may be illustrated over time and in terms of market share.

¹¹ For example, the 14.5% figure in item 7 above has grown to 20.2% according to the NHIS data described below. And, a recent J. D. Power and Associates report shows that more than one-fourth of wireless phone customers have replaced their traditional landline connections at home and are now using wireless service exclusively to communicate on a daily basis. *J.D. Power and Associates Reports: One in Four Wireless Customers in the U.S. Report Replacing Their Landline Home Phone with Wireless Service*, Press Release, October 2, 2008. See, <http://www.jdpower.com/corporate/news/releases/pdf/2008206.pdf>.

Ohio Access Lines and Wireless Subscribers



End-User Switched Access Lines Served by Reporting Local Exchange Carriers and Mobile Wireless Telephone Subscribers

	1999	2000	2001	2002	2003
ILEC	6,904,938	6,922,773	6,967,603	6,405,570	5,889,260
CLEC	262,159	308,213	352,811	652,104	946,303
Wireless	3,237,786	4,150,498	4,739,795	5,212,204	5,817,211
Total	10,404,883	11,381,484	12,060,209	12,269,878	12,652,774

	2004	2005	2006	2007
ILEC	5,581,862	5,574,685	5,167,995	4,762,633
CLEC	963,330	953,386	962,245	1,170,979
Wireless	6,627,910	7,503,673	8,380,138	9,098,920
Total	13,173,102	14,031,744	14,510,378	15,032,532

2001 - 2007 Data Source:

Local Telephone Competition: Status as of December 31, 2007
 Industry Analysis and Technology Division
 Wireline Competition Bureau
 Sep-08
http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-285509A1.pdf

1999 - 2000 Data Source:

Local Telephone Competition: Status as of December 31, 2003
 Industry Analysis and Technology Division
 Wireline Competition Bureau
 Jun-04
http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/lcom0604.pdf

As the FCC data demonstrate, wireless phone service is no longer a luxury, but has instead become an integral part of our everyday lives. At one time, it was used primarily by business customers to stay in touch while involved in their many activities out of the office. Today, however, it is widely used by both businesses and consumers, and is ubiquitously available from a large number of service providers with myriad service options and a wide variety of telephones that offer almost limitless feature functionality. The needs of every demographic group have been identified and met - - from the very young to the very old.

For example, Firefly™ Communications, Inc. provides cell phones and service plans designed specifically for children who need restricted calling devices for safety reasons but who want the latest and coolest features. The glowPhone, Firefly™ Communications, Inc.'s phone designed specifically for children, features a full color screen, games, customizable ringtones and wallpaper, as well as parental features to help monitor usage and keep costs under control.

At the other end of the spectrum, Jitterbug offers wireless service and devices desired by the senior demographic. They offer affordable wireless plans without monthly contracts; easy to use phones that have large, backlit keypads for ease of dialing; bright color screens that display large sized numbers with clarity; and simple menus that allow users to access all phone options by answering simple "yes" or "no" questions. In addition, they offer useful services such LiveNurse, which provides unlimited, 24-hour access to live, registered nurses; Roadside Assistance, which puts customers in touch with roadside safety experts in the

event they experience car trouble while on the road; and personalized Operator Assistance for those customers who need some help looking up telephone numbers or dialing calls.

To further demonstrate the widespread reach of wireless service, consider that this Commission recently approved, with conditions, the offering of a lifeline option by a wireless provider. On May 21, 2009, in Case No. 97-632-TP-COI, the Commission approved the application of TracFone Wireless (dba Safelink Wireless), which sought eligible telecommunications carrier (ETC) status for the limited purpose of providing lifeline service to qualified households in Ohio. This is additional evidence that wireless is competitive with, and is a reasonably available alternative to, traditional landline service.

The wide range of wireless service options and phones available today clearly establishes wireless service as a vibrant, viable, and reasonably available competitive alternative to basic local exchange service for people of all ages.

Similarly, a wide range of Voice over Internet Protocol (VoIP) service options has emerged. Rather than being provisioned over a traditional analog telephone line, these services ride a customer's broadband connection. Cable television companies such as Time Warner Cable offer VoIP services over their cable networks. Standalone VoIP providers, such as Vonage, 8x8 (formerly known as Packet 8), and Skype are not limited to a particular broadband provider and can be accessed and used anywhere the customer has a computer and a broadband connection. These carriers utilize certified CLECs such as Sprint Communications and Level3 to obtain telephone numbers and to place directory listings. In the case of Vonage, the customer does not

even need to own the computer which accesses the broadband connection because the customer can purchase a flash drive device, currently available for \$15, that plugs into any computer and enables calls to be made from that location. Unlimited local and domestic long distance service is provided for \$24.99 per month.¹²

Another portable VoIP offering is magicJack, an offering of Ymax Corporation, a certified CLEC in the State of Ohio. They offer a free trial of their flat rate service. The service is available online (www.magicJack.com) for \$39.95 for hardware that plugs into the USB port of any personal computer with a broadband connection. The customer's phone plugs into the magicJack hardware and is then ready to make and receive calls. That initial price includes the first year of local and long distance calling within the United States and Canada. After the first year, customers can purchase service for \$20 per year. The magicJack web site indicates that other features, such as call waiting, call forwarding, caller ID, voicemail, directory assistance and 911 service are available at no additional charge. PC Magazine awarded magicJack its Editors' Choice award in January 2008.

While the FCC's most recent studies for wireless competition utilized data that is nearly 1 ½ years old, a more recent study by the National Center for Health Statistics' National Health Interview Survey (NHIS)¹³, shows that:

- "Preliminary results from the July-December 2008 National Health Interview Survey (NHIS) indicate that the number of American homes with only wireless telephones continues to grow. More than one of every five American homes (20.2%) had only

¹² See http://www.vonage.com/index.php?ic=1&refer_id=WEBPR0706010001W1 and http://www.vonage.com/products.php?lid=nav_products&refer_id=WEBPR0706010001W1.

¹³ Stephen J. Blumberg and Julian V. Luke, *Wireless Substitution: Early Release of Estimates From the National Health Interview Survey*, July-December 2008. National Center for Health Statistics. Available at: <http://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless200905.pdf>, released May 6, 2009. See Attachment 2.

wireless telephone . . . during the second half of 2008, an increase of 2.7 percentage points since the first half of 2008. This is the largest 6-month increase observed since NHIS began collecting data on wireless-only households in 2003. In addition, one of every seven American homes (14.5%) received all or almost all calls on wireless telephones, despite having a landline telephone in the home." (NHIS, p. 1)

- "Adults living in poverty (30.9%) and adults living near poverty (23.8%) were **more likely** than higher income adults (16.0%) to be living in households with only wireless telephones." (NHIS, p. 3, emphasis added)
- "Adults living in the South (21.3%) and Midwest (20.8%) were more likely than adults living in the Northeast (11.4%) or West (17.2%) to be living in households with only wireless telephones." (NHIS, p. 3)

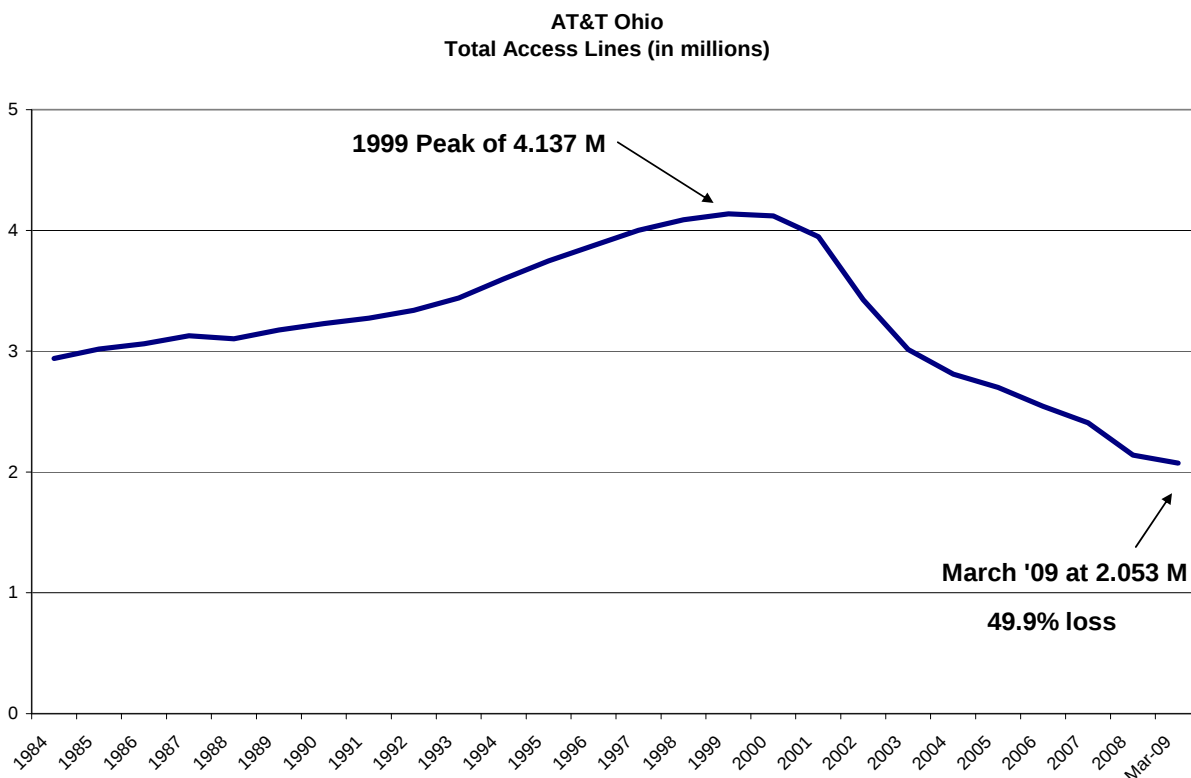
It is interesting to note that the NHIS study determined that for the first time in history, there are more American households that are wireless-only (20.2%) than are landline-only (17.4%). Table 1 displays:

	Landline households with a wireless telephone	Landline households without a wireless telephone	Wireless-only households
	Percent of households		
January – June 2005	42.4	34.4	7.3
July – December 2005	42.6	32.4	8.4
January – June 2006	45.6	30.9	10.5
July – December 2006	44.3	29.6	12.8
January – June 2007	58.9	23.8	13.6
July – December 2007	58.8	21.8	15.8
January – June 2008	58.5	20.6	17.5
July – December 2008	59.6	17.4	20.2

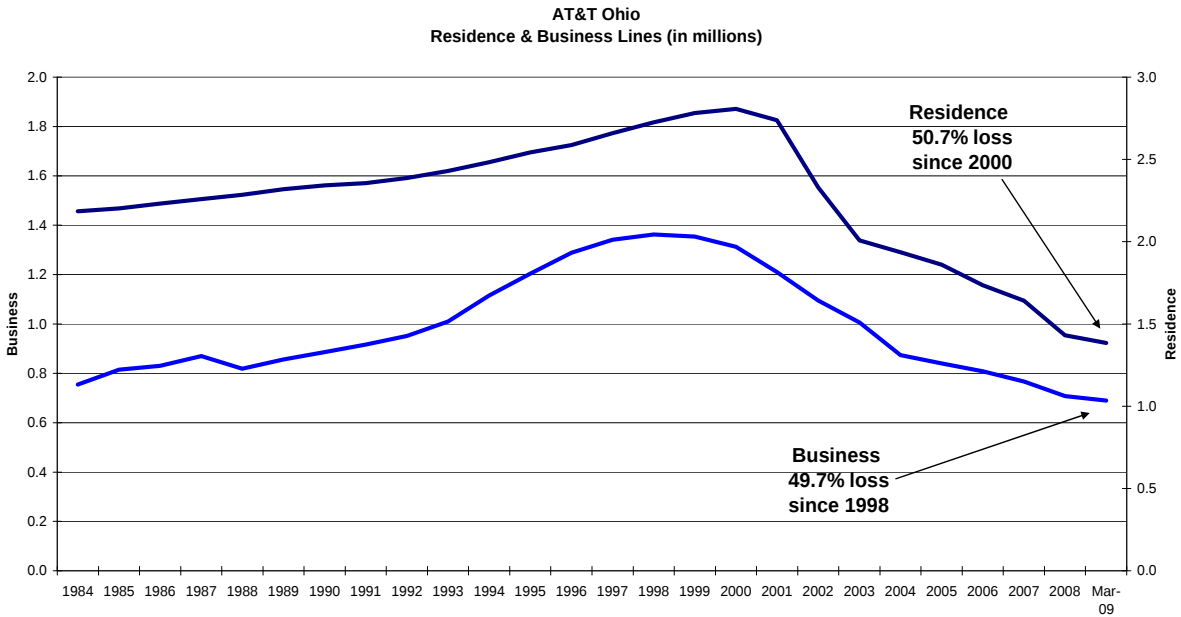
In all of the exchanges in AT&T Ohio's territory, and the exchanges throughout Ohio as evidenced in the April 2009 report issued by the Ohio Telecom Association, the local exchange telecommunications marketplace is irreversibly open to competition.¹⁴

¹⁴ *Telecom Competition in Ohio*, Ohio Telecom Association, April 2009, Ohio Telecom Association, <http://ohiotelecom.com/files/2009%20Report%20on%20Competition%20-%200402092.pdf>. See Attachment 3.

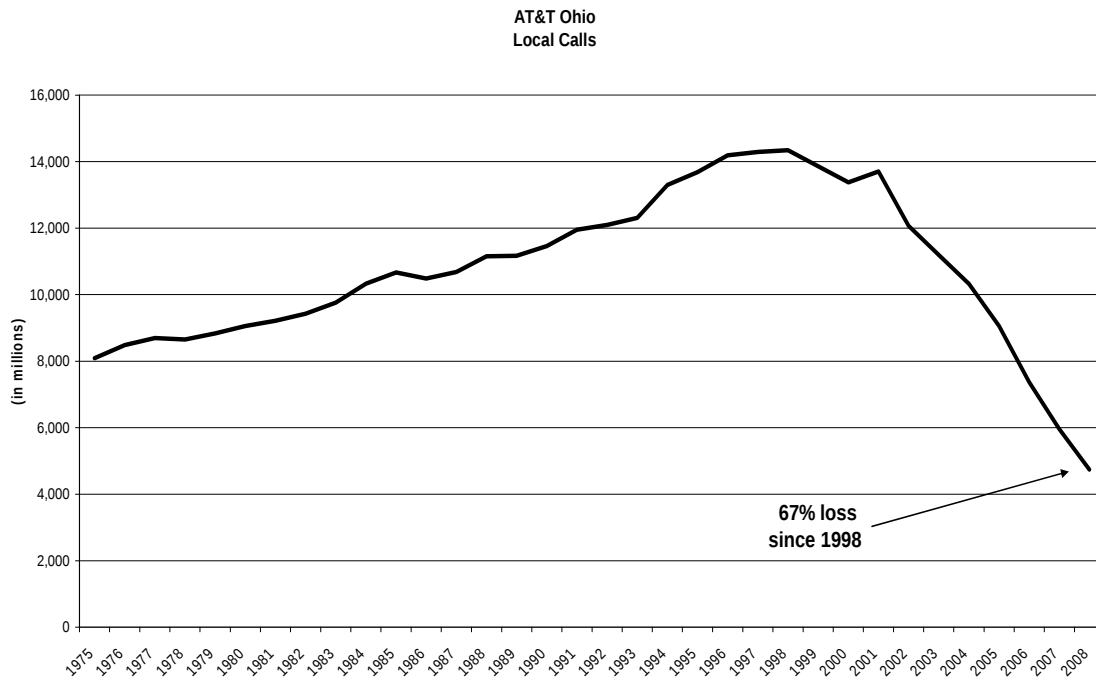
Admittedly, the data described above is either national or total-Ohio in scope. However, there is no question that competition in all of AT&T Ohio's exchanges is pervasive, has continued to increase, and - - as stated many times before - - is irreversible. AT&T Ohio's total retail access lines have decreased every year since 1999. Decades of stable and consistent access line growth have been erased in a relatively few years, as shown in the following chart:



If one were to postulate that such severe losses in total access lines were primarily due to the competition targeting only business lines, they would be wrong. Perhaps surprising, but nevertheless so, residential line losses exceed business line losses in terms of both absolute numbers and as well as percentages. And a watershed event occurred in March 2009, as AT&T Ohio's residential access line losses exceeded 50% for the first time, as shown below:

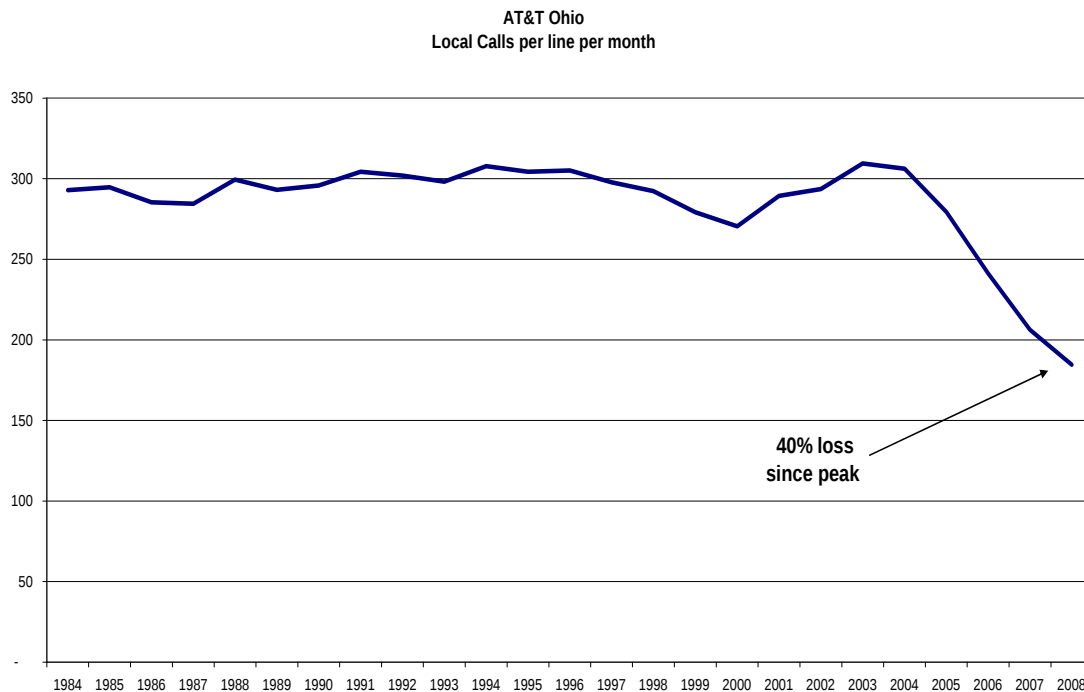


Given these line losses, coupled with the incredible growth in wireless and VoIP services, it should be no surprise that the quantity of AT&T Ohio's local calls has dramatically decreased as well.



Source: ARMIS 43-08: Table IV.Telephone Calls.

Perhaps not so obvious is the impact of competitive alternatives on the average number of calls made per line. This figure is calculated by dividing the number of local calls by the number of total access lines. For years, this was a relatively stable number. Today, however, residence and business customers who have not "cut the cord" but who have retained their landlines are placing fewer local calls over those landlines than they have in decades.



All of this information demonstrates that competition is alive and well and that customers for basic local exchange service have competitive choices or reasonably available alternatives. There is more to this story than what the available data show. AT&T Ohio and its predecessor companies have provided telephone service in Ohio for over a century, increasing the number of access lines at a slow steady pace which peaked at 4.137M in 1999. One might reasonably have anticipated that such slow, steady growth would continue. However, the marketplace began to change dramatically as new technologies and providers emerged which

curtailed the continued growth of access lines and eliminated the historic monopoly status of AT&T Ohio. In a climate unburdened by costly rules and regulations, competition flourished, innovation exploded and AT&T Ohio's dominant market share essentially evaporated in less than a decade, with access lines declining from 4.137M in 1999 to 2.053M as of March 30, 2009, a 49.9% decrease. A century of growth has been dramatically reversed. Yet, these numbers understate actual competitive losses for a variety of reasons. That is, they do not comprehensively reflect the impact of competition. The competitive impact is even more pervasive and prevalent than the competitive market tests found in Section 4901:1-4-10 of the Commission's rules measure.

Competitive losses are understated for a variety of reasons. First of all, customers are replacing their landline service with wireless service, but the entire impact of this migration cannot be captured in the data that AT&T Ohio can practically obtain in order to demonstrate competition. Many customers who had both services have simply chosen to drop their landline service, without porting their landline number to their wireless phone. Relatively few people actually port their wireline telephone numbers to their wireless phones.¹⁵ And, wireless subscribers rarely have directory listings.

Second, there are customers who never had an access line from an ILEC and do not want to be tethered by a wire. They believe wireless service is a superior alternative to wireline service. Thus, their first - - and only - - preference for telecommunications is wireless.

¹⁵ See, *Trends in Telephone Service*, FCC Wireline Competition Bureau, Industry Analysis and Technology Division, August 2008, Table 8.8. http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-284932A1.pdf

Such customers' purchasing behavior will not be captured in ILEC line losses, or in CLEC gains. They will however, be captured in wireless subscriber gains.

Third, the most recent data published by the FCC are almost 18 months old. Given its explosive growth in recent years, there can be no doubt that wireless service has increased further, but there is no source for updated data that reflects the current environment. Conservative extrapolation, based solely on AT&T Ohio's 2008 access line loss of 269,055 indicate a further erosion in ILEC market share from 32% to 30%. That is, considering the decrease in AT&T Ohio's access lines for 2008 as compared to 2007, and a very conservative assumption of no wireless or CLEC gains during the same period, or any other Ohio ILEC line losses, ILEC market share can be calculated to drop from the 32% noted in the chart displayed on page 12 to 30%. Assuming just a moderate amount of wireless growth and including other ILECs' line losses would decrease ILEC market share even more dramatically.

Moreover, AT&T Ohio market share losses are further understated because of the fact that VoIP losses specific to AT&T Ohio simply cannot be captured and measured. AT&T Ohio uses E 9-1-1 information in its quantification of competitive access lines. AT&T Ohio can obtain E 9-1-1 information for wireline customers located in counties where AT&T hosts the county E 9-1-1 service. The information is limited to wireline customers (i.e. no wireless or nomadic VoIP). Furthermore, some portion or all of nine of the sixteen exchanges included in this application lie outside AT&T Ohio's E 9-1-1 hosting area and therefore data for those exchanges is understated or totally unavailable. Without a doubt, VoIP lines are growing.¹⁶

¹⁶ See, *Voice, Video And Broadband: The Changing Competitive Landscape And Its Impact On Consumers*, U. S. Department of Justice, November 2008, Table 5, p. 55. <http://www.usdoj.gov/atr/public/reports/239284.pdf>.

Thus, the impact of these losses is not fully reflected in the data or in the results of the prescribed competitive market tests or the Company-specific alternative competitive market test proposed in this filing.

The Commission should rely on its past findings of effective competition, the competitive losses that can be determined, and the very real presence of competitors specific to the sixteen exchanges detailed in this application, along with consideration of the ways in which the available competitive loss data may be understated, to find that consistent with the statute, that BLES is subject to competition or that there are reasonably available alternatives to BLES in the sixteen exchanges that are the subject of this application. For instance, in five of the sixteen exchanges, where access lines have actually increased since December 2002, competitors too recognized these unique exchanges and have entered these markets, as seen in the fact that, on average, there are over seven alternative providers from which customers in these exchanges can select. Clearly, these exchanges are very competitive.

In two exchanges, Aberdeen and Sedalia, the percent loss in residential access lines exceeds the Commission's Test 4 threshold, yet fails the test due the presence of just four alternative providers. Again customers in these exchanges have very real alternative providers choices, as well as certified wireless competitors that are not included in the count of alternative providers due to the lack of ported telephone numbers or other quantifiable wireless data traditionally used to verify the provision of service. Clearly these exchanges are very competitive.

Further, eight of the sixteen exchanges, while not exceeding the Commission's Test 4 competitive loss threshold, have an average of nearly seven alternative providers from which customers may choose. Seven providers per exchange demonstrate the very real competitive presence.

Finally, one exchange, Somerton, with roughly three hundred residential access lines, has four well rounded and well known competitors serving this small exchange offering its customers a number of alternative provider choices. Clearly this exchange is very competitive.

The evidence clearly demonstrates that the sixteen exchanges meet the Company's proposed alternative competitive market test and the requisite statutory criteria.

The Company's Proposed Alternative Competitive Market Test Meets The Public Interest Criterion

In establishing the BLES alternative regulation rules, the Commission addressed the statutory "public interest" criterion as follows:

In order to establish alternative regulatory requirements for BLES and other tier one services, the Commission must, under the law, not only find that the services are subject to competition or have reasonably available alternatives, but we must also find that the alternative regulatory requirements are in the public interest. To guide us in determining whether alternative regulatory requirements are in the public interest, we look to the policy of the state, as set forth in Section 4927.02(A), Revised Code, to ensure the availability of adequate BLES to citizens throughout the state. The goal of ensuring that the largest number of residents possible has access to high quality telephone service regardless of income or geographic location remains an important policy objective of Ohio. The Commission continues to believe that, at least for the near future, BLES, including basic caller ID, is an essential service for many Ohioans. On the other hand, we are fully aware that ILECs are facing increasing competition from alternative service providers that are not regulated by the Commission and, as AT&T Ohio points out, many of the ILECs have been charging the same rates for BLES since the early 1980's. Therefore, in the final rules, we have attempted to strike a balance between the important

public policy of ensuring the availability of stand-alone BLES at just and reasonable rates, while at the same time recognizing the continuing emergence of a competitive environment through flexible regulatory treatment of ILEC services, where appropriate. In reaching this conclusion, we have considered the regulatory treatment of competing alternative providers, including wireline CLECs, wireless, VoIP and cable telephony providers. We do not believe that the alternative regulatory treatment we adopt herein will unduly disadvantage the ILECs, since all ILECs operating under an EARP already have the ability to provide bundled BLES offerings at market-based rates without prior Commission approval, just as alternative providers do. Additionally, the Commission believes that the pricing flexibility we have allowed gives the ILECs appropriate latitude to respond to the market, particularly in light of the ILECs' own arguments that competitive pressures would prevent them from utilizing the full flexibility proposed by the staff.

Case No. 05-1305-TP-ORD, Opinion and Order, March 7, 2006, p. 40. Then, in its Entry on Rehearing, the Commission rejected the Consumer Groups' position that additional commitments were necessary to satisfy the public interest test. Case No. 05-1305-TP-ORD, Entry on Rehearing, May 3, 2006, p. 2.

In the appeal of AT&T Ohio's first BLES alternative regulation case, the Ohio Supreme Court concluded that the Commission's rules imposed reasonable requirements for showing the requisite public interest. The Court addressed the issue of additional commitments by stating:

The commission reiterated its belief in the importance of ensuring that the largest numbers of residents have access to high-quality telephone service regardless of income or geographic location. But it also recognized the legislature's direction that market forces be allowed to create an environment that will promote competitive pricing, thereby maintaining just and reasonable rates. The commitments required of applicants for alternative regulation, set forth in Ohio Adm.Code 4901:1-4-06 et seq., represent the commission's attempt to strike a balance between regulation and free-market competition. We will not second guess the commission by requiring it to extract commitments beyond those already imposed.

Ohio Consumers' Counsel v. Pub. Util. Comm., 117 Ohio St.3d 301, 2008-Ohio-861, ¶ 48. The Court also addressed the "public interest" criterion more generally and rejected OCC's argument:

R.C. 4927.02 requires the commission to consider the regulatory environment for competing services and to reduce the regulation of telephone companies in the presence of increasing competition. The commission established its rules in accordance with the policy set forth in R.C. 4927.02(A) and determined that certain measures, such as annual rate caps, minimum access requirements for low-density areas, and economic assistance to eligible consumers, protected consumers without unduly interfering with the market and without disadvantaging local exchange carriers. The commission's position gives meaning to the H.B. 218 policy changes in R.C. 4927.02, which identifies the General Assembly's view of the public interest.

Moreover, the public-benefit finding is a factual determination made by the commission. Its finding that AT & T met the requirements for a showing of public interest will not be disturbed by this court absent a demonstration that it is clearly unsupported by the record. AT & T, 88 Ohio St.3d at 555, 728 N.E.2d 371. OCC has made no such showing.

Having considered them carefully, we affirm the commission's finding that AT & T's application is in the public interest and reject OCC's argument.

Ohio Consumers' Counsel v. Pub. Util. Comm., 117 Ohio St.3d 301, 2008-Ohio-861, ¶¶ 49-51.

The Company's proposed test in this case likewise meets the public interest criteria of the statute in that the Company meets all of the alternative regulation commitments, the BLES alternative regulation rules provide reasonable pricing flexibility in exchanges where competition or reasonably available alternatives are present, and resulting relief is consistent with the policy of the state as set forth in R. C. § 4927.02.

In this application, AT&T Ohio is proposing a Company-specific alternative competitive market test as described above. The rationale for this is simple: the sixteen remaining AT&T Ohio exchanges do not pass any one of the Commission's four triggers. That does not mean that there is no competition for BLES or that there are no reasonably available alternatives for BLES in those sixteen exchanges. The fact is that the marketplace has changed and it continues to do so. Where AT&T Ohio's access line counts have decreased, AT&T Ohio

is unable to definitively ascertain to whom the access lines were lost. And, given the passage of time and the growth of alternative technologies, the Commission's four competitive market tests do not always appropriately assess the marketplace. For example, prescribed tests 1 - 3 rely on CLEC market share, a factor that does not reflect the significant growth of intermodal competition.

The Test And The Data Meet The "No Barriers to Entry" Criterion

Each of AT&T Ohio's exchanges has been irreversibly opened to competition pursuant to the Telecommunications Act of 1996, including the sixteen included in this application. AT&T Ohio's state- and federally-sanctioned entry into the interLATA long distance market is positive proof of the lack of barriers to entry, which has fostered sustainable, irreversible, and increasing levels of competition in all of AT&T Ohio's exchanges.

AT&T Ohio's long distance entry occurred nearly six years ago precisely because of a finding made by this Commission and the FCC that there were *no barriers to entry* in AT&T Ohio local exchanges. In adopting its recommendation to the FCC, this Commission observed that "local competition has continued to grow since the commencement of this proceeding."¹⁷ In his letter to the FCC accompanying the Commission's report, Chairman Schriber stated as follows:

" . . . the Ohio commission Report and Evaluation demonstrates that SBC Ohio has opened its local market to competitive local exchange companies who wish to compete in Ohio. SBC Ohio has done so by fully implementing the competitive checklist found in Sec. 271(c)(2)(B) with respect to its provision of access and interconnection pursuant to Sec. 271(c)(1)(A). Therefore, it is our belief, based on the proceeding we conducted, that

¹⁷ *In the Matter of the Investigation Into SBC Ohio's Entry Into In-Region InterLATA Service Under Section 271 of the Telecommunications Act of 1996*, Case No. 00-942-TP-COI, Order, June 26, 2003, p. 6.

SBC Ohio's network for the purpose of satisfying the requirements of the 1996 Act, is open to competitors on a non-discriminatory basis.¹⁸

In its report to the FCC, the Commission concluded as follows:

The PUCO believes that the operations of these companies via UNE loops and UNE-P signify the offering of telephone exchange service either exclusively over their own telephone exchange service facilities or predominantly over their own telephone exchange service facilities in combination with the resale of the telecommunications service of another carrier.¹⁹

* * *

Based on our review of the record in this proceeding, the PUCO believes that SBC Ohio satisfies the requirements of Section 271 of the 1996 Act and has, for the purposes of Section 271 relief, opened its local market to CLECs that wish to compete within its incumbent local service territory.²⁰

And in its order granting interLATA relief to AT&T Ohio, the FCC held as follows:

We grant SBC's application in this Order based on our conclusion that SBC has taken the statutorily required steps to open its local exchange markets in these states to competition. (pp. 2-3)

* * *

On June 1, 2000, the Ohio Commission initiated a proceeding to review SBC's section 271 application for Ohio. The Ohio Commission held numerous and detailed collaborative workshops between SBC and the competitive LECs focused on OSS enhancements, development and supervision of OSS tests, performance measurements, and checklist items including UNE combinations. On June 26, 2003, the Ohio Commission issued an order concluding that SBC has opened the local markets in Ohio to competition and has satisfied all the requirements for section 271 approval. (p. 5)

* * *

¹⁸ *Id.*, letter to FCC Commissioners from Chairman Alan R. Schriber, June 26, 2003.

¹⁹ *Id.*, Commission Report and Evaluation, June 26, 2003, p. 23.

²⁰ *Id.*, p. 266.

We conclude that approval of this application is consistent with the public interest. After extensive review of the competitive checklist we find that barriers to competitive entry into the local exchange markets of the four applicant states have been removed, and that these local exchange markets are open to competition.²¹ (p. 103)

These findings conclusively establish that AT&T Ohio has removed barriers to entry in **all** of its local exchanges.²² Nothing can bring them back.

The Commission has explicitly recognized that not all barriers to entry preclude the necessary finding under the statute. In its Entry on Rehearing in the rules docket, the Commission stated:

Consumer Groups' assignment of error relative to the Commission's treatment of the issue of "barriers to entry" and the established criteria of Rule 4901:1-4-10(C), O.A.C., is denied. In reaching this decision, the Commission finds Consumer Groups' arguments appear to be premised on the belief that in order for an ILEC to satisfy H.B. 218, any condition that makes entry more difficult must be removed for all potential competitors. The Commission finds such an interpretation to be unreasonable and impractical. Realistically, all companies are confronted with at least some conditions that make entry difficult. Therefore, the primary issue becomes an analysis of whether these difficulties can be overcome by some competitors or whether market conditions involve true barriers to entry that prevent or significantly impede entry beyond those risks and costs normally associated with market entry. If H.B. 218 stands for the proposition that all conditions that make entry difficult have to be eliminated for all potential competitors, such an interpretation will create an insurmountable burden of proof for an ILEC to satisfy. Further, the Commission points out that, while the legislature provided general guidance to the Commission regarding the establishment of alternative BLES regulation, the ultimate decision-making authority regarding the implementation of this authority was delegated to the Commission.

²¹ *In the Matter of Joint Application by SBC Communications Inc., Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, the Ohio Bell Telephone Company, Wisconsin Bell, Inc., and Southwestern Bell Communications Services, Inc. for Authorization To Provide In-Region, InterLATA Services in Illinois, Indiana, Ohio, and Wisconsin*, WC Docket No. 03-167, Memorandum Opinion and Order, FCC 03-243, adopted October 14, 2003, released October 15, 2003 (footnotes omitted). This Commission's order was adopted on June 26, 2003 in Case No. 00-942-TP-COI.

²² AT&T Ohio's OSS systems were extensively tested and approved by the Commission. Further, AT&T's OSS systems are not exchange-specific, but apply identically across all of AT&T Ohio's exchanges, including the 16 exchanges in this application. Thus, there are no barriers to entry in any of AT&T Ohio's exchanges.

Case No. 05-1305-TP-ORD, Entry on Rehearing, May 3, 2006, p. 17. In the case of the sixteen exchanges included in this application, no competitor has faced any barriers beyond those risks and costs normally associated with market entry.

In addition to addressing local exchange service competition in the long distance entry case, the FCC also addressed it in the Triennial Review proceeding. It is instructive to review the findings related to competition (or, more precisely, the findings of the "lack of impairment") made by the FCC in that case. In analyzing the competitiveness of mass market local circuit switching, the FCC found as follows:

Based on the evidence of deployment and use of circuit switches, packet switches, and softswitches, and changes in incumbent LEC hot cut processes, we determine not only that competitive LECs are not impaired in the deployment of switches, but that it is feasible for competitive LECs to use competitively deployed switches to serve mass market customers throughout the nation. Further, regardless of any potential impairment that may still exist, we exercise our "at a minimum" authority and conclude that the disincentives to investment posed by the availability of unbundled switching, in combination with unbundled loops and shared transport, justify a nationwide bar on such unbundling. Nor do we find that other factors, not relied upon in the *Triennial Review Order* impairment analysis, warrant unbundling of mass market local circuit switching.²³

The language here is important because it represents a declaration by the FCC that there are no barriers to entry for competitors. AT&T Ohio has not imposed any barriers to entry since those findings were adopted by the FCC.

Therefore, based on AT&T Ohio's long distance entry, the FCC's findings in its Triennial Review proceeding, the rigorous testing of AT&T Ohio's OSS systems, and gains in market share by competitors, the Company has established that there are no barriers to entry for purposes of this application.

²³ *In the Matter of Unbundled Access to Network Elements, Order on Remand*, FCC 04-290, Released February 4, 2005, ¶ 204; See, http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-04-290A1.doc.

Exchanges That Have Attained Prior Commission Approval For BLES Alternative Regulation

As mentioned above, AT&T Ohio has filed nine BLES cases, eight of which have already been approved by the Commission, with one case pending:

<u>BLES</u>	<u>Case No.</u>	<u>Date Filed</u>	<u>Date Approved</u>
1	06-1013-TP-BLS	8/11/2006	12/20/2006
2	07-259-TP-BLS	3/9/2007	6/27/2007
3	07-1312-TP-BLS	12/28/2007	5/14/2008
4	08-107-TP-BLS	2/8/2008	6/25/2008
5	08-594-TP-BLS	6/6/2008	10/1/2008
6	08-912-TP-BLS	7/25/2008	11/12/2008
7	08-1281-TP-BLS	12/5/2008	2/25/2009
8	09-74-TP-BLS	1/30/2009	4/15/2009
9	09-447-TP-BLS	5/29/2009	Pending

	Exchanges		Residence		Business		Total	
	Qty.	Pct.	Lines	Pct.	Lines	Pct.	Lines	Pct.
Approved								
BLES 1 - 8	173	90%	1,366,970	98.71%	685,930	99.45%	2,052,900	98.96%
Pending								
BLES 9	3	2%	6,247	0.45%	2,136	0.31%	8,383	0.40%
BLES 10	16	8%	11,586	0.84%	1,683	0.24%	13,269	0.64%
Total	192	100%	1,384,803	100.0%	689,749	100.00%	2,074,552	100.00%

March 2009 data

Thus, AT&T Ohio meets the first two prongs of its three-part, Company-specific alternative competitive market test, as 90% of its exchanges (173 of 192) have attained prior Commission approval for BLES alternative regulation, and 98.71% of its residential access lines are in exchanges that have attained prior Commission approval for BLES alternative regulation through one of the Commission's four competitive market tests. Prong three is met as detailed in the detailed data provided below and in Exhibit 3.

Summary Sheets And Detailed Data

As it did in its first nine BLES alternative regulation cases, AT&T Ohio identifies the telephone exchange areas for which it seeks alternative regulation for basic local exchange service and other tier one services on each of the sixteen exchange summary sheets. Each summary sheet for an individual exchange identifies the exchange-specific data on which the Company relies in seeking relief, and displays the number and names of each competitor operating in the exchange, the quantity of CLEC lines in each exchange, and the percent change in ILEC lines since 2002. This exhibit presents the supporting information and detailed analysis demonstrating that the applicant meets the alternative competitive market test that it proposes, as described above. This information is contained within the affidavit of Thomas C. Pelto, the President of AT&T Ohio, attesting to the veracity of the data upon which the application is premised, in compliance with the applicable rule, Ohio Admin. Code § 4901:1-4-09(B)(3).

AT&T Ohio compiled the information necessary to meet its proposed Company-specific alternative competitive market test using several sources. In collecting information on CLEC and alternative provider activity in its exchanges, AT&T Ohio first reviewed and documented publicly available data, such as websites, carrier tariff filings, information on wireless licenses, and Commission certification case and interconnection agreement filings. In some cases, carriers provide web tools that permit an inquiry about the availability of their services in specific areas by using telephone numbers or zip codes. Those tools were used to identify the presence of a carrier in an AT&T Ohio exchange.

To confirm the information available from publicly-available sources, AT&T Ohio reviewed internal data from billing and E 9-1-1 records, white pages listings, and ported telephone number information. In order to demonstrate its own line loss since 2002, AT&T Ohio relied on its annual report for that year and compared that information to comparable data as of April 30, 2009. Using the same process as it did in its nine previous BLES alternative regulation cases, the April 30, 2009 line count data was obtained by performing the same query on the same access line database that is used to develop the year end residence access line counts for each exchange that appear on Schedule 28 of the Annual Report.²⁴ In order to demonstrate the presence of specific CLECs, AT&T Ohio developed CLEC line counts using the same process utilized in its nine previous BLES alternative regulation cases. The volumes for residential Local Wholesale Complete (LWC) and residential resale (resold lines) were developed from billing data for each CLEC for each central office switch location (identified by Common Language Location Identification or "CLLI" code). CLEC lines served by CLEC switches were counted using residence E 9-1-1 data provided by Intrado, a third party vendor.²⁵ This data has been collected and reviewed for each exchange for which relief is sought

In Case Nos. 06-1013-TP-BLS and 07-259-TP-BLS, AT&T Ohio sent CLECs and wireless service providers separate "Accessible Letters" regarding the use and treatment of data that might be considered to be proprietary, giving them an opportunity for comment and

²⁴ The Company's nine previous BLES alternative regulation cases are Case Nos. 06-1013-TP-BLS, 07-259-TP-BLS, 07-1312-TP-BLS, 08-107-TP-BLS, 08-594-TP-BLS, 08-912-TP-BLS, 08-1281-TP-BLS, 09-74-TP-BLS, and 09-447-TP-BLS. AT&T Ohio requests that the Commission take administrative notice of the record and its decisions in each of those cases. Case No. 09-447-TP-BLS is pending.

²⁵ As mentioned earlier, AT&T Ohio counts CLEC lines served by CLEC switches only in those exchanges where AT&T Ohio is the "host" of the County's E 9-1-1 system. As such, in counties where CLECs operate, but AT&T Ohio is not the "host" of the County's E 9-1-1 system, AT&T Ohio cannot ascertain CLEC line counts, and CLEC lines may be artificially low.

feedback. AT&T Ohio is relying on the letters from Case No. 07-259-TP-BLS for this proceeding. The Accessible Letters are included in this filing as Attachments 4 and 5.

The competitive proof for each exchange is organized on a summary sheet, which names several carriers that provide service in the exchange and notes what other verification was done to confirm their presence. Working from left to right, the sheet indicates **certification number** (for CLECs) and the **interconnection agreement number** (for all carriers), confirming the accomplishment of these prerequisite steps by the competing carrier. This information is specific to each carrier and was obtained from Company and publicly available Commission records. In most instances, the underlying carrier is clear. In some cases, AT&T Ohio's records contain different names for a single carrier. For example, when MCI/WorldCom is listed on the summary sheet, the certificate number indicates that the reference is specifically to MCImetro Access Transmission Services, Inc.

Having identified the carrier, the next two columns indicate how each carrier is providing service, through their own facilities or through facilities obtained from AT&T Ohio. A check-mark (✓) in the **Own Facilities** column indicates that the carrier is facilities-based and that it provides its own switching (or obtains it from someone other than AT&T Ohio). Those carriers may lease other facilities from AT&T Ohio, such as unbundled loops, but since they do not use AT&T Ohio's switching, these carriers (rather than AT&T Ohio) are responsible for creating the E911 listings for their customers. All wireless carriers fall within this category. Other facilities-based carriers obtain the use and control of facilities, including switching, provided by AT&T Ohio. These carriers utilize Local Wholesale Complete (LWC). In either

case, the presence of these facilities-based arrangements is denoted by a check-mark (✓) in the column titled **Lease AT&T Facilities**. If a carrier provides service by reselling AT&T Ohio service, the word "Resale" appears in the column titled **Lease AT&T Facilities**. Both the Own Facilities and Lease AT&T Facilities columns are supported by the sheets titled "CLEC Lines in Service" which quantify residence E911 listings and residence LWC and resale arrangements.

Another indicator of the ability of CLECs to serve residence customers in a given exchange is the inclusion of residence services in the carrier's approved tariff. The CLEC's tariff, as posted on the Commission's web site, was reviewed to ensure that it contains basic local exchange service for residence customers and the service areas were verified where possible. The reference to the specific exchange under review is included in the "**Tariff Authority**" column. In the case of a wireless or VoIP carrier, since they are not required to file tariffs with the Commission, this column is marked "n/a" (not applicable).

Another indication of presence for wireless carriers is data contained in an independent web site (www.WirelessAdvisor.com) that lists carriers by area. That web site was consulted to be sure wireless carriers had a license to operate in the specific exchange area. The presence of that license is indicated by a check-mark (✓) in the **Licensed Wireless Providers** column.

For all carriers, AT&T Ohio checked to see if the carrier indicates via their own web site that they provide residence service in the exchange. Many, but not all, carriers allow customers to enter a zip code, telephone number or street address to search for available services.

If AT&T Ohio was able to successfully complete such a web search, a check-mark (✓) was placed in the **Carrier Website** column.

Company records were consulted to confirm the presence of residential white page listings and ported telephone numbers from AT&T Ohio. The "**White Page Listings**" sheets summarize residence white page listings by carrier. These sheets were developed by extracting residential white page listing information by carrier and by NPA/NXX code, which were then assigned to the correct exchange using Local Exchange Routing Guide (LERG) data. One carrier that is listed on the summary sheets is Talk America, which was acquired at the parent company level during December 2006 by Cavalier Telephone Corporation. As a result, the company is listed as "Talk America (Cavalier)" on the summary sheets while the CLEC lines pages display "Talk America" and the White Page Listing sheets display "CAVALIER TELEPHONE."

Ported numbers are those formerly AT&T Ohio telephone numbers that have been reassigned, or "ported," from an AT&T Ohio switch onto the switch of another carrier. Clearly the presence of ported numbers indicates that another carrier is serving customers via its own switch. The data were developed by querying the Local Service Management System for the volume of customer numbers ported out of AT&T Ohio's switches. The use of ported number information, however, has two limitations. First, number porting is most common between wireline carriers. While some customers have disconnected their wireline connection and ported their wireline number to a wireless phone, this arrangement is an exception rather than the rule. Many customers merely disconnect their wireline connection, or chose not to order

one in the first place, and instead rely on the number assigned by their wireless provider. Therefore, while the presence of ported numbers demonstrates a carrier's presence in the exchange, the lack of ported numbers does not prove that the carrier is not present. The second limitation is AT&T Ohio's inability to distinguish between residence and business numbers in the ported number database. The quantities included on the Ported Numbers sheets therefore reflect both residence and business telephone numbers.

In summary, if a particular CLEC has not only accomplished the prerequisites of becoming certified, having tariffs approved by the Commission and entering into an interconnection agreement with AT&T Ohio, but has also incurred the cost of facilities to serve residential customers, indicated publicly that they are providing service and has entered the names, addresses and telephone numbers of residential customers into the directory white pages, the Commission can rest assured that the carrier is providing residential basic local exchange service in the exchange. Similarly for wireless carriers, the fact that they have incurred the costs of obtaining a license and facilities, entered into an interconnection agreement, indicated publicly that they provide service and perhaps ported some former AT&T Ohio telephone numbers onto their switch is strong evidence of the availability of service to residential customers in an exchange. Exhibit 3 demonstrates that AT&T Ohio passes the third prong of its proposed test in that each exchange contains two or more unaffiliated facilities-based alternative providers serving the residential market.

Exhibit 4 - Proposed Tariff Modifications

AT&T Ohio modified the structure of its tariff to implement the pricing flexibility rules set forth in division (A) of Section 4901:1-4-11 of the Commission's rules on January 2, 2007, as a result of Case No. 06-1013-TP-BLS. That restructuring included the appropriate tariff modifications for Lifeline service. The tariff modifications proposed in this case merely add the additional sixteen exchanges to the 176 exchanges represented in the Company's first nine cases.

Exhibit 5 - Proposed Legal Notice

AT&T Ohio's proposed legal notice notifying the public of the filing of the application is included in the application. That notice provides that objections can be filed with the Commission consistent with division (F) of Section 4901:1-4-09 of the Commission's rules. The public notice will be published within seven days of the filing of the application in the legal notice section of a newspaper of general circulation in each county corresponding to the exchanges for which BLES alternative regulation is being requested, pursuant to Section 4901:1-4-09(B)(5) of the Commission's rules. AT&T Ohio has conferred with the Commission staff regarding the content of the legal notice prior to commencing with the publication of the public notice, also in accordance with the applicable rule.

Conclusion

AT&T Ohio has complied with all aspects of the Commission's rules in preparing and filing its application. The Company has proposed a reasonable alternative competitive market test and demonstrated that the customers in the sixteen exchanges have competitive

options or reasonably available alternatives. Moreover, the Company has shown that the proposed alternative regulation is in the public interest and that there are no barriers to entry. Accordingly, AT&T Ohio requests that the Commission make the appropriate findings and grant the Company's application as filed.

Respectfully submitted,

AT&T OHIO

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bles.x.application.memo in support

Local Telephone Competition: Status as of December 31, 2007

Industry Analysis and Technology Division
Wireline Competition Bureau
September 2008



This report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, SW, Washington, DC. Copies may be purchased by contacting Best Copy and Printing, Inc., 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone (800) 378-3160, or via their website at www.bcpiweb.com. The report can also be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at www.fcc.gov/wcb/stats.

Local Telephone Competition: Status as of December 31, 2007

We present here summary statistics of the latest data on local telephone service competition in the United States as reported in the Commission's local competition and broadband data gathering program (FCC Form 477).¹ The summary statistics provide a snapshot of local telephone service competition based on switched access lines in service and state-specific mobile telephony service subscribers as of December 31, 2007.²

Twice a year, all incumbent local exchange carriers (incumbent LECs) and competitive local exchange carriers (CLECs) are required to report to the Commission basic information about their local telephone service, and all facilities-based mobile telephony providers are required to provide information about their subscribers. Prior to June 2005, the FCC collected data from carriers with at least 10,000 switched access lines, or mobile telephony subscribers, in service in a particular state. Small carriers, many of whom serve rural areas with relatively small populations, were therefore underrepresented in the earlier data.³ With the inclusion of these carriers, the number of incumbent LEC and CLEC holding companies and unaffiliated carriers reporting local telephone service information as of December 31, 2005 tripled, and the number of reporting facilities-based mobile telephony providers doubled.⁴

Based on the latest information now available, we summarize the following observations:

- End-user customers obtained local telephone service by utilizing approximately 129.7 million incumbent LEC switched access lines, 28.7 million CLEC switched access lines, and 249.2 million mobile telephony service subscriptions at the end of December 2007.⁵ See Tables 1 and 14.

¹ *Local Competition and Broadband Reporting*, CC Docket No. 99-301, Report and Order, 15 FCC Rcd 7717 (2000); *Local Telephone Competition and Broadband Reporting*, WC Docket No. 04-141, Report and Order, 19 FCC Rcd 22340 (2004). During this data gathering program, qualifying providers file FCC Form 477 each year on March 1 (reporting data for the preceding December 31) and September 1 (reporting data for June 30 of the same year). An updated FCC Form 477, and instructions for that particular form, for each specific round of the data collection may be downloaded from the FCC Forms website at www.fcc.gov/formpage.html.

² Statistical summaries of the earlier Form 477 data collections appeared in previous releases of the *Local Telephone Competition* report, available at www.fcc.gov/wcb/iatd/comp.html.

³ As of December 31, 2005, filers with fewer than 10,000 switched access lines in a state (including entities that previously filed on a voluntary basis) reported about 4.5 million lines (about 2.0 million incumbent LEC lines and about 2.5 million CLEC lines). By contrast, the data filed for December 2004 included about 0.6 million lines filed on a voluntary basis (about 0.2 million incumbent LEC lines and about 0.4 million CLEC lines). Mobile telephony service providers with fewer than 10,000 subscribers in a state reported about 364,000 subscribers as of December 31, 2005. Such filers reported (on a voluntary basis) about 69,000 subscribers a year earlier.

⁴ The nationwide number of CLEC holding companies and unaffiliated entities reporting local telephone service information increased from 149 to 382, and the number of incumbent LEC entities increased from 190 to 807. See Tables 3 and 4. The number of entities reporting mobile telephony subscribers increased from 76 to 155.

⁵ For this report, end-user switched access lines reported for the incumbent LEC operations of certain entities (i.e., AT&T Inc. and Verizon Communications Inc.) have been increased to reflect merger with a CLEC – to the extent the CLEC operated in the incumbent LEC's service territory – and lines reported for the CLEC operations of these (continued....)

- CLECs reported 28.7 million (or 18.1%) of the approximately 158.4 million nationwide end-user switched access lines in service at the end of December 2007, compared to 28.7 million (or 17.6%) of the 163.4 million lines reported six months earlier. See Table 1.
- About 42% of switched access lines in service to CLEC end users served residential customers at the end of December 2007, whereas about 63% of switched access lines in service to incumbent LEC end users served residential customers. See Table 2.
- CLECs reported providing 41% of their end-user switched access lines over their own local loop facilities,⁶ 37% by using unbundled network elements (UNEs) they leased from other carriers, and 22% through resale arrangements with unaffiliated carriers.⁷ See Table 3.
- Incumbent LECs reported providing about 11% fewer UNE loops with switching (referred to as the UNE-Platform) to unaffiliated carriers at the end of December 2007 than they reported six months earlier (5.5 million compared to 6.2 million) and about 4% fewer UNE loops without switching (4.1 million compared to 4.3 million). See Table 4.
- About 8.4 million end-user switched access lines were provided by CLECs over coaxial cable connections. These lines represent about 72% of the 11.7 million end-user switched access lines that CLECs reported providing over their own local loop facilities, about 29% of all end-user switched access lines that CLECs reported, about 70% of CLEC lines to residential end users, about 5% of total end-user switched access lines, and about 9% of total residential switched access lines. See Tables 2, 3, and 5.
- Incumbent LECs were the presubscribed interstate long distance carrier for 59% of the switched access lines they provided to end users, while CLECs were the interstate long distance carrier for 78% of their switched access lines. See Table 6.

(Continued from previous page) _____

entities have been decreased by the same amount. Such adjustments are necessary when the merged entity treats the former CLEC operations as a separate business unit, and files a separate Form 477 for that business unit.

⁶ Form 477 filers report that end-user switched access lines are provided over their own local loop facilities when the filer (including affiliates) owns the local loop to the end user's premises. Therefore, unbundled network elements (UNEs) or services for resale that a CLEC acquires from an incumbent LEC become own-facilities lines, for purposes of Form 477, if the two entities merge. As previously noted, such lines are treated as incumbent LEC lines in this report, rather than as CLEC lines.

⁷ CLEC "resale" lines should include lines that the CLEC provides by using special access lines or other facilities that it obtains from unaffiliated ILECs or CLECs as tariffed services or under commercial agreements.

- The Commission’s data collection program collates information about CLEC local telephone service lines (and the CLEC share of total local telephone service lines) in individual states. Relatively large numbers of CLEC lines are associated with the more populous states.⁸ With respect to the calculated CLEC share of switched access lines in service, however, some less populous states, such as Nebraska, New Hampshire, Rhode Island, and South Dakota had larger CLEC shares than some more populous states, such as California, Florida, and Illinois. See Tables 7 - 10.⁹
- Among the 50 states, only Alaska and Hawaii had fewer than 10 reporting CLECs. See Table 13.
- Mobile telephony service providers reported 249.2 million subscribers at the end of December 2007, which is 19.6 million, or 9%, more than a year earlier. About 7% of these subscribers were billed by mobile telephony service resellers.¹⁰ See Table 14.
- There was at least one CLEC serving customers in 81% of the nation’s Zip Codes at the end of December 2007. About 97% of United States households resided in those Zip Codes. Moreover, multiple carriers reported providing local telephone service in the major population centers of the country. See Table 15 - 17, and the map that follows Table 19.

As other information from FCC Form 477 becomes available, it will be routinely posted on the Commission’s Internet site. Note that, on June 12, 2008, the Commission adopted a Report and Order (FCC 08-89) that revises the Form 477 reporting requirements.¹¹ The changes will become effective upon review and approval by the Office of Management and Budget.

We invite users of the information presented in this statistical summary to provide suggestions for improved data collection and analysis by:

- Using the attached customer response form,
- E-mailing comments to James.Eisner@fcc.gov or Suzanne.Mendez@fcc.gov,
- Calling the Industry Analysis and Technology Division of the Wireline Competition Bureau at (202) 418-0940, or
- Participating in any formal proceedings undertaken by the Commission to solicit comments for improvement of FCC Form 477.

⁸ The largest numbers of CLEC lines are reported for California (3.0 million lines), New York (2.9 million lines), and Texas (1.9 million lines), the first, third, and second most populous states, respectively.

⁹ CLEC shares appearing in Table 8 are based on CLEC and ILEC lines in Tables 9 and 10.

¹⁰ The mobile “resale” percentage should not include any subscribers that the facilities-based provider serves on a pre-paid basis. For reporting purposes, a “facilities-based” mobile telephony service provider serves subscribers using spectrum licenses that it has obtained or manages.

¹¹ Development of Nationwide Broadband Data to Evaluate Reasonable and Timely Deployment of Advanced Services to All Americans, Improvement of Wireless Broadband Subscribership Data, and Development of Data on *Interconnected Voice over Internet Protocol (VoIP) Subscribership*, WC Docket No. 07-38, Report and Order, 23 FCC Rcd 9691 (2008).

Table 1
End-User Switched Access Lines Reported

Date	ILEC Lines	CLEC Lines	Total	CLEC Share
Dec 1999	181,202,853	8,194,243	189,397,096	4.3 %
Jun 2000	179,648,725	11,557,381	191,206,106	6.0
Dec 2000	177,561,022	14,871,409	192,432,431	7.7
Jun 2001	174,752,275	17,274,727	192,027,002	9.0
Dec 2001	171,917,359	19,653,441	191,570,800	10.3
Jun 2002	167,330,006	21,644,928	188,974,934	11.5
Dec 2002	164,386,452	24,863,691	189,250,143	13.1
Jun 2003	158,274,538	26,985,345	185,259,883	14.6
Dec 2003	153,157,843	29,775,438	182,933,281	16.3
Jun 2004	147,993,218	32,033,915	180,027,133	17.8
Dec 2004	144,809,899	32,880,812	177,690,711	18.5
Jun 2005	143,757,708	33,975,336	177,733,044	19.1
Dec 2005	143,773,101	31,387,839	175,160,940	17.9
Jun 2006	142,293,047	29,896,109	172,189,156	17.4
Dec 2006	138,833,928	28,625,971	167,459,899	17.1
Jun 2007	134,640,143	28,729,220	163,369,363	17.6
Dec 2007	129,720,167	28,716,591	158,436,758	18.1

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report. Some historical data have been revised.

Chart 1
End-User Switched Access Lines Reported
(Lines in Millions)

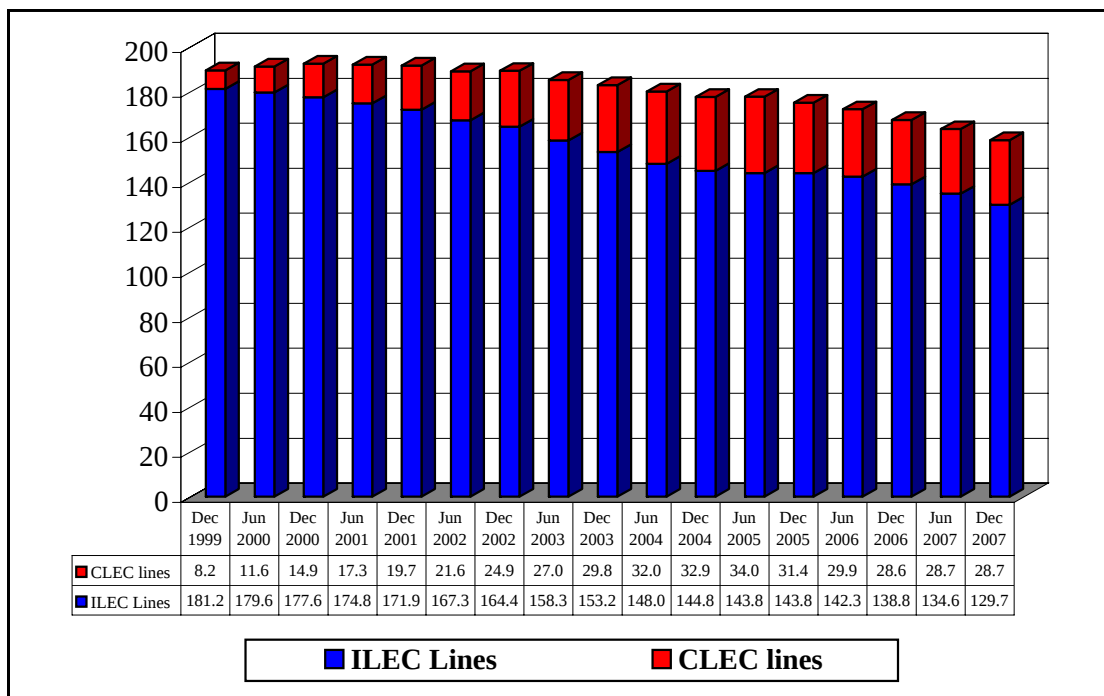


Table 2
End-User Switched Access Lines by Customer Type

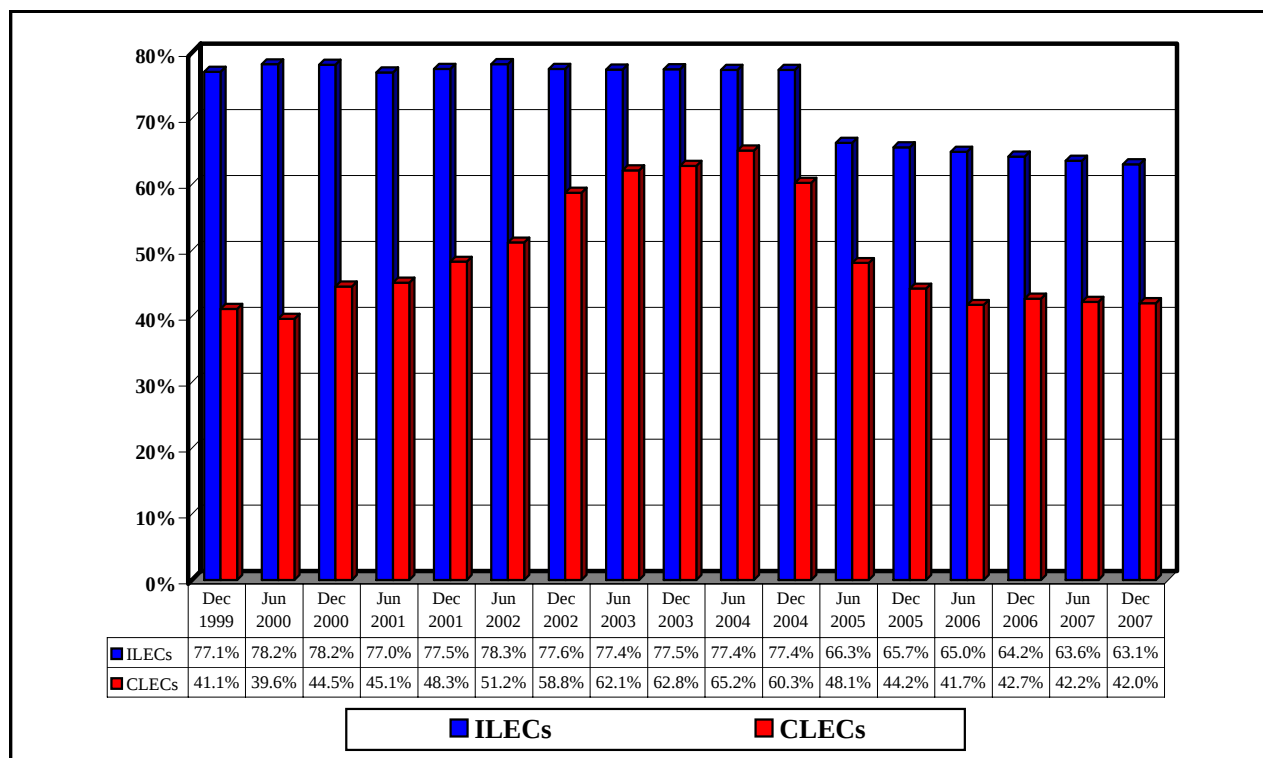
Date	Reporting ILECs			Reporting CLECs		
	Residential ¹	Business ²	% Residential	Residential ¹	Business ²	% Residential
Dec 1999	139,694,481	41,508,372	77.1 %	3,368,702	4,825,541	41.1 %
Jun 2000	140,566,144	39,082,581	78.2	4,579,501	6,977,880	39.6
Dec 2000	138,824,111	38,736,911	78.2	6,620,471	8,250,938	44.5
Jun 2001	134,530,884	40,221,391	77.0	7,793,071	9,481,656	45.1
Dec 2001	133,320,119	38,597,240	77.5	9,489,049	10,164,392	48.3
Jun 2002	130,937,328	36,392,678	78.3	11,080,676	10,564,252	51.2
Dec 2002	127,494,698	36,891,754	77.6	14,608,495	10,255,196	58.8
Jun 2003	122,573,530	35,701,008	77.4	16,770,561	10,214,784	62.1
Dec 2003	118,658,867	34,498,976	77.5	18,702,229	11,073,209	62.8
Jun 2004	114,533,368	33,459,850	77.4	20,871,756	11,162,159	65.2
Dec 2004	112,054,420	32,755,479	77.4	19,811,711	13,069,101	60.3
Jun 2005	95,315,689	48,442,019	66.3	16,338,117	17,637,219	48.1
Dec 2005	94,392,526	49,380,575	65.7	13,873,331	17,514,508	44.2
Jun 2006	92,453,320	49,839,727	65.0	12,474,434	17,421,675	41.7
Dec 2006	89,166,539	49,667,389	64.2	12,210,978	16,414,993	42.7
Jun 2007	85,633,336	49,006,807	63.6	12,117,114	16,612,106	42.2
Dec 2007	81,812,393	47,907,774	63.1	12,053,619	16,662,972	42.0

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report. Some historical data have been revised.

¹ Included small business lines through December 2004.

² Excluded small business lines through December 2004.

Chart 2
Percent of Lines That Serve Residential Customers ¹



¹ Included small business lines through December 2004.

Table 3
Reporting Competitive Local Exchange Carriers
(End-User Switched Access Lines in Thousands)

Date	CLECs Reporting	Total End-User Lines	Acquired from Other Carriers		CLEC-Owned Lines ²	Percent		
			Resold Lines	UNEs ¹		Resold	UNEs	CLEC-Owned
Dec 1999	81	8,194	3,513	1,959	2,723	42.9%	23.9%	33.2%
Jun 2000	78	11,557	4,315	3,201	4,042	37.3	27.7	35.0
Dec 2000	89	14,871	4,114	5,540	5,217	27.7	37.3	35.1
Jun 2001	91	17,275	3,919	7,580	5,776	22.7	43.9	33.4
Dec 2001	94	19,653	4,250	9,332	6,072	21.6	47.5	30.9
Jun 2002	96	21,645	4,478	10,930	6,236	20.7	50.5	28.8
Dec 2002	112	24,864	4,677	13,709	6,479	18.8	55.1	26.1
Jun 2003	125	26,985	4,887	15,728	6,370	18.1	58.3	23.6
Dec 2003	136	29,775	4,842	17,888	7,045	16.3	60.1	23.7
Jun 2004	137	32,034	4,927	19,624	7,483	15.4	61.3	23.4
Dec 2004	149	32,881	5,417	18,961	8,503	16.5	57.7	25.9
Jun 2005	326	33,975	5,826	19,025	9,124	17.1	56.0	26.9
Dec 2005	382	31,388	6,704	14,521	10,163	21.4	46.3	32.4
Jun 2006	400	29,896	6,548	12,547	10,802	21.9	42.0	36.1
Dec 2006	397	28,626	5,819	11,663	11,144	20.3	40.7	38.9
Jun 2007	406	28,729	6,193	11,511	11,025	21.6	40.1	38.4
Dec 2007	442	28,717	6,411	10,582	11,724	22.3	36.8	40.8

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report. Figures may not add to totals due to rounding. Some historical data have been revised.

¹ Includes unbundled network element (UNE) loops leased from an unaffiliated carrier on a stand-alone basis and also UNE loops leased in combination with UNE switching or any other unbundled network element.

² Lines provided over CLEC-owned "last-mile" facilities.

Chart 3
Competitive Local Exchange Carriers' End-User Lines

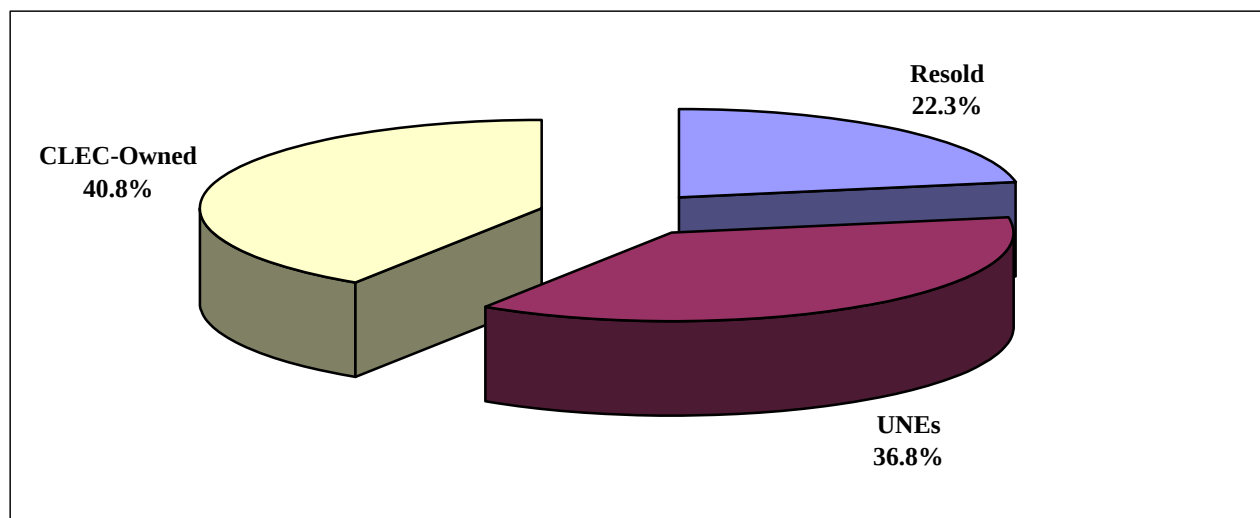


Table 4
Reporting Incumbent Local Exchange Carriers
(Switched Access Lines in Thousands)

Date ¹	ILECs Reporting	Total Lines	End-User Lines	Provided to Other Carriers					
				Resold Lines	UNEs			Total UNEs & Resold Lines	Percent of Total Lines
					Without Switching	With Switching	Total UNEs		
Dec 1997	9	159,008	157,132	1,743			133	1,876	1.2 %
Jun 1998	8	161,810	159,118	2,448			244	2,692	1.7
Dec 1998	7	164,614	161,191	3,062			361	3,423	2.1
Jun 1999	7	167,177	162,909	3,583			685	4,268	2.6
Dec 1999	168	187,190	181,203	4,494	1,004	489	1,493	5,987	3.2
Jun 2000	159	188,058	179,649	5,098	1,696	1,616	3,312	8,409	4.5
Dec 2000	166	188,223	177,561	5,388	2,436	2,838	5,274	10,662	5.7
Jun 2001	156	187,092	174,752	4,417	3,161	4,761	7,922	12,340	6.6
Dec 2001	164	185,391	171,917	4,014	3,679	5,781	9,460	13,474	7.3
Jun 2002	166	182,345	167,330	3,475	4,061	7,478	11,540	15,015	8.2
Dec 2002	174	181,616	164,386	2,743	4,259	10,227	14,487	17,229	9.5
Jun 2003	181	177,770	158,275	2,232	4,227	13,036	17,263	19,495	11.0
Dec 2003	185	174,453	153,158	1,833	4,287	15,176	19,463	21,296	12.2
Jun 2004	185	171,050	147,993	1,600	4,322	17,136	21,458	23,057	13.5
Dec 2004	190	167,063	144,810	1,490	4,217	16,546	20,763	22,253	13.3
Jun 2005	757	164,449	143,758	1,796	4,300	14,596	18,895	20,691	12.6
Dec 2005	807	160,881	143,773	1,793	4,469	10,846	15,315	17,108	10.6
Jun 2006	805	156,872	142,293	1,723	4,413	8,443	12,856	14,579	9.3
Dec 2006	814	151,958	138,834	1,613	4,408	7,103	11,511	13,124	8.6
Jun 2007	816	146,672	134,640	1,517	4,285	6,230	10,515	12,032	8.2
Dec 2007	806	140,839	129,720	1,460	4,125	5,534	9,659	11,119	7.9

Figures may not add to totals due to rounding. Some data for June 2007 have been revised.

¹ Data prior to December 1999 are from Common Carrier Bureau voluntary surveys. Only LECs with at least 10,000 lines in a state were required to report data for December 1999 through December 2004, after which all LECs are required to report.

Chart 4
ILEC Lines and the Percent Provided to Other Carriers

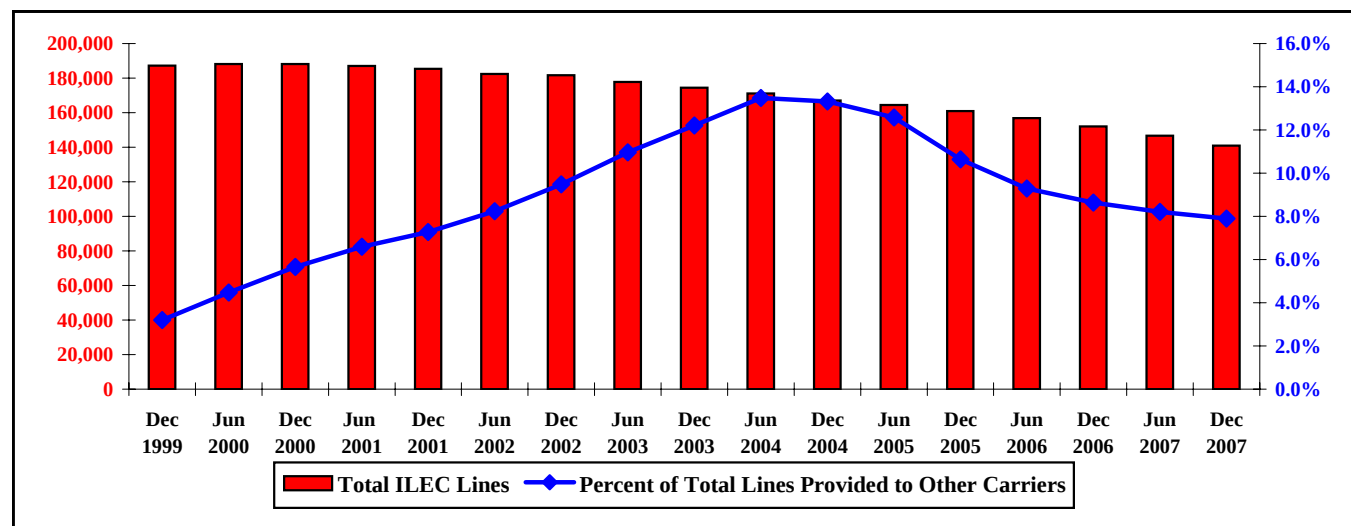


Table 5
Competitive Local Exchange Carrier Lines by Type of Technology
(End-User Switched Access Lines in Thousands)

Date	Coaxial Cable	Other Technologies	Total	Percent Coaxial Cable
Dec 1999	308	7,886	8,194	3.8 %
Jun 2000	614	10,943	11,557	5.3
Dec 2000	1,125	13,746	14,871	7.6
Jun 2001	1,876	15,399	17,275	10.9
Dec 2001	2,246	17,408	19,653	11.4
Jun 2002	2,597	19,048	21,645	12.0
Dec 2002	3,071	21,793	24,864	12.4
Jun 2003	3,123	23,863	26,985	11.6
Dec 2003	3,301	26,474	29,775	11.1
Jun 2004	3,338	28,696	32,034	10.4
Dec 2004	3,706	29,174	32,881	11.3
Jun 2005	4,571	29,404	33,975	13.5
Dec 2005	5,100	26,287	31,388	16.2
Jun 2006	6,070	23,826	29,896	20.3
Dec 2006	6,751	21,875	28,626	23.6
Jun 2007	7,730	21,000	28,729	26.9
Dec 2007	8,385	20,332	28,717	29.2

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report. Some historical data have been revised.

Chart 5
Competitive Local Exchange Carrier Lines by Type of Technology
(End-User Switched Access Lines in Thousands)

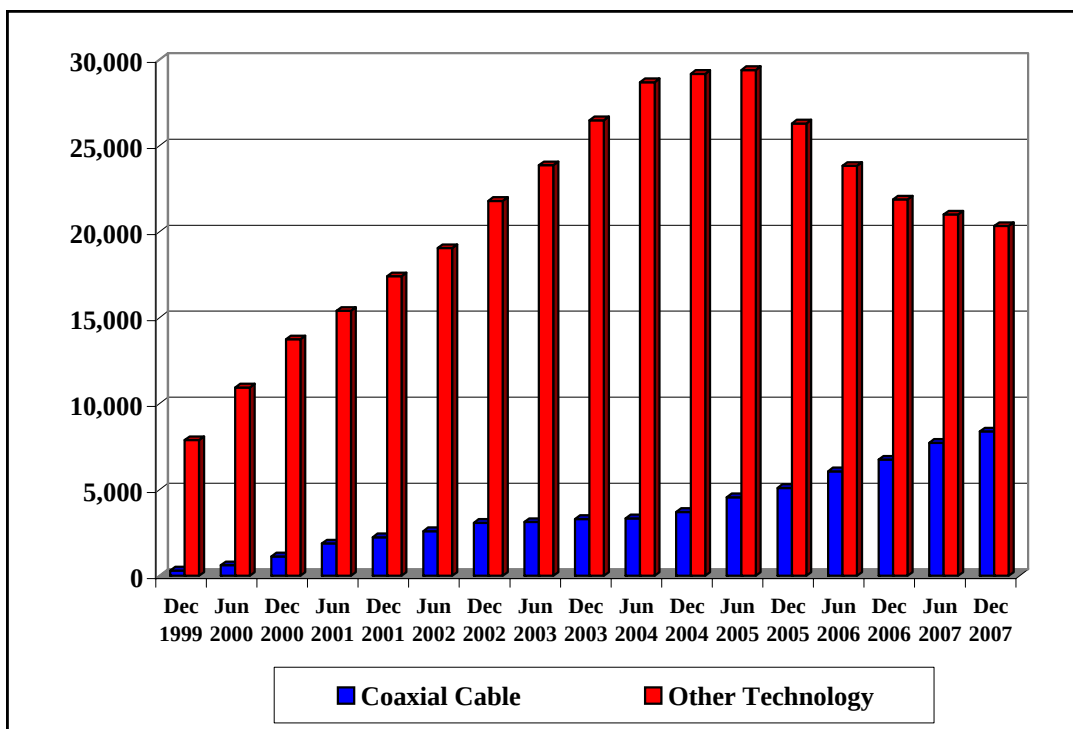


Table 6
Presubscribed Interstate Long Distance Lines
(In Thousands)

	December 31, 2007				
	RBOC	Other ILEC	ILEC Total	CLEC	Total
Residential					
Presubscribed	43,611	9,950	53,560	10,499	64,059
Not Presubscribed	22,507	5,745	28,252	1,555	29,807
All Lines	66,117	15,695	81,812	12,054	93,866
Percent Presubscribed	66%	63%	65%	87%	68%
Business					
Presubscribed	20,595	2,692	23,287	11,757	35,044
Not Presubscribed	21,003	3,618	24,621	4,906	29,807
All Lines	41,599	6,309	47,908	16,663	64,571
Percent Presubscribed	50%	43%	49%	71%	54%
Total					
Presubscribed	64,206	12,641	76,847	22,256	99,103
Not Presubscribed	43,510	9,363	52,873	6,460	59,334
All Lines	107,716	22,004	129,720	28,717	158,437
Percent Presubscribed	60%	57%	59%	78%	63%
	June 30, 2007				
	RBOC	Other ILEC	ILEC Total	CLEC	Total
Residential					
Presubscribed	45,677	9,919	55,596	10,423	66,019
Not Presubscribed	23,714	6,323	30,037	1,694	31,732
All Lines	69,391	16,242	85,633	12,117	97,750
Percent Presubscribed	66%	61%	65%	86%	68%
Business					
Presubscribed	20,750	2,705	23,454	11,879	35,333
Not Presubscribed	21,833	3,719	25,552	4,734	31,732
All Lines	42,583	6,424	49,007	16,612	65,619
Percent Presubscribed	49%	42%	48%	72%	54%
Total					
Presubscribed	66,427	12,624	79,051	22,301	101,352
Not Presubscribed	45,547	10,043	55,590	6,428	62,017
All Lines	111,974	22,666	134,640	28,729	163,369
Percent Presubscribed	59%	56%	59%	78%	62%

Figures may not add to totals due to rounding. Some data for June 2007 have been revised.

Table 7
End-User Switched Access Lines Served by Reporting Local Exchange Carriers
(As of December 31, 2007)

State	ILECs	CLECs	Total	CLEC Share
Alabama	1,990,748	315,229	2,305,977	14 %
Alaska	300,682	*	*	*
American Samoa	10,427	0	10,427	0
Arizona	2,033,910	1,070,962	3,104,872	34
Arkansas	1,098,282	179,492	1,277,774	14
California	17,864,058	2,984,085	20,848,143	14
Colorado	2,056,820	394,574	2,451,394	16
Connecticut	1,714,282	264,784	1,979,066	13
Delaware	413,943	84,588	498,531	17
District of Columbia	797,348	130,863	928,211	14
Florida	8,356,113	1,264,763	9,620,876	13
Georgia	3,823,945	725,125	4,549,070	16
Guam	65,532	*	*	*
Hawaii	541,030	103,498	644,528	16
Idaho	628,434	74,962	703,396	11
Illinois	5,772,625	913,317	6,685,942	14
Indiana	2,765,611	283,833	3,049,444	9
Iowa	1,199,854	268,858	1,468,712	18
Kansas	1,012,435	358,278	1,370,713	26
Kentucky	1,616,405	370,671	1,987,076	19
Louisiana	1,758,675	383,465	2,142,140	18
Maine	611,057	150,079	761,136	20
Maryland	2,886,157	475,200	3,361,357	14
Massachusetts	2,711,816	844,441	3,556,257	24
Michigan	3,895,173	892,684	4,787,857	19
Minnesota	2,078,200	612,880	2,691,080	23
Mississippi	1,035,350	112,407	1,147,757	10
Missouri	2,649,833	447,830	3,097,663	14
Montana	416,389	93,177	509,566	18
Nebraska	623,671	265,020	888,691	30
Nevada	1,106,314	306,513	1,412,827	22
New Hampshire	545,538	165,481	711,019	23
New Jersey	4,136,613	839,254	4,975,867	17
New Mexico	815,565	72,931	888,496	8
New York	7,067,751	2,940,611	10,008,362	29
North Carolina	3,846,867	887,960	4,734,827	19
North Dakota	253,392	70,767	324,159	22
Northern Mariana Isl.	18,437	0	18,437	0
Ohio	4,762,633	1,170,979	5,933,612	20
Oklahoma	1,321,982	445,128	1,767,110	25
Oregon	1,429,395	308,306	1,737,701	18
Pennsylvania	5,775,167	1,407,131	7,182,298	20
Puerto Rico	808,542	*	*	*
Rhode Island	312,110	289,737	601,847	48
South Carolina	1,798,294	369,062	2,167,356	17
South Dakota	268,279	119,051	387,330	31
Tennessee	2,537,205	510,117	3,047,322	17
Texas	9,329,202	1,943,573	11,272,775	17
Utah	843,787	211,581	1,055,368	20
Vermont	340,436	47,368	387,804	12
Virgin Islands	63,763	0	63,763	0
Virginia	3,540,075	1,034,298	4,574,373	23
Washington	2,643,115	427,850	3,070,965	14
West Virginia	780,154	132,252	912,406	14
Wisconsin	2,422,046	709,494	3,131,540	23
Wyoming	224,700	48,391	273,091	18
Nationwide	129,720,167	28,716,591	158,436,758	18 %

* Data withheld to maintain firm confidentiality.

Table 8
Competitive Local Exchange Carrier Share of End-User Switched Access Lines

State	2001		2002		2003		2004		2005		2006		2007	
	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec
Alabama	5 %	5 %	5 %	9 %	11 %	13 %	15 %	16 %	16 %	15 %	16 %	13 %	13 %	14 %
Alaska	*	*	*	*	*	*	*	*	*	*	26	*	*	*
American Samoa	NA	NA	NA	NA	NA	NA	NA	NA	0	0	0	0	0	0
Arizona	7	9	11	12	16	22	25	25	27	30	30	32	33	34
Arkansas	*	*	*	10	*	11	12	12	13	11	12	13	14	14
California	7	8	9	11	13	15	16	17	18	13	13	14	14	14
Colorado	10	13	14	15	16	17	17	16	17	20	19	17	17	16
Connecticut	7	7	9	9	10	10	11	13	14	11	12	12	13	13
Delaware	0	0	*	*	9	12	16	16	20	20	18	18	19	17
District of Columbia	12	13	16	14	16	17	19	19	20	17	14	14	14	14
Florida	7	7	9	13	13	14	16	16	16	17	15	13	13	13
Georgia	10	11	13	15	17	18	19	20	21	18	19	14	16	16
Guam	NA	NA	NA	NA	NA	NA	NA	NA	NA	0	0	0	0	*
Hawaii	*	*	*	*	*	*	*	*	6	7	9	11	13	16
Idaho	*	*	*	*	5	6	7	7	10	10	11	10	11	11
Illinois	13	15	17	19	19	20	21	22	20	15	15	15	14	14
Indiana	5	5	7	8	9	13	14	13	14	10	10	10	9	9
Iowa	11	12	12	13	13	13	14	14	14	14	15	16	17	18
Kansas	8	9	12	17	21	21	22	24	25	21	24	23	25	26
Kentucky	*	*	*	4	5	8	11	11	14	15	16	15	16	19
Louisiana	4	4	5	7	9	10	12	14	19	17	18	16	17	18
Maine	*	*	*	*	8	10	14	18	20	20	16	16	17	20
Maryland	6	4	6	7	10	14	16	18	18	18	16	15	15	14
Massachusetts	12	15	16	16	18	21	23	25	25	25	24	24	23	24
Michigan	9	13	18	21	22	25	26	26	25	19	18	17	18	19
Minnesota	11	13	14	17	17	19	20	21	21	24	23	22	24	23
Mississippi	4	3	2	6	7	9	10	10	14	12	13	10	10	10
Missouri	6	7	8	10	10	11	13	13	14	11	13	13	14	14
Montana	*	*	*	*	3	4	4	4	8	10	12	14	16	18
Nebraska	*	12	16	18	20	21	22	25	25	26	27	28	29	30
Nevada	10	*	*	11	9	10	11	11	13	13	17	15	24	22
New Hampshire	8	10	13	14	16	17	20	23	25	25	24	23	23	23
New Jersey	4	5	6	10	15	19	20	22	22	21	17	18	17	17
New Mexico	*	*	*	*	*	*	8	8	8	7	8	8	8	8
New York	23	25	25	24	27	28	30	30	30	31	27	27	28	29
North Carolina	6	6	6	8	9	9	11	13	13	15	16	16	18	19
North Dakota	*	*	*	*	*	8	8	7	20	19	20	21	21	22
Northern Mariana Isl.	NA	NA	NA	NA	NA	NA	NA	NA	NA	0	0	0	0	0
Ohio	4	5	7	9	11	14	15	15	15	15	15	16	18	20
Oklahoma	6	8	10	11	11	14	13	16	18	18	20	21	23	25
Oregon	5	7	7	9	8	12	13	16	13	19	16	17	18	18
Pennsylvania	13	14	15	16	17	19	20	22	23	23	20	19	20	20
Puerto Rico	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Rhode Island	10	16	18	21	25	28	32	35	40	42	43	46	47	48
South Carolina	4	3	5	7	9	9	10	11	13	13	15	14	16	17
South Dakota	*	*	*	*	14	18	*	*	30	33	33	30	30	31
Tennessee	8	8	7	9	10	11	14	15	16	17	18	15	16	17
Texas	14	16	16	17	18	18	19	19	19	16	16	17	16	17
Utah	11	13	13	15	19	20	23	24	23	22	24	21	22	20
Vermont	*	*	*	*	*	*	*	*	14	12	12	12	12	12
Virgin Islands	0	0	0	0	0	0	0	0	*	*	*	0	0	0
Virginia	9	11	12	12	14	17	20	21	21	22	21	22	22	23
Washington	6	8	9	10	10	11	13	14	14	14	14	14	15	14
West Virginia	*	*	*	*	*	*	*	11	12	12	12	13	13	14
Wisconsin	9	11	12	13	15	18	19	18	19	18	19	20	21	23
Wyoming	*	*	*	*	*	*	*	*	11	12	14	15	17	18
Nationwide	9 %	10 %	11 %	13 %	15 %	16 %	18 %	18 %	19 %	18 %	17 %	17 %	18 %	18 %

* Data withheld to maintain firm confidentiality. NA is an abbreviation for not applicable. Some historical data have been revised.

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report.

Table 9
End-User Switched Access Lines Served by Reporting Competitive Local Exchange Carriers

State	2001	2002	2003	2004	2005	2006		2007	
	Dec	Dec	Dec	Dec	Dec	Jun	Dec	Jun	Dec
Alabama	117,159	215,962	302,911	369,923	359,149	365,944	300,675	297,649	315,229
Alaska	*	*	*	*	*	116,432	*	*	*
American Samoa	0	0	0	0	0	0	0	0	0
Arizona	310,517	400,080	707,477	792,272	978,582	970,453	1,017,866	1,042,689	1,070,962
Arkansas	*	144,411	146,513	151,118	152,089	162,545	166,346	178,090	179,492
California	2,003,404	2,705,851	3,422,373	3,905,815	3,023,367	2,900,279	3,045,769	2,898,469	2,984,085
Colorado	391,257	482,014	505,772	473,193	590,821	528,727	452,270	425,205	394,574
Connecticut	187,450	236,462	242,643	300,221	251,351	261,681	261,499	260,817	264,784
Delaware	0	*	71,230	95,464	118,235	101,513	100,159	99,237	84,588
District of Columbia	126,461	160,174	180,680	211,752	172,671	144,600	143,615	137,088	130,863
Florida	866,809	1,509,299	1,576,562	1,818,671	1,868,560	1,617,538	1,339,771	1,298,169	1,264,763
Georgia	600,087	807,935	913,567	1,002,671	886,413	909,236	654,696	729,770	725,125
Guam	0	0	0	0	0	0	0	0	*
Hawaii	*	*	*	*	49,317	60,696	74,309	87,551	103,498
Idaho	*	*	46,858	47,442	75,951	80,698	76,063	78,053	74,962
Illinois	1,341,060	1,602,482	1,662,007	1,712,232	1,135,562	1,139,239	1,075,230	949,607	913,317
Indiana	205,845	284,532	457,657	472,491	359,622	338,113	335,322	292,751	283,833
Iowa	186,254	201,176	188,645	195,144	221,758	229,603	238,161	250,859	268,858
Kansas	145,659	258,312	310,032	335,946	301,121	346,533	327,099	349,366	358,278
Kentucky	*	92,483	162,391	220,362	306,370	337,467	313,256	327,737	370,671
Louisiana	93,107	188,652	229,051	323,623	365,473	394,199	357,862	363,022	383,465
Maine	*	*	78,050	143,207	163,818	134,610	122,984	135,213	150,079
Maryland	158,999	285,416	555,282	693,940	690,791	590,557	552,190	527,181	475,200
Massachusetts	669,209	750,473	973,607	1,089,437	1,036,974	978,953	928,137	865,351	844,441
Michigan	865,182	1,362,217	1,547,619	1,571,391	1,048,822	992,598	882,821	923,265	892,684
Minnesota	394,310	572,708	581,234	609,495	724,198	675,623	641,373	658,897	612,880
Mississippi	43,578	74,410	111,657	127,282	155,966	161,058	124,832	125,099	112,407
Missouri	262,947	336,895	362,346	411,039	368,561	425,768	402,764	436,388	447,830
Montana	*	*	18,616	20,401	52,014	61,726	71,746	82,330	93,177
Nebraska	144,229	177,698	199,498	216,723	237,496	244,058	248,839	257,518	265,020
Nevada	*	163,520	150,615	152,285	182,033	245,553	218,960	355,806	306,513
New Hampshire	85,549	125,893	142,385	192,674	209,366	195,539	182,196	171,449	165,481
New Jersey	330,005	697,176	1,235,977	1,394,412	1,282,857	993,630	977,119	896,827	839,254
New Mexico	*	*	*	76,443	65,123	76,512	75,169	76,701	72,931
New York	3,353,394	3,175,265	3,596,739	3,627,966	3,552,701	3,043,468	2,941,533	2,867,919	2,940,611
North Carolina	302,044	405,853	476,299	628,285	748,608	797,793	767,508	846,146	887,960
North Dakota	*	*	25,039	20,478	66,830	68,351	70,031	70,727	70,767
Northern Mariana Isl.	0	0	0	0	0	0	0	0	0
Ohio	352,811	652,104	946,303	963,330	953,386	963,094	962,245	1,068,758	1,170,979
Oklahoma	160,186	207,798	270,313	286,138	329,248	361,715	387,450	419,998	445,128
Oregon	153,084	183,319	249,696	317,675	375,380	305,519	317,921	325,293	308,306
Pennsylvania	1,186,897	1,405,894	1,585,025	1,828,160	1,891,822	1,572,224	1,437,452	1,520,708	1,407,131
Puerto Rico	*	*	*	*	*	*	*	*	*
Rhode Island	108,190	145,202	187,936	229,179	264,827	275,526	287,218	291,057	289,737
South Carolina	72,035	171,572	218,095	240,281	291,941	329,943	321,155	348,666	369,062
South Dakota	*	*	64,784	*	136,073	135,275	119,025	116,651	119,051
Tennessee	268,222	329,150	380,298	481,997	543,386	575,957	464,505	483,262	510,117
Texas	2,166,033	2,182,929	2,265,505	2,278,556	1,884,267	1,905,521	1,968,836	1,858,766	1,943,573
Utah	155,992	194,352	241,454	286,966	260,478	281,796	244,772	242,423	211,581
Vermont	*	*	*	*	51,405	49,094	47,827	47,415	47,368
Virgin Islands	0	0	0	0	*	*	0	0	0
Virginia	537,753	639,330	873,022	1,074,184	1,110,090	1,046,894	1,031,839	1,048,063	1,034,298
Washington	336,230	406,750	433,967	501,518	514,149	506,360	479,283	479,502	427,850
West Virginia	*	*	*	107,134	118,349	117,009	119,160	121,173	132,252
Wisconsin	367,195	477,915	603,492	593,293	588,388	611,912	652,562	683,624	709,494
Wyoming	*	*	*	*	34,004	39,443	43,552	46,164	48,391
Total	19,653,441	24,863,691	29,775,438	32,880,812	31,387,839	29,896,109	28,625,971	28,729,220	28,716,591

* Data withheld to maintain firm confidentiality.

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report. Some historical data have been revised.

Table 10
End-User Switched Access Lines Served by Reporting Incumbent Local Exchange Carriers

State	2001	2002	2003	2004	2005	2006		2007	
	Dec	Dec	Dec	Dec	Dec	Jun	Dec	Jun	Dec
Alabama	2,381,574	2,238,352	2,046,244	1,971,269	2,024,260	1,978,871	2,016,443	1,982,341	1,990,748
Alaska	338,941	327,183	316,233	299,899	326,374	324,892	321,138	317,632	300,682
American Samoa	0	0	0	0	10,838	11,008	10,737	10,705	10,427
Arizona	2,981,156	2,878,210	2,541,931	2,367,011	2,295,247	2,226,531	2,175,239	2,109,166	2,033,910
Arkansas	1,363,454	1,257,291	1,212,895	1,153,302	1,215,421	1,192,839	1,163,744	1,131,562	1,098,282
California	22,771,976	21,475,881	20,111,818	19,140,976	19,630,709	19,479,382	18,926,123	18,485,441	17,864,058
Colorado	2,727,654	2,642,166	2,496,330	2,403,583	2,337,733	2,276,358	2,206,511	2,133,138	2,056,820
Connecticut	2,329,716	2,266,558	2,172,574	2,045,255	1,962,233	1,928,048	1,848,934	1,784,922	1,714,282
Delaware	552,331	562,577	525,331	485,278	467,428	467,676	450,371	432,092	413,943
District of Columbia	865,008	976,228	901,056	892,860	871,773	891,832	854,986	832,308	797,348
Florida	11,019,972	10,406,129	9,975,073	9,539,410	9,209,755	9,013,194	8,974,705	8,707,976	8,356,113
Georgia	4,723,842	4,423,324	4,187,544	3,990,388	3,969,582	3,843,615	4,045,038	3,956,794	3,823,945
Guam	0	0	0	0	67,011	67,721	68,091	66,984	65,532
Hawaii	735,459	723,111	698,178	673,259	627,319	608,403	583,800	562,078	541,030
Idaho	706,991	700,089	678,088	659,009	672,447	666,382	664,163	651,097	628,434
Illinois	7,578,706	6,994,127	6,517,977	6,225,760	6,497,122	6,354,337	6,154,122	5,975,780	5,772,625
Indiana	3,637,893	3,459,873	3,188,863	3,056,392	3,111,533	3,079,875	2,971,103	2,874,513	2,765,611
Iowa	1,356,643	1,329,633	1,285,764	1,210,098	1,324,575	1,301,575	1,273,178	1,245,227	1,199,854
Kansas	1,397,937	1,236,051	1,149,527	1,067,801	1,122,549	1,100,313	1,073,934	1,046,251	1,012,435
Kentucky	2,173,958	2,100,313	1,910,272	1,772,039	1,768,140	1,731,842	1,725,176	1,684,001	1,616,405
Louisiana	2,440,988	2,353,620	2,146,036	2,000,230	1,832,399	1,800,472	1,825,156	1,801,337	1,758,675
Maine	764,536	797,973	737,751	661,288	663,772	692,360	669,004	649,459	611,057
Maryland	3,660,869	3,634,524	3,369,687	3,189,630	3,096,645	3,166,012	3,079,098	2,984,383	2,886,157
Massachusetts	3,931,469	3,914,218	3,565,171	3,321,129	3,102,061	3,075,544	2,927,081	2,829,937	2,711,816
Michigan	5,965,971	5,174,471	4,614,333	4,393,671	4,608,796	4,490,783	4,303,103	4,118,050	3,895,173
Minnesota	2,698,867	2,708,221	2,453,860	2,317,299	2,318,991	2,273,378	2,209,799	2,137,158	2,078,200
Mississippi	1,332,389	1,277,168	1,186,725	1,125,570	1,113,684	1,089,448	1,108,030	1,090,688	1,035,350
Missouri	3,328,130	3,145,872	2,997,347	2,852,641	2,907,056	2,841,990	2,777,895	2,722,229	2,649,833
Montana	521,550	509,979	490,505	471,621	472,596	460,058	445,368	434,740	416,389
Nebraska	1,030,125	828,394	736,105	665,963	681,113	661,351	643,858	627,976	623,671
Nevada	1,352,724	1,348,042	1,301,193	1,260,566	1,246,342	1,233,166	1,200,201	1,158,231	1,106,314
New Hampshire	758,515	743,300	703,594	653,880	624,329	624,466	597,625	575,471	545,538
New Jersey	6,482,459	6,200,678	5,425,840	4,972,805	4,714,621	4,784,134	4,543,272	4,354,251	4,136,613
New Mexico	965,946	965,816	919,450	879,539	892,715	876,787	859,647	834,387	815,565
New York	10,223,476	10,037,200	9,115,865	8,474,296	8,019,979	8,297,089	7,900,420	7,416,834	7,067,751
North Carolina	5,023,740	4,824,385	4,630,912	4,349,371	4,141,827	4,059,971	4,067,105	3,973,280	3,846,867
North Dakota	306,963	293,639	275,457	257,409	278,956	271,969	267,339	261,387	253,392
Northern Mariana Isl.	0	0	0	0	22,770	21,313	20,644	19,406	18,437
Ohio	6,967,603	6,405,570	5,889,260	5,581,862	5,574,685	5,367,588	5,167,995	4,973,233	4,762,633
Oklahoma	1,873,489	1,726,359	1,638,861	1,524,900	1,520,798	1,469,601	1,425,484	1,375,337	1,321,982
Oregon	2,043,164	1,955,544	1,813,627	1,697,357	1,643,476	1,627,341	1,561,802	1,501,815	1,429,395
Pennsylvania	7,524,072	7,394,441	6,922,904	6,498,790	6,299,554	6,385,263	6,174,592	5,953,091	5,775,167
Puerto Rico	1,288,439	1,276,493	1,178,707	1,072,456	1,020,878	1,035,002	993,726	916,442	808,542
Rhode Island	570,513	542,069	482,392	420,277	369,454	362,993	339,641	327,155	312,110
South Carolina	2,276,681	2,210,548	2,100,205	2,002,526	1,938,813	1,907,925	1,908,827	1,865,872	1,798,294
South Dakota	327,150	309,173	297,540	269,271	279,170	279,589	278,416	275,687	268,279
Tennessee	3,289,154	3,147,556	2,943,127	2,773,968	2,717,515	2,675,649	2,695,269	2,618,129	2,537,205
Texas	11,365,441	10,766,127	10,269,558	9,780,440	10,036,157	9,958,460	9,738,139	9,608,287	9,329,202
Utah	1,086,537	1,075,061	993,796	923,458	924,423	915,178	894,463	863,672	843,787
Vermont	388,399	395,441	376,390	361,751	363,874	369,731	362,375	355,423	340,436
Virgin Islands	70,784	71,894	71,284	70,888	70,038	69,272	68,269	67,321	63,763
Virginia	4,436,193	4,512,398	4,192,316	3,996,369	3,834,232	3,843,853	3,734,171	3,642,470	3,540,075
Washington	3,635,702	3,553,994	3,375,160	3,204,555	3,062,790	2,993,977	2,868,067	2,762,458	2,643,115
West Virginia	967,218	974,090	954,583	896,304	875,854	852,152	827,656	806,214	780,154
Wisconsin	3,121,462	3,063,426	2,834,559	2,699,412	2,739,056	2,669,652	2,604,820	2,515,546	2,422,046
Wyoming	253,430	251,672	238,045	234,818	251,633	244,836	238,035	232,779	224,700
Total	171,917,359	164,386,452	153,157,843	144,809,899	143,773,101	142,293,047	138,833,928	134,640,143	129,720,167

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report. Some data for June 2007 have been revised.

Table 11
CLEC-Reported End-User Switched Access Lines by State
(As of December 31, 2007)

State	Resold Lines	UNEs	CLEC-Owned	Total
Alabama	40,699	170,476	104,055	315,229
Alaska	*	*	*	*
American Samoa	0	0	0	0
Arizona	187,427	148,949	734,587	1,070,962
Arkansas	6,070	61,540	111,882	179,492
California	733,709	918,359	1,332,020	2,984,085
Colorado	125,734	189,732	79,108	394,574
Connecticut	42,890	91,993	129,901	264,784
Delaware	30,505	48,168	5,915	84,588
District of Columbia	56,448	28,502	45,915	130,863
Florida	428,868	613,307	222,589	1,264,763
Georgia	116,571	390,454	218,100	725,125
Guam	*	*	*	*
Hawaii	27,273	5,055	71,170	103,498
Idaho	23,154	35,723	16,085	74,962
Illinois	181,426	465,667	266,225	913,317
Indiana	28,808	155,089	99,936	283,833
Iowa	46,034	70,378	152,446	268,858
Kansas	14,217	119,224	224,837	358,278
Kentucky	51,342	116,338	202,990	370,671
Louisiana	39,947	105,071	238,449	383,465
Maine	29,873	51,913	68,294	150,079
Maryland	215,803	215,409	43,987	475,200
Massachusetts	319,024	265,521	259,895	844,441
Michigan	76,426	618,667	197,592	892,684
Minnesota	132,228	272,434	208,221	612,880
Mississippi	23,839	71,967	16,601	112,407
Missouri	30,772	166,296	250,763	447,830
Montana	7,748	14,905	70,524	93,177
Nebraska	*	*	206,954	265,020
Nevada	84,314	81,181	141,017	306,513
New Hampshire	43,260	82,113	40,108	165,481
New Jersey	488,763	247,347	103,147	839,254
New Mexico	29,219	25,781	17,932	72,931
New York	920,940	815,480	1,204,191	2,940,611
North Carolina	104,262	251,776	531,922	887,960
North Dakota	4,293	22,226	44,248	70,767
Northern Mariana Isl.	0	0	0	0
Ohio	119,184	349,435	702,363	1,170,979
Oklahoma	8,836	114,052	322,239	445,128
Oregon	50,182	213,878	44,248	308,306
Pennsylvania	430,640	599,645	376,848	1,407,131
Puerto Rico	*	*	*	*
Rhode Island	*	38,381	*	289,737
South Carolina	24,136	153,132	191,794	369,062
South Dakota	4,303	4,202	110,546	119,051
Tennessee	127,479	221,730	160,908	510,117
Texas	271,534	796,464	875,579	1,943,573
Utah	71,881	118,488	21,214	211,581
Vermont	*	21,963	*	47,368
Virgin Islands	0	0	0	0
Virginia	267,996	301,470	464,834	1,034,298
Washington	131,464	219,707	76,679	427,850
West Virginia	24,283	84,224	23,745	132,252
Wisconsin	26,396	339,036	344,067	709,494
Wyoming	2,470	12,285	33,636	48,391
Total	6,410,911	10,581,851	11,723,863	28,716,591

* Data withheld to maintain firm confidentiality.

Table 12
Percentage of Lines Provided to Residential Customers

State	ILECs		CLECs		Total	
	Jun 2007	Dec 2007	Jun 2007	Dec 2007	Jun 2007	Dec 2007
Alabama	70	70	38	40	66	65
Alaska	54	53	*	*	*	*
American Samoa	54	54	NA	NA	54	54
Arizona	63	63	63	63	63	63
Arkansas	67	67	40	41	63	63
California	60	60	45	44	58	57
Colorado	66	66	22	15	59	58
Connecticut	63	62	42	39	61	59
Delaware	63	62	27	25	56	56
District of Columbia	24	23	15	15	23	22
Florida	65	65	21	19	60	59
Georgia	61	61	31	30	57	56
Guam	53	52	NA	*	53	*
Hawaii	62	61	48	51	60	59
Idaho	68	67	24	25	63	62
Illinois	58	57	35	30	55	54
Indiana	66	66	32	31	63	62
Iowa	70	69	65	64	69	68
Kansas	62	61	62	63	62	61
Kentucky	67	66	64	65	66	66
Louisiana	64	63	54	58	63	63
Maine	75	75	48	52	70	70
Maryland	57	57	36	31	54	53
Massachusetts	61	60	33	28	54	53
Michigan	60	59	54	55	59	58
Minnesota	71	70	37	35	63	62
Mississippi	67	66	39	41	64	63
Missouri	68	67	53	55	66	65
Montana	67	67	63	64	67	67
Nebraska	57	58	60	58	58	58
Nevada	63	62	46	48	59	59
New Hampshire	72	72	24	19	61	60
New Jersey	60	59	31	26	55	54
New Mexico	69	69	24	20	65	65
New York	61	61	46	45	57	56
North Carolina	67	66	47	50	63	63
North Dakota	69	68	59	61	67	67
Northern Mariana Isl.	49	49	NA	NA	49	49
Ohio	66	65	61	62	65	65
Oklahoma	66	65	63	64	65	65
Oregon	72	71	13	13	61	61
Pennsylvania	69	68	24	23	60	60
Puerto Rico	79	84	*	*	*	*
Rhode Island	64	64	61	60	63	62
South Carolina	68	68	47	49	65	65
South Dakota	64	64	72	71	67	66
Tennessee	69	68	28	29	63	62
Texas	63	63	47	46	61	60
Utah	67	66	20	15	56	56
Vermont	74	73	12	11	67	66
Virgin Islands	69	68	NA	NA	69	68
Virginia	58	58	45	45	55	55
Washington	69	68	18	15	61	60
West Virginia	77	77	20	24	70	70
Wisconsin	63	62	59	61	62	62
Wyoming	58	57	76	78	61	60
Nationwide	64	63	42	42	60	59

* Data withheld to maintain firm confidentiality. NA is an abbreviation for not applicable. Some data for June 2007 have been revised.

Table 13
Number of Reporting Local Exchange Carriers
(As of December 31, 2007)

State	ILECs	CLECs	Total
Alabama	21	47	68
Alaska	16	4	20
American Samoa	1	0	1
Arizona	13	29	42
Arkansas	20	29	49
California	15	59	74
Colorado	22	32	54
Connecticut	2	23	25
Delaware	1	28	29
District of Columbia	1	28	29
Florida	11	80	91
Georgia	26	62	88
Guam	1	2	3
Hawaii	2	8	10
Idaho	21	22	43
Illinois	44	70	114
Indiana	30	51	81
Iowa	139	57	196
Kansas	37	45	82
Kentucky	17	55	72
Louisiana	11	40	51
Maine	9	22	31
Maryland	2	46	48
Massachusetts	4	43	47
Michigan	26	52	78
Minnesota	60	55	115
Mississippi	13	46	59
Missouri	35	43	78
Montana	14	24	38
Nebraska	32	27	59
Nevada	14	28	42
New Hampshire	7	25	32
New Jersey	3	60	63
New Mexico	16	23	39
New York	26	62	88
North Carolina	20	53	73
North Dakota	20	24	44
Northern Mariana Isl.	1	0	1
Ohio	35	54	89
Oklahoma	35	40	75
Oregon	28	36	64
Pennsylvania	24	56	80
Puerto Rico	1	2	3
Rhode Island	1	20	21
South Carolina	17	46	63
South Dakota	26	23	49
Tennessee	18	44	62
Texas	52	74	126
Utah	11	21	32
Vermont	8	15	23
Virgin Islands	1	0	1
Virginia	14	43	57
Washington	18	41	59
West Virginia	7	25	32
Wisconsin	45	50	95
Wyoming	11	16	27
Nationwide - Unduplicated	806	442	1,248

Each report represents all of a company's operations in a given state. Carriers with both ILEC and CLEC operations in the same state provide separate reports.

Table 14
Mobile Wireless Telephone Subscribers¹

State	Dec 2007		Subscribers							
	Carriers ¹	Percent Resold ²	2001	2002	2003	2004	2005	2006		2007
			Dec	Dec	Dec	Dec	Dec	Jun	Dec	Jun Dec
Alabama	12	6 %	1,979,075	1,987,254	2,242,108	2,580,810	3,104,664	3,275,933	3,374,701	3,605,490 3,765,194
Alaska	8	12	240,216	267,630	303,184	321,152	376,695	397,429	412,112	431,653 459,703
American Samoa	*	*	0	0	0	*	*	*	*	* *
Arizona	9	10	2,171,021	2,520,058	2,843,061	3,299,222	3,844,357	4,153,491	4,405,032	4,637,471 4,799,648
Arkansas	6	7	970,127	1,156,345	1,296,901	1,458,673	1,780,621	1,924,313	2,044,217	2,149,312 2,288,049
California	12	5	15,052,203	17,575,105	20,360,454	23,457,761	25,537,232	27,496,682	29,717,334	30,203,842 32,247,015
Colorado	10	10	2,145,816	2,358,748	2,554,731	2,808,195	3,246,994	3,428,381	3,608,209	3,756,215 3,967,902
Connecticut	4	6	1,639,914	1,694,110	1,928,988	2,181,133	2,463,249	2,582,367	2,705,023	2,786,594 2,883,780
Delaware	4	8	412,611	438,196	543,526	646,064	618,165	650,328	682,636	724,342 750,793
Dist. of Columbia	4	7	404,489	472,832	513,102	657,774	825,195	878,846	880,077	965,816 935,808
Florida	10	7	8,937,063	9,482,349	10,855,430	13,169,278	12,568,133	14,176,756	14,761,666	15,255,433 15,604,856
Georgia	10	6	4,149,717	4,497,576	4,940,091	5,730,223	6,079,022	6,865,466	7,281,724	7,598,387 7,940,514
Guam	*	*	*	*	*	*	*	*	*	* *
Hawaii	4	5	595,721	689,857	771,023	880,965	983,227	1,010,341	1,034,788	1,066,608 1,096,181
Idaho	17	8	444,864	536,064	605,488	705,948	834,219	901,455	972,825	1,018,617 1,078,387
Illinois	9	7	5,631,172	6,476,683	7,183,989	8,075,938	8,654,888	9,147,657	9,588,517	9,949,126 10,330,274
Indiana	10	11	1,921,356	2,390,567	2,642,810	3,158,002	3,715,504	3,972,560	4,271,412	4,448,186 4,675,372
Iowa	61	9	1,087,608	1,239,384	1,342,931	1,557,542	1,811,400	1,867,015	2,009,826	2,058,022 2,165,772
Kansas	11	12	956,050	1,117,277	1,261,242	1,454,087	1,794,268	1,905,342	2,046,542	2,133,399 2,261,455
Kentucky	10	10	1,405,043	1,456,705	1,812,657	2,189,345	2,662,278	2,820,938	2,966,195	3,101,267 3,241,920
Louisiana	8	7	1,920,740	2,190,613	2,470,146	2,834,716	3,191,583	3,355,503	3,492,358	3,611,553 3,764,592
Maine	6	16	427,313	466,896	568,159	662,623	746,141	786,811	844,537	882,039 940,914
Maryland	5	6	2,614,216	2,913,943	3,319,605	3,900,172	4,239,259	4,470,542	4,691,026	4,818,275 5,023,573
Massachusetts	5	6	2,996,816	3,375,726	3,741,975	4,042,592	4,727,742	4,916,500	5,128,860	5,289,432 5,469,503
Michigan	11	8	4,238,399	4,674,980	5,114,259	5,766,616	6,603,942	6,862,582	7,093,721	7,333,242 7,608,420
Minnesota	8	11	2,153,857	2,415,033	2,677,472	2,973,126	3,379,832	3,542,865	3,701,515	3,833,826 4,048,413
Mississippi	9	8	1,048,061	1,112,765	1,324,160	1,517,702	1,821,087	1,923,365	2,029,916	2,069,897 2,196,392
Missouri	11	8	2,106,599	2,289,831	2,691,255	3,109,167	3,853,072	4,067,585	4,322,458	4,480,384 4,673,889
Montana	7	7	279,349	315,512	373,947	*	525,003	575,034	619,620	650,381 693,507
Nebraska	10	5	791,799	867,810	937,184	1,045,810	1,160,062	1,198,714	1,272,067	1,325,131 1,387,022
Nevada	8	8	842,155	984,486	1,216,838	1,463,370	1,777,387	1,883,273	1,990,215	2,092,872 2,166,680
New Hampshire	6	11	492,390	525,689	648,788	727,985	849,344	896,661	943,330	973,105 1,022,406
New Jersey	4	5	4,283,643	4,587,640	5,799,417	7,388,722	6,616,560	6,953,528	7,207,018	7,419,289 7,654,173
New Mexico	9	10	660,849	780,855	859,408	987,813	1,170,186	1,252,770	1,333,210	1,415,726 1,489,120
New York	8	7	7,429,249	8,937,683	9,453,613	10,834,741	13,804,502	14,573,548	15,261,760	15,901,378 16,395,371
North Carolina	13	8	3,767,598	4,094,715	4,554,723	5,363,630	5,791,947	6,209,483	6,626,582	6,961,656 7,305,964
North Dakota	7	6	*	*	*	*	431,675	456,806	472,799	492,101 513,238
Northern Mariana Isl.	*	*	*	*	*	*	*	*	*	* *
Ohio	10	8	4,739,795	5,212,204	5,817,211	6,627,910	7,503,673	7,939,126	8,380,138	8,722,523 9,098,920
Oklahoma	14	9	1,288,357	1,440,970	1,614,191	1,760,122	2,188,590	2,317,197	2,479,877	2,571,878 2,706,620
Oregon	11	9	1,399,279	1,682,343	1,778,936	2,029,224	2,339,414	2,484,176	2,655,905	2,781,196 2,931,472
Pennsylvania	9	9	4,849,085	5,258,844	6,073,573	7,037,296	7,942,340	8,348,713	8,831,238	9,200,793 9,615,349
Puerto Rico	5	7	1,128,736	1,516,808	1,631,266	2,076,698	2,110,798	2,170,540	2,301,275	2,322,737 2,410,503
Rhode Island	4	8	456,059	515,547	567,331	607,489	749,091	765,355	797,603	828,969 848,249
South Carolina	12	8	1,752,457	1,896,369	2,149,480	2,369,252	2,783,511	3,000,861	3,208,504	3,339,733 3,500,297
South Dakota	9	6	278,646	325,114	365,211	428,513	481,404	513,850	547,812	569,513 596,562
Tennessee	10	8	2,510,978	2,674,566	2,974,512	3,531,286	4,417,140	4,730,704	5,126,510	4,970,756 5,245,513
Texas	27	6	9,156,187	10,133,280	11,327,700	13,092,007	15,644,066	16,927,880	17,822,230	18,792,225 19,646,758
Utah	11	8	919,002	1,052,522	1,154,992	1,345,205	1,529,501	1,649,265	1,774,755	1,874,345 1,970,501
Vermont	4	16	*	*	*	*	314,325	333,551	358,052	374,984 402,173
Virgin Islands	*	*	*	*	*	*	*	*	*	* *
Virginia	8	7	3,270,165	3,753,106	4,147,182	4,240,462	5,072,921	5,325,173	5,607,350	6,148,261 6,415,881
Washington	11	10	2,706,030	2,869,784	3,377,193	3,770,602	4,249,357	4,494,964	4,799,143	5,034,885 5,291,131
West Virginia	8	15	498,811	576,503	675,257	761,658	858,310	964,649	1,040,224	1,095,038 1,172,699
Wisconsin	10	9	2,229,389	2,396,562	2,723,985	2,997,029	3,366,332	3,517,283	3,509,528	3,641,432 3,841,745
Wyoming	10	9	194,665	191,939	295,706	302,203	342,008	358,668	387,164	410,464 441,161
Nationwide	177	7 %	123,990,857	138,878,293	157,042,082	181,105,135	203,667,474	217,418,404	229,619,397	238,315,850 249,235,715

* Data withheld to maintain firm confidentiality.

¹ For data through December 2004, only facilities-based wireless carriers with at least 10,000 mobile telephony subscribers per state were required to report data, and they were instructed to use billing addresses to determine subscriber counts by state. Starting with the June 2005 data, all facilities-based wireless carriers are required to report, and to use the area codes of telephone numbers provided to subscribers to determine subscriber counts by state.

² Percentage of mobile wireless subscribers receiving their service from a mobile wireless reseller.

Table 15
Percentage of Zip Codes with Competitive Local Exchange Carriers (CLECs)

Number of CLECs	2001	2002	2003	2004	2005		2006		2007	
	Dec	Dec	Dec	Dec	Jun	Dec	Jun	Dec	Jun	Dec
Zero	38.0 %	31.3 %	25.1 %	21.9 %	17.4 %	18.4 %	17.7 %	17.7 %	17.7 %	19.4 %
One	16.8	19.3	17.3	15.3	10.5	11.4	11.3	11.1	11.1	11.7
Two	10.0	10.4	10.4	11.6	7.6	7.6	7.8	8.2	8.3	8.3
Three	7.7	6.7	7.0	7.6	6.0	6.2	6.2	6.7	6.7	6.2
Four	6.1	6.3	5.3	5.7	4.8	4.7	5.0	5.2	5.4	5.0
Five	4.5	5.2	4.8	5.2	4.2	4.1	4.2	4.4	4.4	3.9
Six	3.8	4.4	4.7	4.4	3.4	3.6	3.5	3.8	3.8	3.5
Seven	2.9	3.5	4.1	4.2	3.1	3.3	3.2	3.2	3.4	3.3
Eight	2.2	2.9	3.7	3.7	3.1	2.9	2.9	3.0	2.8	2.9
Nine	2.1	2.6	3.2	3.2	2.8	2.7	2.8	2.7	2.9	2.6
Ten or More	5.9	7.3	14.4	17.3	36.9	35.0	35.3	34.0	33.5	33.1

Table 16
Percentage of Households in Zip Codes with Competitive Local Exchange Carriers

Number of CLECs	2001	2002	2003	2004	2005		2006		2007	
	Dec	Dec	Dec	Dec	Jun	Dec	Jun	Dec	Jun	Dec
Zero	8.8 %	5.8 %	3.8 %	3.1 %	2.2 %	2.4 %	2.3 %	2.4 %	2.4 %	2.8 %
One	8.5	8.2	6.0	4.6	2.1	2.3	2.4	2.5	2.4	2.6
Two	9.7	8.3	5.7	5.8	2.3	2.2	2.1	2.2	2.2	2.4
Three	10.8	7.0	5.7	4.7	2.2	2.3	2.2	2.4	2.3	2.5
Four	9.7	8.3	5.5	4.9	2.2	2.1	2.3	2.4	2.4	2.2
Five	8.8	8.4	5.7	6.1	2.2	2.2	2.0	2.4	2.5	2.2
Six	8.0	8.4	6.9	5.8	1.9	2.2	1.9	2.4	2.3	2.2
Seven	6.7	7.6	6.7	6.6	2.0	2.4	2.2	2.4	2.4	2.5
Eight	5.3	7.0	7.4	6.6	2.6	2.5	2.3	2.5	2.4	2.8
Nine	5.3	7.0	7.0	6.3	2.4	2.7	2.7	2.5	2.8	2.8
Ten or More	18.3	23.9	39.5	45.3	77.9	76.8	77.4	76.1	75.8	75.0

Demographic data are from Demographic Power Pack, Current Year Update (2000), MapInfo Corporation. Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report. Figures may not add to 100% due to rounding.

Table 17
Percentage of Zip Codes with Competitive Local Exchange Carriers as of December 31, 2007

State	Number of CLECs								
	Zero	One - Three	Four	Five	Six	Seven	Eight	Nine	Ten or More
Alabama	8 %	27 %	6 %	5 %	4 %	4 %	4 %	4 %	39 %
Alaska	84	15	0	0	0	0	0	0	0
Arizona	20	19	4	3	4	3	6	7	34
Arkansas	26	47	5	3	3	1	1	2	11
California	10	19	4	3	3	4	4	3	48
Colorado	29	20	3	2	3	3	3	3	33
Connecticut	4	38	7	7	6	8	6	7	17
Delaware	0	7	3	3	5	2	7	2	71
District of Columbia	0	12	0	0	0	0	0	0	88
Florida	1	9	2	3	4	4	4	3	71
Georgia	13	24	4	3	3	2	3	3	45
Hawaii	7	57	13	14	8	1	0	0	0
Idaho	43	31	6	2	2	2	3	1	8
Illinois	13	40	5	3	3	2	2	1	31
Indiana	13	33	8	5	4	4	3	3	27
Iowa	36	44	4	2	2	1	1	1	9
Kansas	39	26	5	4	3	3	2	2	16
Kentucky	15	37	8	6	5	4	4	4	18
Louisiana	7	27	4	4	3	6	4	4	40
Maine	14	37	13	10	7	4	2	3	11
Maryland	1	16	5	4	5	3	4	6	56
Massachusetts	1	7	2	4	3	3	3	5	74
Michigan	5	19	5	7	7	5	3	4	46
Minnesota	30	34	5	2	2	2	2	3	21
Mississippi	6	17	7	4	7	7	5	4	44
Missouri	37	28	4	4	2	2	2	1	20
Montana	60	24	5	2	3	0	1	1	5
Nebraska	64	20	3	2	2	2	1	1	6
Nevada	25	17	7	5	6	3	7	3	26
New Hampshire	1	25	9	4	5	10	8	5	32
New Jersey	0	3	2	3	1	2	2	3	84
New Mexico	42	30	5	2	2	3	4	1	10
New York	3	17	4	4	5	5	4	4	56
North Carolina	8	27	7	6	5	6	4	4	33
North Dakota	72	20	2	1	1	0	1	0	3
Ohio	7	31	7	7	5	6	4	2	30
Oklahoma	33	24	4	3	3	3	3	2	26
Oregon	28	28	4	4	4	3	3	3	23
Pennsylvania	17	24	5	3	4	3	2	3	39
Puerto Rico	2	98	0	0	0	0	0	0	0
Rhode Island	0	16	4	8	7	4	7	3	51
South Carolina	12	21	4	7	4	3	3	4	41
South Dakota	63	28	3	1	2	1	1	1	1
Tennessee	17	19	5	4	5	4	2	3	41
Texas	16	20	4	3	2	3	3	2	46
Utah	26	25	3	6	5	2	2	1	30
Vermont	16	45	10	8	6	5	2	2	6
Virginia	19	30	7	5	3	4	3	2	28
Washington	22	25	4	3	4	3	3	3	32
West Virginia	21	40	12	7	6	3	3	3	6
Wisconsin	32	34	5	2	2	2	2	1	21
Wyoming	46	35	4	1	1	4	4	2	4
Nationwide	19 %	26 %	5 %	4 %	3 %	3 %	3 %	3 %	33 %

Table 18
CLEC-Owned End-User Switched Access Lines Served by Reporting Competitive Local Exchange Carriers
(In Thousands)

State	2001		2002		2003		2004		2005		2006		2007	
	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec
Alabama	40	18	6	50	68	76	76	89	70	72	76	87	90	104
Alaska	*	*	*	*	*	*	*	*	*	*	*	*	*	*
American Samoa	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arizona	132	164	194	211	279	351	409	440	511	645	651	692	699	735
Arkansas	*	*	*	49	*	46	46	46	68	68	74	87	105	112
California	762	910	890	891	888	1,025	1,042	1,050	1,204	1,280	1,207	1,363	1,244	1,332
Colorado	151	172	183	207	200	163	155	155	161	273	193	148	110	79
Connecticut	78	91	97	105	104	104	111	122	136	113	125	130	133	130
Delaware	0	0	*	*	*	*	*	*	2	3	6	6	5	6
District of Columbia	70	80	74	67	69	71	72	81	110	61	49	51	41	46
Florida	372	260	302	344	309	331	364	418	320	434	332	304	220	223
Georgia	184	167	161	197	192	180	182	254	201	152	213	218	216	218
Guam	0	0	0	0	0	0	0	0	0	0	0	0	0	*
Hawaii	*	*	*	*	*	*	*	*	15	25	36	41	59	71
Idaho	*	*	*	*	*	*	*	*	12	24	27	18	13	16
Illinois	416	467	477	446	403	392	400	488	474	415	448	403	300	266
Indiana	59	76	76	72	69	79	91	92	94	90	112	114	89	100
Iowa	21	33	34	37	40	38	40	42	59	71	94	110	127	152
Kansas	18	25	26	46	56	64	76	102	135	133	172	180	207	225
Kentucky	*	*	*	50	28	79	83	91	95	34	131	143	160	203
Louisiana	24	21	24	38	53	77	93	100	160	153	178	191	208	238
Maine	*	*	*	*	2	2	20	27	47	52	48	45	54	68
Maryland	83	30	30	24	28	94	116	155	78	60	69	48	44	44
Massachusetts	277	317	310	366	363	375	390	420	428	394	406	378	292	260
Michigan	113	113	121	104	85	108	106	160	235	102	129	149	159	198
Minnesota	61	80	114	153	163	167	169	182	203	243	272	247	231	208
Mississippi	11	6	*	*	3	4	5	8	19	19	27	20	20	17
Missouri	51	37	50	70	54	50	55	89	129	142	207	206	236	251
Montana	*	*	*	*	13	14	15	16	20	30	39	50	59	71
Nebraska	*	91	103	115	125	130	135	142	168	181	184	192	196	207
Nevada	37	*	*	35	28	33	30	32	35	38	94	98	153	141
New Hampshire	29	43	45	59	60	63	65	76	84	80	71	60	47	40
New Jersey	95	71	88	88	89	92	105	156	144	177	118	145	117	103
New Mexico	*	*	*	*	*	*	15	15	15	11	23	25	19	18
New York	579	682	608	432	402	374	418	449	591	879	987	1,061	1,074	1,204
North Carolina	111	70	75	77	96	74	101	156	188	238	335	370	451	532
North Dakota	*	*	*	*	*	6	8	8	12	16	17	16	41	44
Northern Mariana Isl.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ohio	135	144	153	83	69	85	108	137	233	438	489	503	578	702
Oklahoma	77	89	115	114	111	174	138	178	188	205	238	265	298	322
Oregon	60	31	36	45	39	38	35	41	42	63	54	51	41	44
Pennsylvania	458	512	553	538	494	554	573	654	*	643	498	421	377	377
Puerto Rico	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Rhode Island	45	62	76	90	100	116	131	151	171	*	*	*	*	*
South Carolina	26	7	7	20	25	25	28	38	56	73	112	138	167	192
South Dakota	*	*	*	*	26	35	*	*	25	79	79	63	109	111
Tennessee	117	92	56	103	95	90	94	124	92	146	157	155	143	161
Texas	418	414	406	426	430	436	462	590	659	677	771	881	815	876
Utah	77	72	80	91	80	73	68	76	62	86	96	63	42	21
Vermont	*	*	*	*	*	*	*	*	*	11	15	*	*	*
Virgin Islands	0	0	0	0	0	0	0	0	*	*	*	0	0	0
Virginia	179	203	221	275	285	438	492	494	373	430	460	456	444	465
Washington	115	156	161	178	155	144	149	147	157	178	165	144	92	77
West Virginia	*	*	*	*	*	*	*	6	9	10	10	13	14	24
Wisconsin	54	51	56	46	45	47	58	37	284	139	190	234	291	344
Wyoming	*	*	*	*	*	*	*	*	2	9	17	24	30	34
Total	5,776	6,072	6,236	6,479	6,370	7,045	7,483	8,503	9,124	10,163	10,802	11,144	11,025	11,724

* Data withheld to maintain firm confidentiality. Some historical data have been revised.

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report.

Table 19
UNEs Acquired from Other Carriers
(In Thousands)

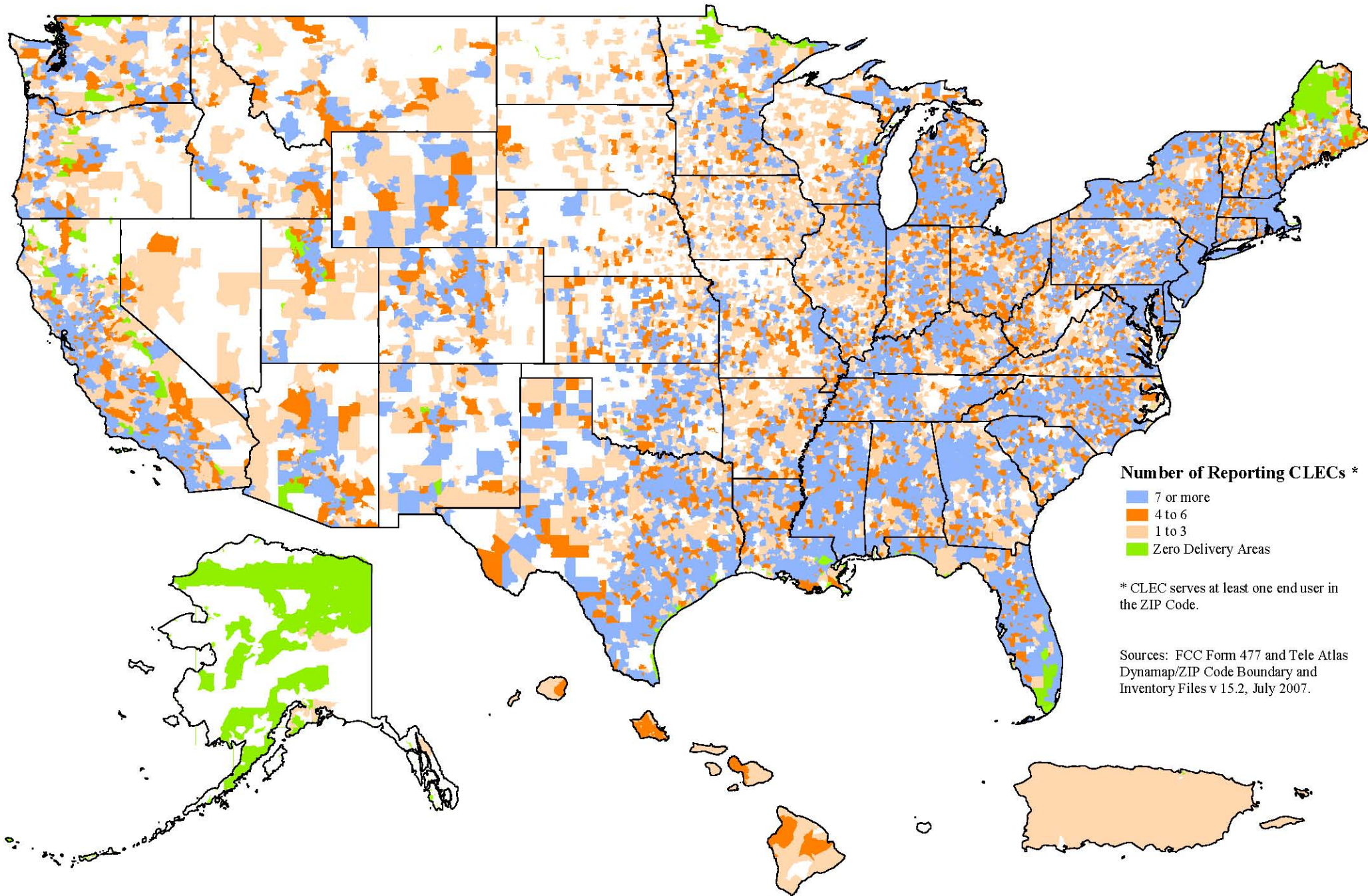
State	2001		2002		2003		2004		2005		2006		2007	
	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec
Alabama	52	*	89	140	173	137	207	201	217	192	211	189	175	170
Alaska	*	*	*	*	*	*	*	*	*	*	*	*	*	*
American Samoa	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arizona	54	68	80	78	123	234	268	228	171	161	167	169	170	149
Arkansas	*	*	*	94	*	*	110	98	100	77	84	76	69	62
California	575	603	746	1,281	1,555	1,852	2,148	2,245	1,999	1,189	960	906	979	918
Colorado	140	148	161	154	187	222	234	199	243	223	243	204	209	190
Connecticut	*	7	18	42	47	68	93	101	110	92	86	83	97	92
Delaware	0	0	*	*	47	34	52	52	101	74	60	60	58	48
District of Columbia	34	10	42	47	60	63	82	62	74	62	40	42	41	29
Florida	252	377	482	849	852	871	1,020	1,037	933	936	782	704	647	613
Georgia	202	326	418	455	536	555	642	566	559	491	482	381	411	390
Guam	0	0	0	0	0	0	0	0	0	0	0	0	0	*
Hawaii	*	*	*	*	*	*	*	*	4	5	5	5	5	5
Idaho	*	*	*	*	*	*	26	25	51	38	38	41	39	36
Illinois	435	568	734	933	1,024	1,119	1,121	1,016	955	643	614	580	528	466
Indiana	66	79	122	158	228	326	357	328	332	228	200	182	173	155
Iowa	*	140	138	144	137	135	144	138	114	105	93	82	77	70
Kansas	43	103	132	190	206	201	215	208	202	150	146	134	128	119
Kentucky	*	*	*	26	51	66	112	103	136	119	127	115	105	116
Louisiana	52	42	46	94	120	110	156	170	220	144	164	150	135	105
Maine	*	*	*	*	*	46	63	68	84	67	45	46	50	52
Maryland	50	58	119	174	264	362	390	431	514	336	253	255	243	215
Massachusetts	88	117	102	161	260	391	416	429	460	340	270	269	279	266
Michigan	240	628	986	1,154	1,208	1,360	1,388	1,310	1,163	915	829	700	710	619
Minnesota	219	223	242	308	260	293	310	295	306	348	281	266	280	272
Mississippi	15	16	18	61	82	72	98	80	118	99	102	90	88	72
Missouri	61	110	157	204	217	240	322	260	282	208	181	174	174	166
Montana	*	*	*	*	4	*	*	5	16	15	14	13	13	15
Nebraska	*	29	30	33	37	41	43	41	21	19	17	*	16	*
Nevada	107	*	*	92	76	87	66	65	122	114	123	97	99	81
New Hampshire	12	14	23	46	57	63	81	83	97	80	75	76	79	82
New Jersey	82	93	110	415	682	925	987	997	1,015	499	312	311	288	247
New Mexico	*	*	*	*	*	*	47	47	30	23	30	21	22	26
New York	1,929	2,084	2,044	2,147	2,366	2,652	2,554	2,495	2,455	1,482	931	847	799	815
North Carolina	97	118	140	191	228	246	334	315	251	304	300	297	298	252
North Dakota	*	*	*	*	*	17	*	12	43	45	45	46	25	22
Northern Mariana Isl.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ohio	103	121	278	469	584	736	759	662	652	449	405	372	385	349
Oklahoma	27	30	45	72	82	69	81	84	113	115	119	118	118	114
Oregon	31	75	75	99	93	166	191	219	164	264	202	218	229	214
Pennsylvania	494	516	589	612	666	776	899	907	1,100	878	693	665	699	600
Puerto Rico	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Rhode Island	13	26	19	44	54	59	71	66	72	53	47	43	40	38
South Carolina	49	*	66	98	127	114	133	151	179	169	173	166	160	153
South Dakota	*	*	*	*	20	29	*	*	71	52	26	24	5	4
Tennessee	115	128	130	153	180	216	316	261	287	255	295	250	224	222
Texas	1,186	1,440	1,542	1,468	1,548	1,546	1,596	1,387	1,376	1,030	963	865	838	796
Utah	46	48	39	49	79	97	141	131	157	122	134	135	135	118
Vermont	*	*	*	*	*	*	*	*	30	25	19	25	21	22
Virgin Islands	0	0	0	0	0	0	0	0	*	*	*	0	0	0
Virginia	146	272	244	288	377	354	415	421	559	396	305	319	325	301
Washington	59	94	114	118	118	183	256	240	259	249	251	246	259	220
West Virginia	*	*	*	*	*	*	*	89	94	76	77	78	81	84
Wisconsin	160	209	273	352	420	499	515	506	306	430	404	387	368	339
Wyoming	*	*	*	*	*	*	*	*	26	22	19	17	14	12
Total	7,580	9,332	10,930	13,709	15,728	17,888	19,624	18,961	19,025	14,521	12,547	11,663	11,511	10,582

* Data withheld to maintain firm confidentiality. Some data for June 2007 have been revised.

Only LECs with at least 10,000 lines in a state were required to report through December 2004. Beginning with the June 2005 data all LECs are required to report.

Reporting CLECs by 5-Digit Geographical ZIP Code

(As of December 31, 2007)



Customer Response

Publication: *Local Telephone Competition: Status as of December 31, 2007*

You can help us provide the best possible information to the public by completing this form and returning it to the Industry Analysis and Technology Division of the FCC's Wireline Competition Bureau.

1. Please check the category that best describes you:

☐ press
☐ current telecommunications carrier
☐ potential telecommunications carrier
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☐ consultant, law firm, lobbyist
☐ other business customer
☐ academic/student
☐ residential customer
☐ FCC employee
☐ other federal government employee
☐ state or local government employee
☐ Other (please specify)

2. Please rate the report: Excellent Good Satisfactory Poor No opinion

Data accuracy	()	()	()	()	()
Data presentation	()	()	()	()	()
Timeliness of data	()	()	()	()	()
Completeness of data	()	()	()	()	()
Text clarity	()	()	()	()	()
Completeness of text	()	()	()	()	()

3. Overall, how do you rate this report? Excellent Good Satisfactory Poor No opinion
- () () () () ()

4. How can this report be improved?

5. May we contact you to discuss possible improvements?

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Wireless Substitution: Early Release of Estimates From the National Health Interview Survey, July-December 2008

by Stephen J. Blumberg, Ph.D., and Julian V. Luke
Division of Health Interview Statistics, National Center for Health Statistics

Overview

Preliminary results from the July-December 2008 National Health Interview Survey (NHIS) indicate that the number of American homes with only wireless telephones continues to grow. More than one of every five American homes (20.2%) had only wireless telephones (also known as cellular telephones, cell phones, or mobile phones) during the second half of 2008, an increase of 2.7 percentage points since the first half of 2008. This is the largest 6-month increase observed since NHIS began collecting data on wireless-only households in 2003. In addition, one of every seven American homes (14.5%) received all or almost all calls on wireless telephones, despite having a landline telephone in the home. This report presents the most up-to-date estimates available from the federal government concerning the size and characteristics of these populations.

NHIS Early Release Program

This report is published as part of the NHIS Early Release Program. In May and December of each year, the Centers for Disease Control and Prevention's National Center for Health Statistics (NCHS) releases selected estimates of telephone coverage for the civilian, noninstitutionalized U.S. population based on data from NHIS, along with comparable estimates from NHIS for the previous 3 years. The estimates are based on in-person interviews that NHIS conducts continuously throughout the year to collect information on health status, health-related behaviors, and health care utilization. The survey also includes information about household telephones

and whether anyone in the household has a wireless telephone.

Two additional reports are published as part of the NHIS Early Release Program. *Early Release of Selected Estimates Based on Data From the National Health Interview Survey* is published quarterly and provides estimates for 15 selected measures of health. *Health Insurance Coverage: Early Release of Estimates From the National Health Interview Survey* is also published quarterly and provides additional estimates regarding health insurance coverage.

Methods

For many years, NHIS has included questions on residential telephone numbers, to permit recontacting of survey participants. Starting in 2003, additional questions

were asked, to determine whether the family's telephone number was a landline telephone. All survey respondents were also asked whether "you or anyone in your family has a working cellular telephone."

A "family" can be an individual or a group of two or more related persons living together in the same housing unit (a "household"). Thus, a family can consist of only one person, and more than one family can live in a household (including, for example, a household where there are multiple single-person families, as when unrelated roommates are living together).

In this report, families are identified as "wireless families" if anyone in the family had a working cellular telephone at the time of interview. This person (or persons) could be a civilian adult, a member of the military, or a child. Households are

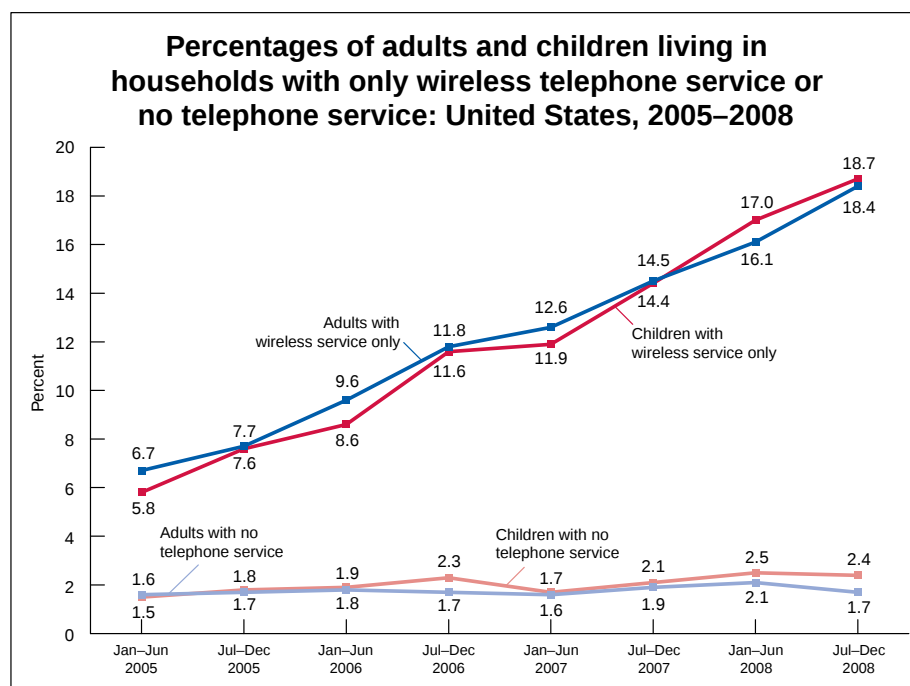


Figure 1



identified as “wireless-only” if they include at least one wireless family and if there are no working landline telephones inside the household. Persons are identified as wireless-only if they live in a wireless-only household. A similar approach is used to identify adults living in households with no telephone service (neither wireless nor landline). Household telephone status (rather than family telephone status) is used in this report because most telephone surveys draw samples of households rather than families.

From July through December 2008, information on household telephone status was obtained for 12,597 households that included at least one civilian adult or child. These households included 23,726 civilian adults aged 18 years and over and 8,635 children under age 18.

Analyses of demographic characteristics are based on data from the NHIS Person and Household files. Demographic data for all civilian adults living in interviewed households were used in these analyses. Estimates stratified by poverty status are based on reported income only. Household income was unknown for nearly 18% of adults.

Analyses of selected health measures are based on data from the NHIS Sample Adult file. Health-related data for one civilian adult randomly selected from each family were used in these analyses. From July through December 2008, data on household telephone status and selected health measures were collected from 9,841 randomly selected adults.

Because NHIS is conducted throughout the year and the sample is designed to yield a nationally representative sample each week, data can be analyzed quarterly. Weights are created for each calendar quarter of the NHIS sample. NHIS data weighting procedures are described in more detail in an NCHS published report ([Series Report No. 2, Vol. 130](#)). To provide access to the most recent information from NHIS, estimates using the July-

December 2008 data are being released prior to final data editing and final weighting. These estimates should be considered preliminary and may differ slightly from estimates using the final data files.

Point estimates and 95% confidence intervals were calculated using SUDAAN software, to account for the complex sample design of NHIS. Differences between percentages were evaluated by using two-sided significance tests at the 0.05 level. Terms such as “more likely” and “less likely” indicate a statistically significant difference. Lack of comment regarding the difference between any two estimates does not necessarily mean that the difference was tested and found to be not significant. Because of small sample sizes, estimates based on less than 1 year of data may have large variances, and caution should be used in interpreting these estimates.

Questionnaire Changes in 2007

From 2003 to 2006, families were considered to have landline telephone service if the survey respondent provided a telephone number, identified it as “the family’s phone number,” and said that it was not a cellular telephone number. If the family’s phone number was reported to be a cellular telephone number, the respondent was asked if there was “at least one phone inside your home that is currently working and is not a cell phone.”

In 2007, the questionnaire was changed so that the survey respondent for each family was asked if there was “at least one phone inside your home that is currently working and is not a cell phone,” unless the respondent indicated not having any phone when asked for a telephone number.

From 2003 to 2006, the questions about cellular telephones were asked at the end of the survey. Because of incomplete interviews, more than 10% of households were not asked about wireless telephones. In 2007, the questions were asked earlier in the

survey, resulting in fewer families with unknown wireless telephone status.

In 2007, a new question was added to the survey for persons living in families with both landline and cellular telephones. The respondent for the family was asked to consider all of the telephone calls that his or her family receives and to report whether “all or almost all calls are received on cell phones, some are received on cell phones and some on regular phones, or very few or none are received on cell phones.” This new question permits the identification of persons living in “wireless-mostly” households, defined as households with both landline and cellular telephones in which all families receive all or almost all calls on cell phones.

Finally, in 2007, the questionnaire was redesigned to improve the collection of income information. Initial evaluations suggest that the resulting poverty estimates are generally comparable with those from years 2006 and earlier. However, as a result of the changes, the poverty ratio variable has fewer missing values in 2007 and 2008 compared with prior years.

Telephone Status

In the last 6 months of 2008, more than one of every five households (20.2%) did not have a landline telephone but did have at least one wireless telephone ([Table 1](#)). Approximately 18.4% of all adults--more than 41 million adults--lived in households with only wireless telephones; 18.7% of all children--nearly 14 million children--lived in households with only wireless telephones.

The percentage of households that are wireless-only has been steadily increasing. In fact, the 2.7-percentage-point increase from the first 6 months of 2008 is the largest 6-month increase observed since NHIS began collecting data on wireless-only households in 2003.

The percentage of adults living in wireless-only households has also been



increasing steadily (see [Figure 1](#)). During the last 6 months of 2008, more than one of every six adults lived in wireless-only households. One year before that (that is, during the last 6 months of 2007), one of every seven adults lived in wireless-only households. And 2 years before that (that is, during the last 6 months of 2005), only 1 of every 13 adults lived in wireless-only households.

The percentages of adults and children living without any telephone service have remained relatively unchanged over the past 3 years. Approximately 1.9% of households had no telephone service (neither wireless nor landline). Nearly 4 million adults (1.7%) and 2 million children (2.4%) lived in these households.

Demographic Differences

The percentage of U.S. civilian, noninstitutionalized adults living in wireless-only households is shown by selected demographic characteristics and by survey time period in [Table 2](#). For the period July through December 2008,

- More than three in five adults living only with unrelated adult roommates (60.6%) were in households with only wireless telephones. This is the highest prevalence rate among the population subgroups examined.
- Nearly two in five adults renting their home (39.2%) had only wireless telephones. Adults renting their home were more likely than adults owning their home (9.9%) to be living in households with only wireless telephones.
- More than two in five adults aged 25-29 years (41.5%) lived in households with only wireless telephones. Approximately one-third (33.1%) of adults aged 18-24 years lived in households with only wireless telephones.
- As age increased from 30 years, the percentage of adults living in

households with only wireless telephones decreased: 21.6% for adults aged 30-44 years; 11.6% for adults aged 45-64 years; and 3.3% for adults aged 65 years and over. However, as shown in [Table 2](#) and [Figure 2](#), the percentage of wireless-only adults within each age group has increased over time.

- Men (20.0%) were more likely than women (17.0%) to be living in households with only wireless telephones.
- Adults living in poverty (30.9%) and adults living near poverty (23.8%) were more likely than higher income adults (16.0%) to be living in households with only wireless telephones.
- Adults living in the South (21.3%) and Midwest (20.8%) were more likely than adults living in the Northeast (11.4%) or West (17.2%) to be living in households with only wireless telephones.
- Non-Hispanic white adults (16.6%) were less likely than Hispanic adults (25.0%) or non-Hispanic black adults (21.4%) to be living in households with only wireless telephones.

Wireless-Mostly Households

Among households with both landline and cellular telephones, 24.4% received all or almost all calls on the cellular telephones, based on data for the period July through December 2008. These wireless-mostly households make up 14.5% of all households.

The percentage of adults living in wireless-mostly households has been increasing (see [Table 3](#)). During the last 6 months of 2008, approximately 35 million adults (15.4%) lived in wireless-mostly households. Although this prevalence estimate was not significantly different from the estimate for the first 6 months of 2008 (14.4%), it was significantly greater than the estimate for the first 6 months of 2007 (12.6%).

[Table 3](#) presents the percentage of adults living in wireless-mostly households by selected demographic characteristics and by survey time period. For the period July through December 2008,

- Adults with college degrees (18.0%) were more likely to be living in wireless-mostly households than

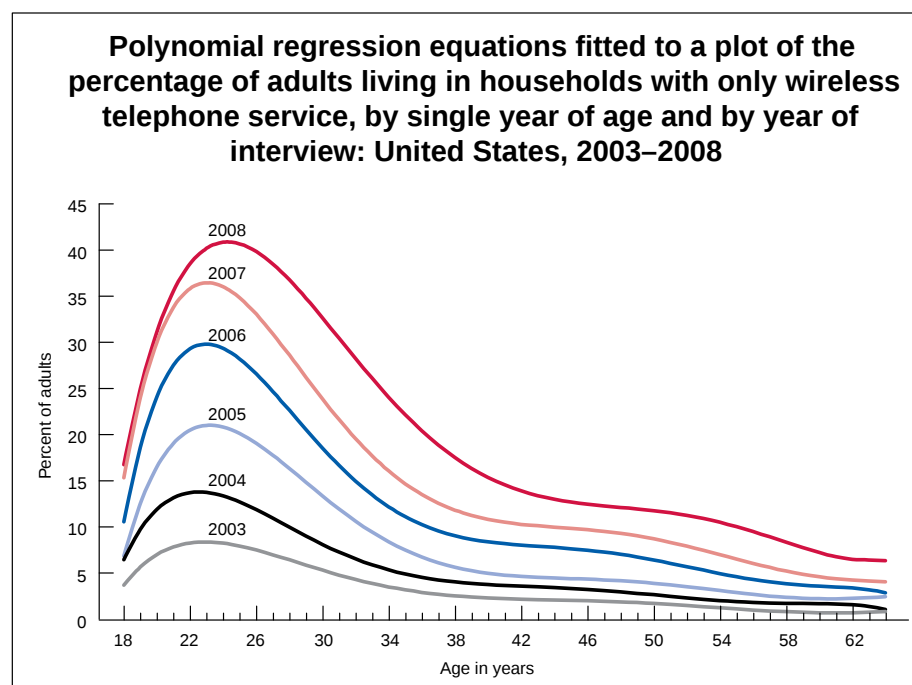


Figure 2



were high school graduates (13.2%) or adults with less education (9.8%).

- Adults living with children (19.2%) were more likely than adults living alone (12.2%) or with only adult relatives (13.2%) to be living in wireless-mostly households.
- Adults living in poverty (9.5%) and adults living near poverty (11.3%) were less likely than higher income adults (18.2%) to be living in wireless-mostly households.
- Adults living in metropolitan areas (15.8%) were more likely to be living in wireless-mostly households than were adults living in more rural areas (13.4%).

Selected Health Measures by Household Telephone Status

Most major survey research organizations, including NCHS, do not include wireless telephone numbers when conducting random-digit-dial telephone surveys. Therefore, the inability to reach households with only wireless telephones (or with no telephone service) has potential implications for results from health surveys, political polls, and other research conducted using random-digit-dial telephone surveys. Coverage bias may exist if there are differences between persons with and without landline telephones for the substantive variables of interest.

The NHIS Early Release Program updates and releases estimates for 15 key adult health indicators every 3 months. **Table 4** presents estimates by household telephone status (landline, wireless-only, or without any telephone service) for all but two of these measures. ("Pneumococcal vaccination" and "personal care needs" were not included because these indicators are limited to adults aged 65 years and over.) For the period July through December 2008,

- The prevalence of binge drinking (i.e., having five or more alcoholic drinks in 1 day during the past year)

among wireless-only adults (36.7%) was nearly twice as high as the prevalence among adults living in landline households (19.7%). Wireless-only adults were also more likely to be current smokers than were adults living in landline households.

- Compared with adults living in landline households, wireless-only adults were more likely to report that their health status was excellent or very good, were more likely to engage in regular leisure-time physical activity, and were less likely to have ever been diagnosed with diabetes.
- The percentage without health insurance coverage at the time of the interview among wireless-only nonelderly adults (27.5%) was considerably higher than the percentage among nonelderly adults living in landline households (16.4%).
- Compared with adults living in landline households, wireless-only adults were more likely to have experienced financial barriers to obtaining needed health care, and they were less likely to have a usual place to go for medical care. Wireless-only adults were also less likely to have received an influenza vaccination during the previous year.
- Wireless-only adults (47.0%) were more likely than adults living in landline households (37.1%) to have ever been tested for HIV, the virus that causes AIDS.

Conclusions

The potential for bias due to undercoverage remains a real and growing threat to surveys conducted only on landline telephones. For more information about the potential implications for health surveys that are based on landline telephone interviews, see

- Blumberg SJ, Luke JV. Coverage bias in traditional telephone surveys

of low-income and young adults. Public Opin Q 71:734-49. 2007.

- Blumberg SJ, Luke JV, Cynamon ML. Telephone coverage and health survey estimates: Evaluating the need for concern about wireless substitution. Am J Public Health 96:926-31. 2006.
- Blumberg SJ, Luke JV, Cynamon ML, Frankel MR. Recent trends in household telephone coverage in the United States. In: Lepkowski JM et al., eds., *Advances in telephone survey methodology*. New York: John Wiley and Sons, 56-86. 2008.

The potential for bias may differ from one state to another because the prevalence of wireless-only households varies substantially across states. For more information about state-level prevalence estimates from the 2007 NHIS, see

- Blumberg SJ, Luke JV, Davidson G, Davern ME, Yu T, Soderberg K. Wireless substitution: State-level estimates from the National Health Interview Survey, January-December 2007. National health statistics report; no 14. Hyattsville, MD: National Center for Health Statistics. 2009.

For More Information

For more information about the National Health Interview Survey and the NHIS Early Release Program, or to find other Early Release reports, please see the following websites:

- <http://www.cdc.gov/nchs/nhis.htm>
- <http://www.cdc.gov/nchs/about/major/nhis/releases.htm>

Suggested Citation

Blumberg SJ, Luke JV. Wireless substitution: Early release of estimates from the National Health Interview Survey, July-December 2008. National Center for Health Statistics. May 2009. Available from: <http://www.cdc.gov/nchs/nhis.htm>.

Table 1. Percent distribution of household telephone status, by date of interview, for households, adults, and children: United States, January 2005-December 2008

Date of interview		Household telephone status						Total
		Landline households with a wireless telephone	Landline households without a wireless telephone	Landline households with unknown wireless telephone status	Nonlandline households with unknown wireless telephone status	Wireless-only households	Phoneless households	
	Number of households (unweighted)	Percent of households						
January-June 2005	18,301	42.4	34.4	13.2	0.8	7.3	1.9	100.0
July-December 2005	20,088	42.6	32.4	13.8	0.8	8.4	1.9	100.0
January-June 2006	16,009	45.6	30.9	10.3	0.7	10.5	2.0	100.0
July-December 2006	13,056	44.3	29.6	10.2	0.8	12.8	2.2	100.0
January-June 2007 ¹	15,996	58.9	23.8	1.7	0.1	13.6	1.9	100.0
July-December 2007	13,083	58.8	21.8	1.3	0.1	15.8	2.2	100.0
January-June 2008	16,070	58.5	20.6	0.9	0.0	17.5	2.5	100.0
July-December 2008	12,597	59.6	17.4	0.9	0.0	20.2	1.9	100.0
95% confidence interval ²		57.96 - 61.15	16.22 - 18.57	0.68 - 1.23	0.01 - 0.11	18.84 - 21.69	1.64 - 2.18	
	Number of adults (unweighted)	Percent of adults						
January-June 2005	34,047	46.1	31.5	13.5	0.7	6.7	1.6	100.0
July-December 2005	37,622	46.4	29.7	13.9	0.7	7.7	1.7	100.0
January-June 2006	29,842	49.5	28.2	10.4	0.6	9.6	1.8	100.0
July-December 2006	24,473	48.1	27.3	10.5	0.7	11.8	1.7	100.0
January-June 2007 ¹	29,982	63.3	20.8	1.7	0.1	12.6	1.6	100.0
July-December 2007	24,514	63.2	19.1	1.2	0.1	14.5	1.9	100.0
January-June 2008	30,150	63.0	17.9	0.8	0.0	16.1	2.1	100.0
July-December 2008	23,726	63.7	15.1	1.0	0.0	18.4	1.7	100.0
95% confidence interval ²		62.09 - 65.32	13.99 - 16.29	0.73 - 1.31	0.01 - 0.12	17.13 - 19.84	1.47 - 2.03	

See footnotes at end of table.

Date of interview	Number of children (unweighted)	Household telephone status						Total
		Landline households with a wireless telephone	Landline households without a wireless telephone	Landline households with unknown wireless telephone status	Nonlandline households with unknown wireless telephone status	Wireless-only households	Phoneless households	
		Percent of children						
January-June 2005	12,903	49.3	27.0	15.8	0.7	5.8	1.5	100.0
July-December 2005	13,883	50.5	23.9	15.2	0.9	7.6	1.8	100.0
January-June 2006	11,670	53.4	23.8	11.5	0.9	8.6	1.9	100.0
July-December 2006	9,165	51.9	21.5	11.9	0.9	11.6	2.3	100.0
January-June 2007 ¹	11,532	68.3	16.4	1.6	0.0	11.9	1.7	100.0
July-December 2007	9,122	68.5	13.8	1.1	0.0	14.4	2.1	100.0
January-June 2008	11,238	67.3	12.6	0.6	0.0	17.0	2.5	100.0
July-December 2008	8,635	67.1	11.1	0.7	0.0	18.7	2.4	100.0
95% confidence interval ²		64.87 - 69.24	9.81 - 12.60	0.43 - 1.05	0.00 - 0.10	17.05 - 20.54	1.72 - 3.21	

0.0 means quantity is more than zero but less than 0.05.

¹ Questionnaire changes that occurred in 2007 should be considered when evaluating recent trends in household telephone status. See text for more information about these changes.

² Confidence intervals refer to the time period July through December 2008.

DATA SOURCE: *National Health Interview Survey, January 2005-December 2008*. Data are based on household interviews of a sample of the civilian, noninstitutionalized population.



Table 2. Percentage of adults living in wireless-only households, by selected demographic characteristics and by calendar half-years: United States, January 2005-December 2008

Demographic characteristic	Calendar half-year								95% confidence interval ²
	Jan – Jun 2005	Jul – Dec 2005	Jan – Jun 2006	Jul – Dec 2006	Jan – Jun 2007 ¹	Jul – Dec 2007	Jan – Jun 2008	Jul – Dec 2008	
	Percent								
Race/ethnicity									
Hispanic or Latino, any race(s)	8.5	11.2	11.2	15.3	18.0	19.3	21.6	25.0	22.70 - 27.48
Non-Hispanic white, single race	6.5	6.9	9.0	10.8	11.3	12.9	14.6	16.6	15.20 - 18.17
Non-Hispanic black, single race	6.6	8.5	10.5	12.8	14.3	18.3	18.5	21.4	18.81 - 24.15
Non-Hispanic Asian, single race	5.3	6.7	10.2	11.8	10.6	12.1	16.5	17.8	14.21 - 22.18
Non-Hispanic other single race	*11.1	*8.0	9.8	17.2	22.8	17.5	12.8	17.3	10.73 - 26.68
Non-Hispanic multiple race	8.1	11.5	15.4	14.6	17.3	22.8	22.3	22.5	16.33 - 30.26
Age									
18-24 years	16.6	17.5	22.6	25.2	27.9	30.6	31.4	33.1	29.33 - 37.16
25-29 years	16.5	19.8	22.3	29.1	30.6	34.5	35.7	41.5	38.34 - 44.67
30-44 years	6.5	7.8	9.4	12.4	12.6	15.5	19.1	21.6	19.87 - 23.40
45-64 years	3.2	3.7	5.3	6.1	7.1	8.0	9.2	11.6	10.50 - 12.76
65 years and over	0.9	1.2	1.3	1.9	2.0	2.2	2.8	3.3	2.68 - 3.98
Sex									
Male	7.5	8.6	10.7	13.1	13.8	15.9	18.0	20.0	18.53 - 21.59
Female	6.0	6.9	8.5	10.5	11.5	13.2	14.4	17.0	15.71 - 18.32
Education									
Some high school or less	6.7	8.0	8.3	12.9	14.6	15.4	16.1	18.8	16.90 - 20.79
High school graduate or GED ³	6.9	7.6	9.6	10.6	11.8	13.4	15.2	17.8	16.19 - 19.52
Some post-high school, no degree	8.2	9.4	11.9	14.4	14.7	17.0	19.0	20.1	18.35 - 22.02
4-year college degree or higher	5.5	6.3	8.5	10.1	10.8	12.7	14.3	17.7	15.48 - 20.16
Employment status last week									
Working at a job or business	8.0	9.2	11.6	13.9	15.0	16.6	19.0	21.5	19.96 - 23.21
Keeping house	5.1	6.1	7.1	8.6	9.5	12.8	12.6	16.0	13.86 - 18.50
Going to school	10.8	15.5	17.3	20.4	21.3	28.9	21.5	23.5	17.98 - 30.21
Something else (incl. unemployed)	3.6	3.7	4.2	6.2	6.4	7.6	8.9	11.0	9.77 - 12.26

See footnotes at end of table.



Demographic characteristic	Calendar half-year								95% confidence interval ²
	Jan – Jun 2005	Jul – Dec 2005	Jan – Jun 2006	Jul – Dec 2006	Jan – Jun 2007 ¹	Jul – Dec 2007	Jan – Jun 2008	Jul – Dec 2008	
Percent									
Household structure									
Adult living alone	11.2	12.3	16.2	18.2	20.3	22.9	24.6	28.1	25.69 - 30.75
Unrelated adults, no children	36.0	33.6	44.2	54.0	55.3	56.9	63.1	60.6	48.32 - 71.72
Related adults, no children	5.3	5.9	7.1	8.5	9.8	11.0	12.5	14.7	13.21 - 16.38
Adult(s) with children	5.4	7.0	8.6	10.5	11.3	13.0	15.1	17.2	15.69 - 18.95
Household poverty status ⁴									
Poor	11.8	14.2	15.8	22.4	21.6	27.4	26.0	30.9	27.59 - 34.48
Near poor	10.8	12.7	14.4	15.7	18.5	20.8	22.6	23.8	21.29 - 26.46
Not poor	6.2	7.0	9.4	11.3	10.6	11.9	14.2	16.0	14.55 - 17.60
Geographic region ⁵									
Northeast	4.1	4.7	7.2	8.6	8.8	10.0	9.8	11.4	8.92 - 14.46
Midwest	7.2	8.8	10.2	11.4	14.0	15.3	17.8	20.8	17.74 - 24.24
South	7.6	9.6	11.4	14.0	14.9	17.1	19.6	21.3	19.24 - 23.62
West	7.0	6.2	7.8	11.0	10.9	12.9	13.7	17.2	14.88 - 19.73
Metropolitan statistical area status									
Metropolitan	7.7	8.7	10.3	12.7	13.7	15.5	17.5	19.7	18.19 - 21.35
Not metropolitan	4.1	5.1	7.0	8.0	8.4	10.0	10.9	13.5	11.43 - 15.77
Home ownership status ⁶									
Owned or being bought	3.1	3.8	5.1	5.8	6.7	7.3	9.0	9.9	8.84 - 10.99
Renting	16.7	19.3	22.5	26.4	28.2	30.9	33.6	39.2	36.82 - 41.61
Other arrangement	10.7	8.4	10.7	*20.3	22.5	23.2	23.4	17.7	12.60 - 24.36
Number of wireless-only adults in survey sample (unweighted)	2,263	2,918	2,804	2,878	3,819	3,558	4,939	4,426	

* Estimate has a relative standard error greater than 30% and does not meet National Center for Health Statistics (NCHS) standards for reliability.

¹ Questionnaire changes that occurred in 2007 should be considered when evaluating recent trends in household telephone status. See text for more information about these changes.

² Confidence intervals refer to the time period July through December 2008.

³ GED is General Educational Development high school equivalency diploma.

⁴ Poverty status is based on household income and household size using the U.S. Census Bureau's poverty thresholds. "Poor" persons are defined as those below the poverty threshold. "Near poor" persons have incomes of 100% to less than 200% of the poverty threshold. "Not poor" persons have incomes of 200% of the poverty threshold or greater. Early Release estimates stratified by poverty status are based on reported income only and may differ from similar estimates produced later that are based on both reported and imputed income. NCHS imputes income when income is unknown, but the imputed income file is not available until a few months after the annual release of National Health Interview Survey microdata. For households with multiple families, household income and household size were calculated as the sum of the multiple measures of family income and family size.

⁵ In the geographic classification of the U.S. population, states are grouped into the following four regions used by the U.S. Census Bureau. *Northeast* includes Maine, Vermont, New Hampshire, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, and Pennsylvania. *Midwest* includes Ohio, Illinois, Indiana, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Kansas, and Nebraska. *South* includes Delaware, Maryland, District of Columbia, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Oklahoma, Arkansas, and Texas. *West* includes Washington, Oregon, California, Nevada, New Mexico, Arizona, Idaho, Utah, Colorado, Montana, Wyoming, Alaska, and Hawaii.

⁶ For households with multiple families, home ownership status was determined by considering the reported home ownership status for each family. If any family reported owning the home, then the household level variable was classified as "owned or being bought" for all persons living in the household. If one family reported renting the home and another family reported "other arrangement," then the household level variable was classified as "other arrangement" for all persons living in the household.

DATA SOURCE: *National Health Interview Survey, January 2005-December 2008*. Data are based on household interviews of a sample of the civilian, noninstitutionalized population.



Table 3. Percentage of adults living in wireless-mostly households, by selected demographic characteristics and by calendar half-years: United States, January 2007-December 2008

Demographic characteristic	Calendar half-year				95% confidence interval ¹
	Jan – Jun 2007	Jul – Dec 2007	Jan – Jun 2008	Jul – Dec 2008	
	Percent ²				
Total	12.6	14.0	14.4	15.4	14.30 - 16.46
Race/ethnicity					
Hispanic or Latino, any race(s)	13.2	14.5	16.0	15.9	13.66 - 18.46
Non-Hispanic white, single race	12.3	13.2	14.2	14.9	13.77 - 16.07
Non-Hispanic black, single race	11.9	15.1	13.3	14.7	12.21 - 17.64
Non-Hispanic Asian, single race	16.0	20.3	16.4	20.3	16.93 - 24.23
Non-Hispanic other single race	14.6	*8.6	*10.1	15.5	8.75 - 26.07
Non-Hispanic multiple race	14.6	19.7	17.7	24.2	17.93 - 31.78
Age					
18-24 years	17.3	18.2	19.2	18.8	15.97 - 22.00
25-29 years	17.2	19.7	17.3	18.3	15.95 - 20.97
30-44 years	15.5	17.3	18.2	19.0	17.54 - 20.59
45-64 years	11.5	13.0	13.8	15.4	14.20 - 16.72
65 years and over	3.4	3.9	4.4	4.9	4.00 - 5.99
Sex					
Male	13.2	14.3	14.9	15.4	14.24 - 16.65
Female	12.0	13.6	14.0	15.2	14.25 - 16.41
Education					
Some high school or less	8.0	8.7	10.0	9.8	8.37 - 11.42
High school graduate or GED ³	10.6	12.7	12.5	13.2	11.95 - 14.59
Some post-high school, no degree	15.7	16.6	17.0	18.6	16.78 - 20.54
4-year college degree or higher	14.9	16.2	17.1	18.0	16.40 - 19.50
Employment status last week					
Working at a job or business	15.5	16.8	17.3	18.4	17.22 - 19.72
Keeping house	9.3	10.4	11.9	11.9	10.08 - 13.92
Going to school	17.2	20.4	25.2	21.5	15.46 - 29.04
Something else (incl. unemployed)	5.3	6.7	6.6	7.8	6.82 - 8.91
Household structure					
Adult living alone	10.8	10.7	10.1	12.2	10.28 - 14.37
Unrelated adults, no children	13.9	20.1	*15.4	21.3	12.96 - 32.97
Related adults, no children	11.6	12.1	12.8	13.2	11.97 - 14.43
Adult(s) with children	14.4	17.2	18.1	19.2	17.64 - 20.93
Household poverty status ⁴					
Poor	8.4	8.6	10.8	9.5	6.69 - 13.32
Near poor	9.7	11.4	10.3	11.3	9.40 - 13.49
Not poor	14.8	15.9	17.1	18.2	16.91 - 19.53
Geographic region ⁵					
Northeast	11.3	11.7	13.8	12.0	10.33 - 13.98
Midwest	10.6	13.3	12.6	13.2	11.50 - 15.11
South	13.8	14.3	14.6	16.2	14.54 - 18.08
West	13.7	15.9	16.4	18.7	16.20 - 21.59
Metropolitan statistical area status					
Metropolitan	13.2	14.7	15.0	15.8	14.63 - 17.14
Not metropolitan	10.2	10.9	12.1	13.4	11.67 - 15.40

See footnotes at end of table.



Demographic characteristic	Calendar half-year				95% confidence interval ¹
	Jan – Jun 2007	Jul – Dec 2007	Jan – Jun 2008	Jul – Dec 2008	
Home ownership status ⁶					
Owned or being bought	12.1	14.0	14.7	15.9	14.74 - 17.17
Renting	13.9	13.8	13.9	13.0	11.36 - 14.93
Other arrangement	12.2	14.1	14.8	24.6	14.53 - 38.52
Number of adults in survey sample who live in landline households with wireless telephones (unweighted)	3,733	3,435	4,302	3,663	

* Estimate has a relative standard error greater than 30% and does not meet National Center for Health Statistics (NCHS) standards for reliability.

¹ Confidence intervals refer to the estimate of the percentage of adults living in wireless-mostly households for the time period July through December 2008.

² The sum of the percentage of adults in households that receive all or nearly all calls on wireless phones (shown here) and the percentage of adults in households that receive some or very few calls on wireless phones (data not shown) is equal to the percentage of adults living in landline households with wireless telephones (see Table 1).

³ GED is General Educational Development high school equivalency diploma.

⁴ Poverty status is based on household income and household size using the U.S. Census Bureau's poverty thresholds. "Poor" persons are defined as those below the poverty threshold. "Near poor" persons have incomes of 100% to less than 200% of the poverty threshold. "Not poor" persons have incomes of 200% of the poverty threshold or greater. Early Release estimates stratified by poverty status are based on reported income only and may differ from similar estimates produced later that are based on both reported and imputed income. NCHS imputes income when income is unknown, but the imputed income file is not available until a few months after the annual release of National Health Interview Survey microdata. For households with multiple families, household income and household size were calculated as the sum of the multiple measures of family income and family size.

⁵ In the geographic classification of the U.S. population, states are grouped into the following four regions used by the U.S. Census Bureau. *Northeast* includes Maine, Vermont, New Hampshire, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, and Pennsylvania. *Midwest* includes Ohio, Illinois, Indiana, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Kansas, and Nebraska. *South* includes Delaware, Maryland, District of Columbia, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Oklahoma, Arkansas, and Texas. *West* includes Washington, Oregon, California, Nevada, New Mexico, Arizona, Idaho, Utah, Colorado, Montana, Wyoming, Alaska, and Hawaii.

⁶ For households with multiple families, home ownership status was determined by considering the reported home ownership status for each family. If any family reported owning the home, then the household level variable was classified as "owned or being bought" for all persons living in the household. If one family reported renting the home and another family reported "other arrangement," then the household level variable was classified as "other arrangement" for all persons living in the household.

DATA SOURCE: *National Health Interview Survey, January 2007-December 2008*. Data are based on household interviews of a sample of the civilian, noninstitutionalized population.



Table 4. Prevalence rates (and 95% confidence intervals) for selected measures of health-related behaviors, health status, health care service use, and health care access for adults 18 years of age and over, by household telephone status: United States, July-December 2008

Measure	Household telephone status					
	Landline household ¹		Wireless-only household		Phoneless household	
Percent (95% confidence interval)						
Health-related behaviors						
Five or more alcoholic drinks in 1 day at least once in past year ²	19.7	(18.32 - 21.25)	36.7	(33.87 - 39.70)	21.5	(14.73 - 30.19)
Current smoker ³	18.3	(17.13 - 19.60)	26.5	(24.36 - 28.74)	28.4	(21.57 - 36.35)
Engaged in regular leisure-time physical activity ⁴	31.9	(30.32 - 33.50)	38.0	(34.67 - 41.50)	19.5	(12.94 - 28.41)
Health status						
Health status described as excellent or very good ⁵	59.8	(58.18 - 61.39)	67.8	(65.42 - 70.05)	44.0	(34.69 - 53.81)
Experienced serious psychological distress in past 30 days ⁶	3.0	(2.57 - 3.52)	3.3	(2.52 - 4.29)	*7.2	(3.65 - 13.82)
Obese (adults 20 years of age or older) ⁷	28.8	(27.44 - 30.22)	26.0	(23.63 - 28.56)	28.3	(20.78 - 37.15)
Asthma episode in the past year ⁸	3.8	(3.34 - 4.37)	4.5	(3.47 - 5.90)	*3.1	(1.39 - 6.97)
Ever diagnosed with diabetes ⁹	9.4	(8.67 - 10.26)	4.8	(3.75 - 6.09)	6.5	(3.78 - 11.07)
Health care service use						
Received influenza vaccine during past year ¹⁰	36.0	(34.48 - 37.65)	19.0	(16.57 - 21.63)	14.7	(9.99 - 21.10)
Ever been tested for HIV ¹¹	37.1	(35.55 - 38.61)	47.0	(43.98 - 50.02)	39.7	(30.29 - 49.97)
Health care access						
Has a usual place to go for medical care ¹²	87.0	(85.67 - 88.28)	72.0	(68.62 - 75.13)	65.0	(55.92 - 73.08)
Failed to obtain needed medical care in past year due to financial barriers ¹³	7.5	(6.69 - 8.30)	14.9	(12.96 - 17.02)	12.9	(8.07 - 20.10)
Currently uninsured (adults 18-64 years of age) ¹⁴	16.4	(15.07 - 17.86)	27.5	(25.12 - 29.96)	46.7	(36.41 - 57.21)
Number of adults in survey sample (unweighted)	7,510		2,133		198	

* Estimate has a relative standard error greater than 30% and does not meet National Center for Health Statistics standards for reliability.

¹ In this analysis, landline households include households that also have wireless telephone service.

² A year is defined as the 12 months prior to the interview. The analyses excluded adults with unknown alcohol consumption (about 2% of respondents each year).

³ Current smokers were defined as those who had smoked more than 100 cigarettes in their lifetime and now smoke every day or some days. The analyses excluded persons with unknown smoking status (about 1% of respondents each year).

⁴ Regular leisure-time physical activity is defined as engaging in light-moderate leisure-time physical activity for greater than or equal to 30 minutes at a frequency greater than or equal to five times per week or engaging in vigorous leisure-time physical activity for greater than or equal to 20 minutes at a frequency greater than or equal to three times per week. Persons who were known to have not met the frequency recommendations are classified as "not regular," regardless of duration. The analyses excluded persons with unknown physical activity participation (about 3% of respondents each year).

⁵ Health status data were obtained by asking respondents to assess their own health and that of family members living in the same household as excellent, very good, good, fair, or poor. The analyses excluded persons with unknown health status (about 0.5% of respondents each year).

⁶ Six psychological distress questions are included in the National Health Interview Survey. These questions ask how often during the past 30 days a respondent experienced certain symptoms of psychological distress (feeling so sad that nothing could cheer



you up, nervous, restless or fidgety, hopeless, worthless, that everything was an effort). The response codes of the six items for each person are summed to yield a scale with a 0-24 range. A value of 13 or more for this scale indicates that at least one symptom was experienced "most of the time" and is used here to define serious psychological distress.

⁷ Obesity is defined as a body mass index (BMI) of 30 kg/m² or more. The measure is based on self-reported height and weight. The analyses excluded people with unknown height or weight (about 4% of respondents each year).

⁸ Information on an episode of asthma or an asthma attack during the past year is self-reported by adults aged 18 years and over. A year is defined as the 12 months prior to the interview. The analyses excluded people with unknown asthma episode status (about 0.3% of respondents each year).

⁹ Prevalence of diagnosed diabetes is based on self-report of ever having been diagnosed with diabetes by a doctor or other health professional. Persons reporting "borderline" diabetes status and women reporting diabetes only during pregnancy were not coded as having diabetes in the analyses. The analyses excluded persons with unknown diabetes status (about 0.1% of respondents each year).

¹⁰ Receipt of flu shots and receipt of nasal spray flu vaccinations were included in the calculation of flu vaccination estimates. Responses to the flu vaccination questions cannot be used to determine when the subject received the flu vaccination during the 12 months preceding the interview. In addition, estimates are subject to recall error, which will vary depending on when the question is asked because the receipt of a flu vaccination is seasonal. The analyses excluded those with unknown flu vaccination status (about 1% of respondents each year).

¹¹ Individuals who received human immunodeficiency virus (HIV) testing solely as a result of blood donation were considered not to have been tested for HIV. The analyses excluded those with unknown HIV test status (about 4% of respondents each year).

¹² The usual place to go for medical care does not include a hospital emergency room. The analyses excluded persons with an unknown usual place to go for medical care (about 0.6% of respondents each year).

¹³ A year is defined as the 12 months prior to the interview. The analyses excluded persons with unknown responses to the question on failure to obtain needed medical care due to cost (about 0.5% of respondents each year).

¹⁴ A person was defined as uninsured if he or she did not have any private health insurance, Medicare, Medicaid, State Children's Health Insurance Program (SCHIP), state-sponsored or other government-sponsored health plan, or military plan at the time of the interview. A person was also defined as uninsured if he or she had only Indian Health Service coverage or had only a private plan that paid for one type of service such as accidents or dental care. The data on health insurance status were edited using an automated system based on logic checks and keyword searches. The analyses excluded persons with unknown health insurance status (about 1% of respondents each year).

DATA SOURCE: *National Health Interview Survey, July-December 2008*. Data are based on household interviews of a sample of the civilian, noninstitutionalized population.



Telecom Competition in Ohio

Ohio Telecom Association

April 2009

2009 Report on Competition

Ohio Telecom Association

Telecommunications has become an extremely broad term, encompassing voice, video and data communications from hundreds of companies, using hundreds of different technologies.

The local telephone network is the backbone. There is a secure phone line to practically every home and business in Ohio. More than 95% of these lines have already been upgraded to provide broadband. Without the local telephone network, the Internet could not operate, wireless calls could not be completed and data could not be transmitted or received.

For the past three years, the Ohio Telecom Association has been tracking the impact of competition on local phone companies. The 2009 report concludes that telecommunications in Ohio continues to diversify and grow. Following are key findings:

- The 42 Incumbent Local Exchange Carriers (ILECs) in Ohio have lost 1.2 million lines over the past three years – and 3 million lines (43%) since peaking in 2001 – to competition and alternative technologies. In 2008, ILECs lost 500,000 lines, or 11%.
- Telecommunications is a \$15.4 billion annual industry in Ohio.
- The number of broadband customers has more than doubled over the last three years, increasing from 1.9 million in 2005 to 5 million in 2008.
- Approximately 95% of homes in Ohio have access to broadband service, available from 88 competitors across the state, according to Connect Ohio and the FCC.
- There are now 9.1 million cell phone users in Ohio, up 21% since 2005. This, the biggest sector of the telecom market, is served by 11 competitors.

- The average Ohioan reports paying \$39 per month for local phone service and calling features. Although basic rates vary across the state, 25% of the total cost is for taxes, surcharges and mandated fees.
- The 54 Competitive Local Exchange Carriers in Ohio have acquired 20% of the market-share for local telephone service, up from 15% in 2005.
- Local phone service is also offered by cable television companies, such as Time Warner, using a technology known as Voice over Internet Protocol (VoIP). These companies are *not* classified as ILECs or CLECs and are largely not regulated at any level – federal or state. There are an estimated 20 million “cable telephone” customers nationwide.

For additional information, please contact Charles R. Moses, President, Ohio Telecom Association, 614-221-3231, or moses@ohiotelecom.com

The Telecom Marketplace in Ohio

There are hundreds of telecom providers across Ohio vying for local, long distance, wireless, video and Internet customers. Advances in technology have made it possible for these providers to expand beyond their traditional services and into each other's territories. Local telephone companies now transmit television channels over phone lines to compete with cable and satellite. Cable TV companies now provide phone service over their television wires. High-speed Internet is delivered over satellite, cellular, phone, cable and fixed wireless networks.

In communicating with friends, family and business associates, Ohioans can choose from dozens of providers and technologies, including:

- Landline
- Cable
- Web Cams
- Email
- Cellular
- VoIP
- Video calling
- Instant Messaging
- Satellite
- Fixed Wireless
- Texting

The telecom marketplace in Ohio is crowded, with as many as 826 companies selling a range of voice and data services to Ohio's 11.5 million residents and 900,000 businesses.

Table 1 – Telecom Competitors in Ohio

Type of Carrier	Ohio	U.S. ¹
ILEC	42	1,311
CLEC	54	1,270
Long Distance	364 ²	364
Wireless (Cellular)	11	470
Subscription Video	21	1,212
Broadband	88	1,393
End-user VoIP	246 ³	246
TOTAL	826	6,266

¹ Reporting to the FCC.

² Local telcos must provide equal access to all Long Distance providers. It is unknown how many long distance companies market their services in Ohio.

³ Because they require no local facilities, VoIP providers may sell service to any location. It is unknown how many VoIP providers market their services in Ohio.

Telecom Revenues

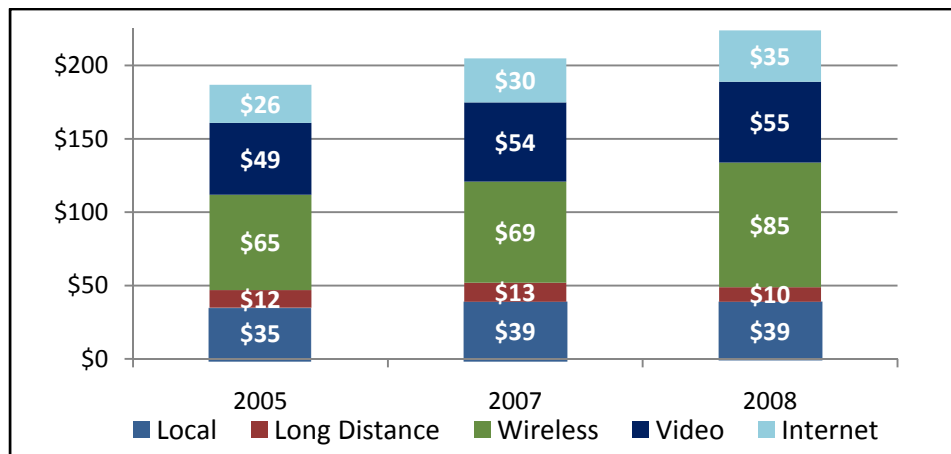
Telecommunications in Ohio is now a **\$15.4 billion** annual industry with wireless leading the pack among all providers. Internet spending has also increased, due to the **3.1 million new broadband customers added over the past three years**. Revenues from local phone service have remained flat, while long distance revenues continue to decline.

Table 2 – Telecom Revenues in Ohio (In Billions)⁴

Service	2005	2007	2008
Local (ILEC and CLEC)	\$3.2	\$3.3	\$3.2
Long Distance	\$2.5	\$2.5	\$2.2
Wireless (Cellular)	\$3.3	\$4.2	\$4.4
Subscription Video	\$2.1	\$2.4	\$2.8
Internet and Broadband	\$1.5	\$2.5	\$2.8
TOTAL	\$12.6	\$14.9	\$15.4

Year after year, customers are spending more on telecommunications. The **average monthly bill for those with all services is now approximately \$220**. Cellular and subscription video account for the majority of monthly spending. The average consumer's cell phone bill is more than local and long distance combined and has increased significantly since 2005, due to the popularity of wireless data services, such as text messaging and mobile Internet access.

Chart 1 – Customer Spending

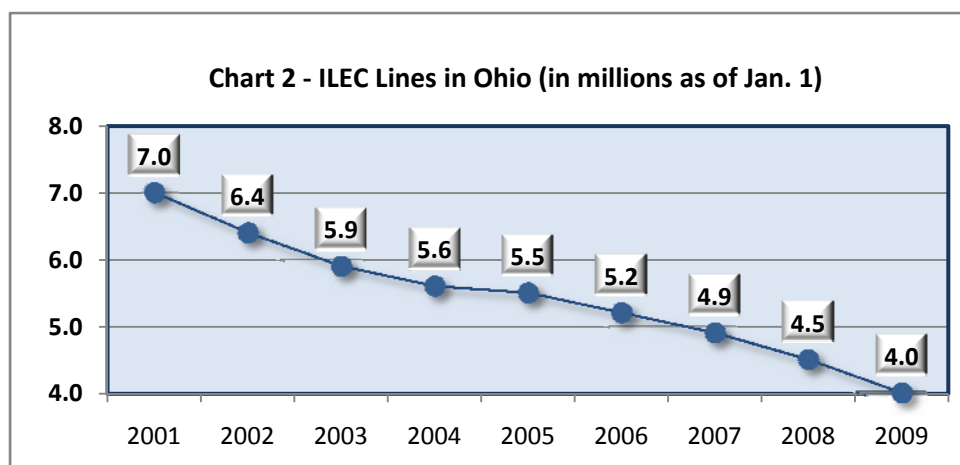


⁴ Voice revenues (ILEC, CLEC, Long Distance and wireless) are reported annually to the FCC. Revenues for Video and Internet / Broadband are based on adoption rates times average customer spending.

Local Telephone Companies (ILECs)

Telephone companies, also known as Incumbent Local Exchange Carriers (ILECs) or telcos, provide local phone service to defined geographic areas. In Ohio, there are **42 ILECs**. They are regulated by the Federal Communications Commission (FCC) and the Public Utilities Commission of Ohio (PUCO).

Traditional home telephone service is in decline, rapidly being replaced by wireless, VoIP and Internet communications. Since peaking in 2001, **Ohio ILECs have lost 3 million lines**.



Ohio ILECs were formed long before the Internet, wireless and video revolutions. Many have been around for more than 100 years. The larger phone companies are familiar names and provide phone service to major cities.

Large ILECs in Ohio

AT&T Ohio	CenturyTel	Verizon
Cincinnati Bell	Embarq	Windstream

The **35 small ILECs serve almost 2.5% of all of Ohio's access lines**, primarily in rural areas and small towns. Also known as the "independents," these ILECs range in size from about more than 300 to 30,000 access lines.

According to a recent study by the Organization for the Promotion and Advancement of Small Telecommunications Companies, (OPASTCO), small ILECs are losing lines at a rate of 6% per year. Continuing at this rate, **small ILECs will lose an additional 18% of their lines by 2011**.

ILEC Quick Facts

There are 42 ILECs in Ohio: 7 large ILECs and 35 small independents.

ILECs generate \$3.2 billion in annual revenues.

Customers spend \$39 per month for local phone service – 25% of which is for taxes, surcharges and mandated fees.

ILECs have lost 3 million access lines (43%) over the past eight years.

ILECs are regulated by the Public Utilities Commission of Ohio and the Federal Communications Commission.

70% of ILECs are in the subscription video business.

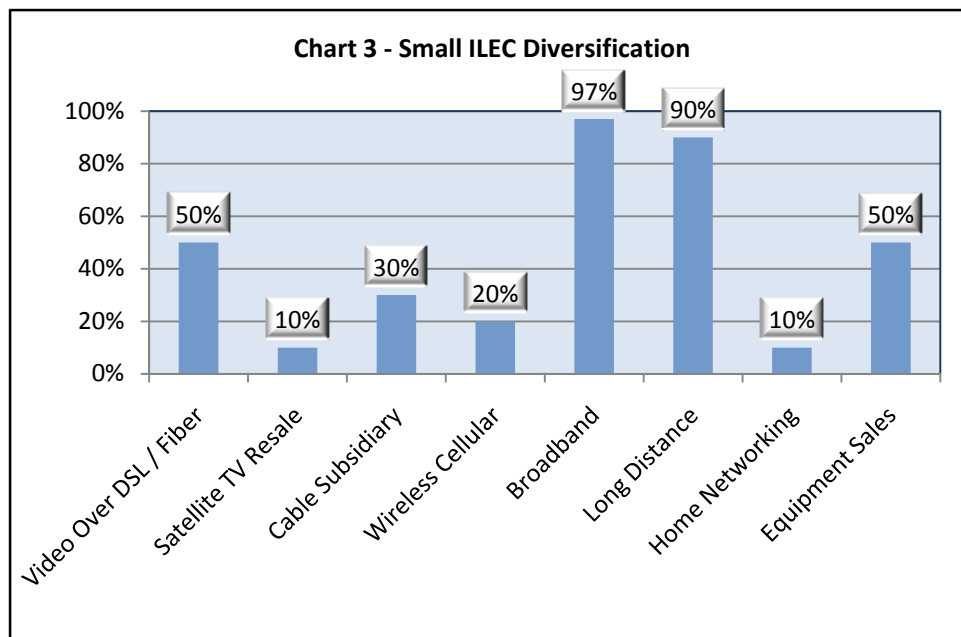
Rural ILECs are losing an average of 6% of lines per year.

Small ILECs in Ohio

Arcadia (TDS)	Arthur Mutual	Ayersville
Bascom Mutual	Benton Ridge	Buckland
Champaign	Columbus Grove (FairPoint)	Conneaut
Continental (TDS)	Doylestown	Farmers Mutual
Fort Jennings	Frontier	Germantown (FairPoint)
Glandorf	Horizon Chillicothe	Kalida
Little Miami (TDS)	McClure	Middle Point Home
Minford	New Knoxville	Nova
Oakwood (TDS)	Orwell (FairPoint)	Ottoville Mutual
Pattersonville	Ridgeville	Sherwood Mutual
Sycamore	Telephone Service	Vanlue (TDS)
Vaughnsville	Wabash Mutual	

With the demand for local phone service declining and recognizing that telecom is much more than local phone service, the small ILECs are aggressively diversifying to compete as wireless, video and broadband providers.

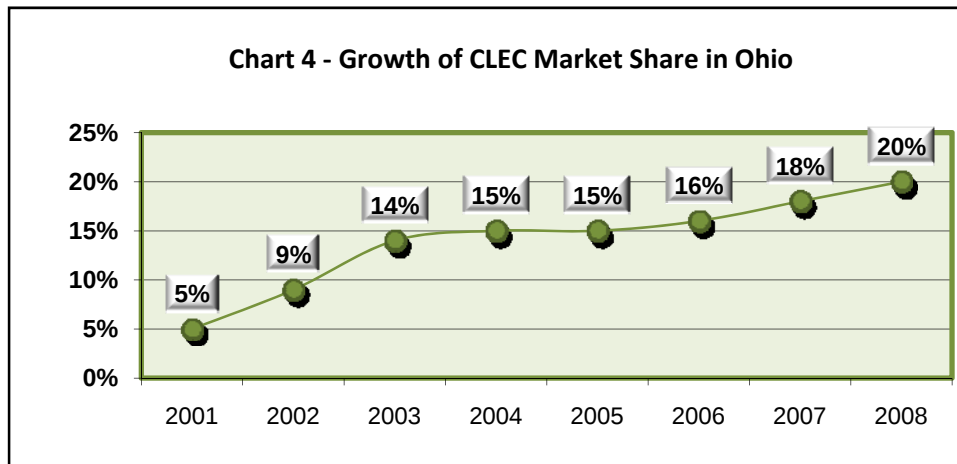
Entering these new lines-of-business takes time and resources, however. For example, becoming a wireless provider requires the ILEC to acquire spectrum, construct cell towers, secure interconnection agreements, purchase inventory, establish retail outlets, and attract customers. Chart 3 shows the percentage of small Ohio ILECs that have diversified with the following services.



CLEC Competition

Competitive Local Exchange Carriers (CLECs) are phone companies that were formed after the 1996 Telecom Act to provide local telephone service in competition with an incumbent provider.

In Ohio, there are **54 active CLECs** whose **market share has grown from 15% in 2005 to 20% in 2009**.



Although CLECs are the only classification of telecom provider with regulatory requirements approaching that of ILECs, their business model is different. Whereas ILECs are required to serve all customers legally requesting service, regardless of the expense, CLECs are allowed to choose their customers. They may enter a market and acquire the largest, most profitable customers without obligation to serve the entire community. This process – known as “cherry picking” – leaves the ILEC serving the high-cost, unprofitable customers.

Table 3 – Access Lines in Ohio

Year	ILEC Lines	CLEC Lines	Total	CLEC Share
2006	5,519,782	981,363	6,501,145	15%
2007	4,973,233	1,068,758	6,041,991	18%
2008	4,552,885	1,170,979	5,723,864	20%

Countless other lines have been lost to VoIP and cable providers, which are *not* required to report their customer counts or market share, but are estimated to provide phone service to 20 million homes and businesses nationwide.

CLEC Quick Facts

There are 54 active CLECs in Ohio.

CLECs generate \$500 million in annual revenues.

CLECs serve almost 1.2 million homes and businesses.

CLECs have acquired 20% of the market share for local phone service.

CLECs may “cherry pick” and target the most profitable customers with no obligation to serve unprofitable customers.

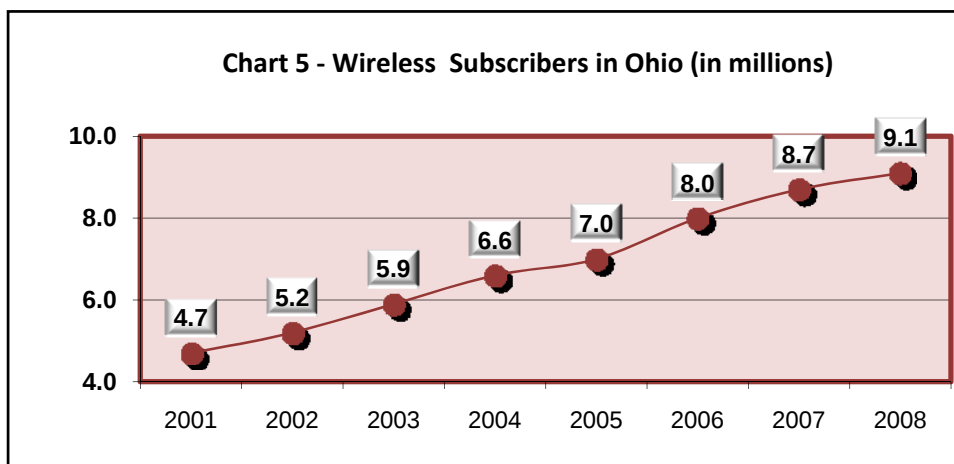
CLECs may lease the facilities of ILECs at wholesale rates and resell the service to customers under their own brand.

40% of CLEC lines are “resold” ILEC lines.

Wireless Competition

Mobile wireless (cellular) is an annual **\$4.4 billion industry** in Ohio – \$144 billion nationwide. There are an estimated **9.1 million wireless users in Ohio** and more than 265 million users across the United States with 19 million new subscribers added in 2008 alone. Ohio is served by **11 wireless carriers**.

Wireless is bigger than landline – both in Ohio and the U.S. – in terms of number of users, minutes-of-use, customer spending and total company revenues.



An estimated **15% of homes in Ohio have completely eliminated local phone service** and rely exclusively on wireless communications. Currently, **80% of all Ohio residents have a wireless phone** compared to 87% nationwide.

Wireless growth is attributed to an ever-expanding wireless network. There are now approximately **220,000 cell towers nationwide**. More than 10,000 new towers were built in 2008 alone.

Data services are driving up wireless revenues with features such as SMS (text messaging), email, and Internet access from the handset. About **2 billion text messages** are sent every day in the U.S. **Wireless data generated approximately \$25 billion** in 2008 for the wireless carriers, accounting for 25% of the average revenue per user (ARPU).

Nationwide, there were more than **2.2 trillion minutes** on the wireless network in 2008, up 15% from 2007. The average wireless call is only 2.5 minutes.

Wireless Quick Facts

There are 11 wireless carriers in Ohio.

There are 9.1 million wireless subscribers.

Wireless generates \$4.4 billion in annual revenues.

Nationally, wireless data generates \$25 billion in annual revenues.

80% of Ohioans have a wireless phone.

15% of Ohio homes have completely eliminated landline service.

There are an estimated 8,000 cell towers in Ohio.

Ohioans complete 800 million minutes of wireless calls per year.

The average wireless calls lasts 2.5 minutes.

VoIP Competition

Another classification of telephone service is Voice over Internet Protocol (VoIP), sometimes referred to as Voice over the Internet or IP Telephony. Until 2004, Vonage had the lion's share of residential VoIP customers. In 2005, the market lead was overtaken by cable TV companies. There are now **20 million cable telephone customers** in the U.S. (see following section).

VoIP gives customers with a broadband connection unlimited local and long distance calling by converting voice into data packets and sending them over the data network. VoIP does not utilize the traditional public switched telephone network (PSTN) on the outbound call, but it has *connectivity* with the PSTN to make and receive calls to and from any telephone number.

Although many policy-makers have attempted to define VoIP as a telecommunications service, subject to state and federal regulation, VoIP providers have been successful at positioning it as an "information service" – no different than accessing a web site. As a result, VoIP has the capabilities of traditional telecom – phone calls, long distance, calling features – without the corresponding regulatory requirements.

VoIP providers may operate from anywhere, since they use – at no cost – the local phone network to complete calls.

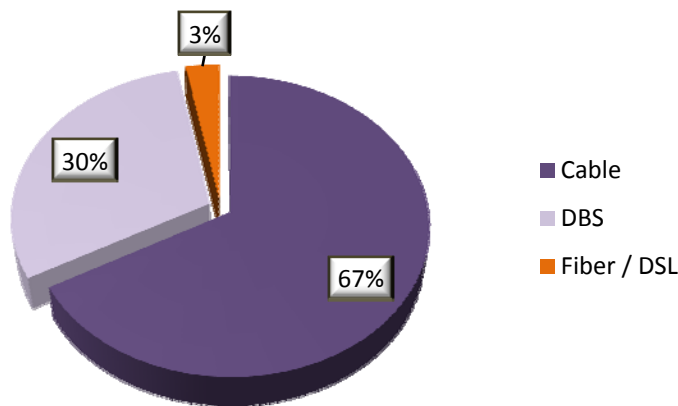
Table 4 – Summary of Telecom Regulatory Requirements

Regulation	VoIP	ILEC
Telecom Taxes	Exempt	Applies
Universal Service Fund Support	None	Available
Local Loop Facilities	None	Regulated
Quality of Service	Market Driven	Regulated
Disconnection for Non-Payment	At Will	Regulated
Billing Rules	None	Regulated
State Jurisdiction	None	Regulated
Federal Jurisdiction	None	Regulated
Access to LD Carriers	None	Regulated
911 Access	Required	Required
Tariff	None	Required
Social Programs	None	Required
Support of TDD, TDY	None	Required

Video Competition

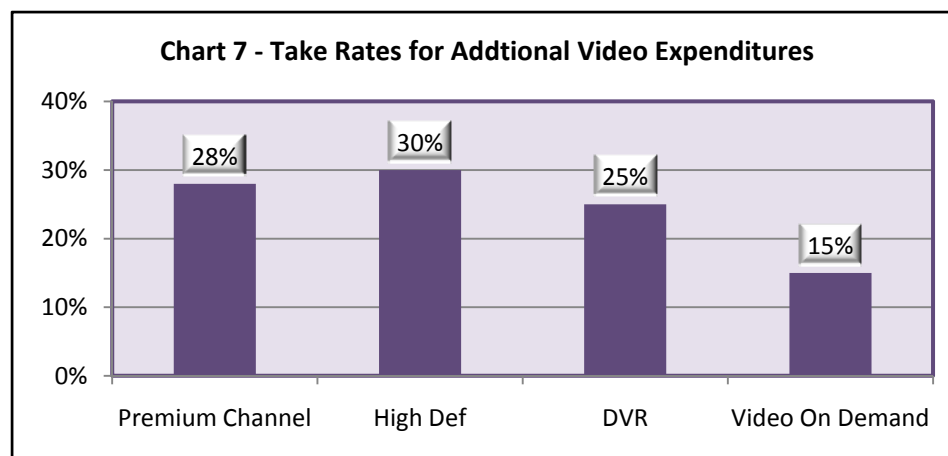
There are **21 cable television companies** in Ohio and **two Direct Broadcast Satellite (DBS) providers**, DirecTV and Dish Network. Combined, they have **97% of the video market-share in the state**.

Chart 6 - Video Market Share



Digital video is a **\$60 monthly expenditure** for the average household. This does not include the additional cost advanced services, such **high-definition or digital video recording**, which add approximately **\$20 to the bill**.

Chart 7 - Take Rates for Additional Video Expenditures



More than **70% of the ILECs in Ohio now offer subscription video service**, but most of these are simply cable television subsidiaries within the footprint of their telephone service areas. Some of the larger telcos are now sales agents for DirecTV and Dish Network, having struck bundling deals with the satellite industry.

Video Quick Facts

There are 21 cable television companies in Ohio.

There are two direct broadcast satellite provider – DirecTV and Dish Network.

Telcos offering video over DSL or fiber have 3% of the video market-share.

Digital video is an average \$60 monthly expenditure for residential customers.

Advanced services, such as HD, DVR and premium channels, can add more than \$20 to the monthly bill.

There are an estimated 20 million cable telephony customers nationwide.

A new video franchising law in Ohio has resulted in 37 new providers entering the market and will generate more than \$500 million in infrastructure spending.

Cable Telephony

As of December 2008, there were an estimated **20 million cable telephone customers nationwide, an increase of 11% in one year**. The exact numbers are unknown, as cable telephony is not a regulated telecom service. Providers are not required to report customer counts, nor is there any oversight from the PUCO or FCC.

Although dubbed “Cable Telephony” or “Digital Voice,” the technology is VoIP. The only distinction between Vonage and a local cable company offering “digital voice” is scope. The local cable company promotes the service exclusively to its cable television and broadband customers, whereas Vonage promotes its service nationally to anyone with a broadband connection. As VoIP providers, Cable Telephony enjoys the same competitive advantages, outlined in the previous section.

Franchising Changes

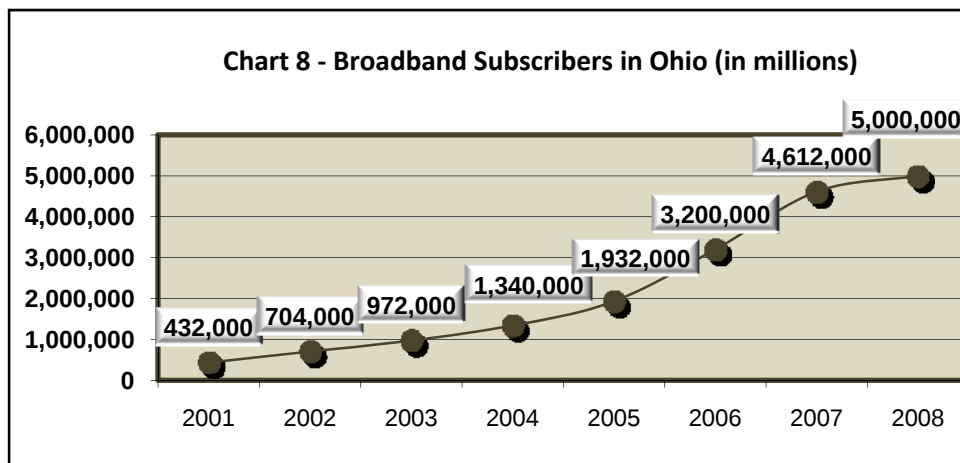
On June 25, 2007, Governor Ted Strickland signed Senate Bill 117, which created the one-stop, statewide video-service authorization (VSA) process. Previously, companies had to negotiate local franchises with each municipality or township.

To date, **37 companies – 15 of which are ILECS – have applied for and received approval to provide video services in Ohio**.

Statewide VSA accelerates infrastructure investment to deliver more video and broadband services to Ohioans. For example, AT&T has announced plans for a **\$500 million investment in video deployment**.

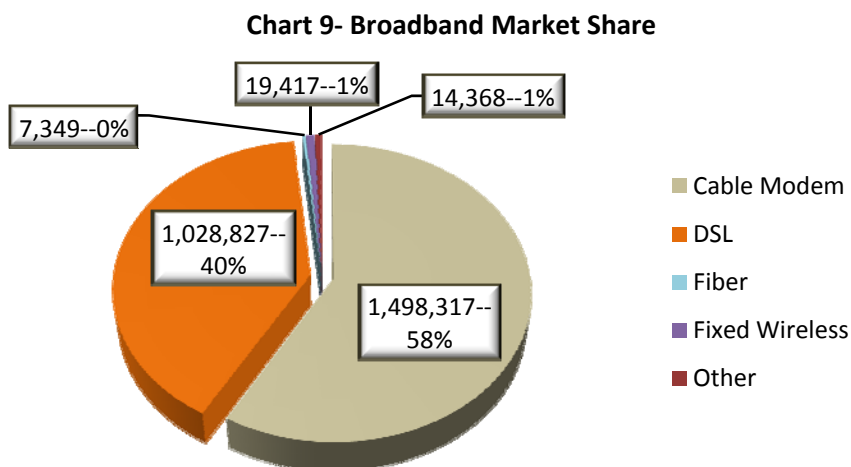
Broadband Competition

Internet access is becoming as common as the telephone. High-speed connections can now be found in **55% of Ohio households**, compared to 38% just three years ago, resulting in **2.8 million residential broadband customers**. There are an additional **2.2 million broadband business lines**.



In Ohio, the total number of broadband customers (residential and business) has increased by more than three million over the past four years. According to the FCC and Connect Ohio, **95% of Ohio homes have access to high-speed Internet service**.

Cable companies have a competitive advantage over telcos in broadband market-share even though their networks do not reach as many residents or businesses as the telco network. The “other” category is other non-DSL landline broadband services, such as T1 and ISDN.



Broadband Quick Facts

There are 88 broadband providers in Ohio.

Broadband generates \$2.8 billion in annual revenues.

95% of homes and business in Ohio can receive broadband from a landline or terrestrial wireless network.

There are 2.8 million residential broadband customers, or 55% of households.

Broadband is a \$35 monthly household expenditure.

There are 2.2 million broadband businesses lines.

Cable modem service – provisioned by cable television companies – has the majority market-share.

Fewer than 3% of customers receive broadband over fiber or a fixed wireless network.

Sources

Data was collected from websites and research reports of the following organizations:

- CTIA (formerly the Cellular Telecommunications Industry Association)
- Connect Ohio
- Cronin Communications (a national telecom research and consulting firm)
- Federal Communications Commission
- National Cable and Telecommunications Association
- National Exchange Carriers Association
- Ohio Cable Television Association
- Ohio Telecom Association
- Public Utilities Commission of Ohio

Contact

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Accessible

AT&T OHIO - (REGULATORY) PUCO Case No. 05-1305-TP-ORD

Date: February 22, 2007

Number: **CEL07-004**

Category: Other

Contact: NA

The purpose of this Accessible Letter is to update **CLECAM06-218**, issued on July 20, 2006, to advise CLECs that, as part of a potential docket, The Ohio Bell Telephone Company ("AT&T Ohio") plans to again provide to the Commission, subject to the confidentiality rules of the Public Utilities Commission of Ohio ("PUCO") and proprietary agreements, data that may constitute CLEC-proprietary information. Specifically, AT&T Ohio intends to request the PUCO to open one or more additional dockets regarding, per the rules established in PUCO Case No. 05-1305-TP-ORD, and to obtain pricing flexibility for Basic Local Exchange Service ("BLES") in its Ohio exchanges that were not granted pricing flexibility in the case just concluded, Case No. 06-1013-TP-BLS. AT&T Ohio intends to file its direct testimony concurrent with its Application. AT&T Ohio may also provide rebuttal and live testimony in the docket. In addition, AT&T Ohio may need to respond to data requests from the PUCO Staff and other parties.

To satisfy the directive of Rule 4901:01-4-10(A) that AT&T Ohio demonstrate at least one of the competitive market tests has been met, the data AT&T Ohio will present, as part of testimony and data request responses, may include CLEC-specific information. AT&T Ohio will only file such information under the highest degree of protection available under Ohio Commissions rules and will not disclose any CLEC proprietary information publicly. Any provision of CLEC proprietary information to parties will be subject to a Proprietary Agreement. Moreover, any disclosure of CLEC proprietary information to the PUCO or its Staff will be subject to the protections afforded by Ohio Administrative Code Section 4901-1-24.

Many of AT&T Ohio's interconnection agreements require AT&T Ohio to provide CLECs with notice before disclosure of proprietary information as part of a pending docket. (See the General Terms and Conditions of your interconnection agreement with AT&T Ohio). Because specific terms and conditions in AT&T Ohio's numerous interconnection agreements vary significantly, AT&T Ohio hereby provides notice to **all CLECs** in Ohio at this time to comply with any potential contractual obligations; receipt of this letter does not necessarily mean that any AT&T Ohio's testimony or data responses will include data affecting each CLEC in Ohio.

AT&T Ohio makes no judgment whether any future testimony or data request responses will contain CLEC proprietary information and specifically reserves all rights as to this issue. AT&T Ohio requests that any such objections be served on AT&T Ohio's counsel (Jon Kelly) by email (jon.kelly@att.com) or fax (614 223-5955).

AT&T Ohio also reserves the right to make any modifications to the above information. Should any modifications be made to the information, these modifications will be reflected in a subsequent letter.



Accessible

Date: **February 22, 2007**

Number: **CLECAM07-071**

Effective Date: **March 2, 2007**

Category: **Other**

Subject: **(BUSINESS PROCESSES) PUCO Case No. 05-1305-TP-ORD**

Related Letters: **N/A**

Attachment: **No**

States Impacted: **Ohio**

Response Deadline: **N/A**

Contact: **N/A**

Conference Call/Meeting: **N/A**

The purpose of this Accessible Letter is to update **CLECAM06-218** to advise Wireless Providers that, as part of a potential docket, The Ohio Bell Telephone Company ("AT&T Ohio") plans to again provide to the Commission, subject to the confidentiality rules of the Public Utilities Commission of Ohio ("PUCO") and proprietary agreements, data that may constitute proprietary information. Specifically, AT&T Ohio intends to request the PUCO to open one or more dockets regarding, per the rules established in PUCO Case No. 05-1305-TP-ORD, and to obtain pricing flexibility for Basic Local Exchange Service ("BLES") in its Ohio exchanges that were not granted pricing flexibility in the case just concluded, Case No. 06-1013-TP-BLS. AT&T Ohio intends to file its direct testimony concurrent with its Application. AT&T Ohio may also provide rebuttal and live testimony in the docket. In addition, AT&T Ohio may need to respond to data requests from the PUCO Staff and other parties.

To satisfy the directive of Rule 4901:01-4-10(A) that AT&T Ohio demonstrate at least one of the competitive market tests has been met, the data AT&T Ohio will present, as part of testimony and data request responses, may include carrier-specific information. AT&T Ohio will only file such information under the highest degree of protection available under Ohio Commissions rules and will not disclose any carrier proprietary information publicly. Any provision of proprietary information to parties will be subject to a Proprietary Agreement. Moreover, any disclosure of proprietary information to the PUCO or its Staff will be subject to the protections afforded by Ohio Administrative Code Section 4901-1-24.

Many of AT&T Ohio's wireless interconnection agreements require AT&T Ohio to provide Wireless Providers with notice before disclosure of proprietary information as part of a pending docket. (See the General Terms and Conditions of your wireless interconnection agreement with AT&T Ohio). Because specific terms and conditions in AT&T Ohio's numerous wireless interconnection agreements vary significantly, AT&T Ohio hereby provides notice to **all Wireless Providers** in Ohio at this time to comply with any potential contractual obligations; receipt of this letter does not necessarily mean that any AT&T Ohio's testimony or data responses will include data affecting each carrier in Ohio.

AT&T Ohio makes no judgment whether any future testimony or data request responses will contain proprietary information and specifically reserves all rights as to this issue. AT&T Ohio requests that any such objections be served on AT&T Ohio's counsel (Jon Kelly) by email (jon.kelly@att.com) or fax (614 223-5955).

AT&T Ohio also reserves the right to make any modifications to the above information. Should any modifications be made to the information, these modifications will be reflected in a subsequent letter.

EXHIBIT 1

ALTERNATIVE REGULATION COMMITMENTS

State of Ohio)
)
) ss.
)
County of Franklin)

AFFIDAVIT OF THOMAS C. PELTO

Thomas C. Peltó, being first duly cautioned and sworn, deposes and says as follows:

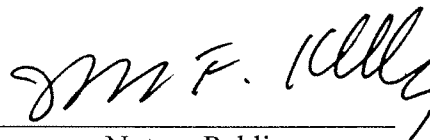
1. I am President of The Ohio Bell Telephone Company d/b/a AT&T Ohio ("AT&T Ohio"), where my office address is 150 E. Gay St., Room 4-A, Columbus, Ohio 43215.
2. This affidavit is made in compliance with the Public Utilities Commission of Ohio's rule set forth in Section 4901:1-4-09(B)(1) of the Ohio Administrative Code.
3. As required by that rule, I hereby verify that the applicant, AT&T Ohio, fully complies with the elective alternative regulation commitments as required by paragraphs (A) and (B) of rule 4901:1-4-06 of the Administrative Code, related to advanced services and lifeline service, and as applicable to large ILECs such as AT&T Ohio.

This concludes my affidavit.



Thomas C. Peltó

Sworn to and subscribed before me this 10th day of June, 2009.



Notary Public

JOHN F. KELLY, Attorney at Law
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date.
Section 147.03 R. C.

EXHIBIT 2

EXCHANGE AREAS/COUNTY MATRIX

Exchange Areas/Counties Matrix

	Exchange	Counties	Alphabetical list of counties listed:
1	Aberdeen	Brown	1. Adams
2	Arabia	Gallia, Lawrence, Scioto	2. Athens
3	Bowersville	Clinton, Fayette, Greene	3. Belmont
4	Clarington	Belmont, Monroe	4. Brown
5	Corning	Athens, Morgan, Perry	5. Clinton
6	Duffy	Monroe	6. Fairfield
7	Gnadenhutten	Harrison, Tuscarawas	7. Fayette
8	Murray City	Athens, Hocking, Perry	8. Gallia
9	New Holland	Fayette, Pickaway, Ross	9. Greene
10	New Matamoras	Monroe, Washington	10. Harrison
11	Newport	Washington	11. Highland
12	Sedalia	Fayette, Madison	12. Hocking
13	Somerton	Belmont	13. Lawrence
14	Sugar Grove	Fairfield, Hocking	14. Madison
15	Sugar Tree Ridge	Adams, Highland	15. Monroe
16	Woodsfield	Monroe	16. Morgan
			17. Perry
			18. Pickaway
			19. Ross
			20. Scioto
			21. Tuscarawas
			22. Washington

This foregoing document was electronically filed with the Public Utilities

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in

Case No(s). 09-0494-TP-BLS

Summary: Application of AT&T Ohio for approval of an alternative form of regulation of basic local exchange service and other tier 1 services in sixteen of its exchanges electronically filed by Jon F Kelly on behalf of AT&T Ohio