

pressure on churn, causing aggregate net additions to decrease by approximately 4-5 million from 2006 to the 16-17 million range. Aggregate churn is expected to increase slightly in 2007 with some improvements in postpaid churn being more than offset by an increasing mix of higher churn, lower economic value users in the total subscriber **base**. With these trends and Sprint Nextel's operational issues, Fitch expects aggregate revenue growth to further slow in the upper single digit range as ARPU is somewhat pressured despite the growth expected in data revenue. Since Verizon Wireless, Cingular and Sprint Nextel Corp. have completed the majority of the nationwide deployments for wireless broadband data with code division multiple access (CDMA) evolution data optimized (EV-DO) or universal mobile telecommunications system (UMTS)/high-speed downlink packet access (HSDPA) technology, Fitch expects good prospects for continued data revenue growth, particularly as data plan price points fall and broader availability of different data handsets and applications increase the adoption rate. By the fourth quarter of 2007, data services could have an annualized run-rate of approximately \$26 billion. While further integration efforts at Cingular and continued strong operating performance at Verizon Wireless will assist in improving EBITDA margins to approximately 35% in 2007, network build-outs beginning in late 2007 at T-Mobile and Sprint Nextel will likely pressure any additional improvement beyond 2007. In addition, given Sprint Nextel's recent weak performance, Fitch is concerned the subscriber trends coupled with the positive momentum generated by Verizon Wireless' strong results and Cingular's improved operational performance could exacerbate the challenges that Sprint Nextel faces in stabilizing its performance in light of their numerous operational issues.

- ALLTEL Corp. ('A', Stable Outlook)
- American Tower Corp. ('BB-', Positive Outlook)
- AT&T Inc. ('A', Stable Outlook)
- BCE Inc. ('BBB+', Stable Outlook)
- BellSouth Corp. ('A', Stable Outlook)
- Centennial Communications Corp. ('B-', Stable Outlook)
- CenturyTel, Inc. ('BBB', Stable Outlook)

- Cincinnati Bell, Inc. ('B+', Stable Outlook)
- Citizens Communications ('BB', Stable Outlook)
- Dobson Communications Corp. ('B-', Stable Outlook)
- Embarq Corp. ('BBB-', Stable Outlook)
- Level 3 Communications, Inc. ('CCC', Positive Outlook)
- Qwest Communications International, Inc. ('BB', Stable Outlook)
- Rogers Communications, Inc. ('BB', Positive Outlook)
- Rural Cellular Corp. ('CCC', Stable Outlook)
- Sprint Nextel Corp. ('BBB+', Negative Outlook)
- Telecomunicaciones de Puerto Rico, Inc. ('BBB+', Stable Outlook)
- Telephone & Data Systems, Inc. ('BBB+', Rating Watch Negative)
- TELUS Corp. ('BBB+', Stable Outlook)
- Verizon Communications ('A+', Stable Outlook)
- Windstream Corp. ('BB+', Stable Outlook)

Contact: Michael Weaver +1-312-368-3256, Chicago.

Media Relations: Brian Bertsch, New York, Tel: +1 212-908-0549.

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Cable Racks Up Over 1 Million VOIP Subs in Q2

SEPTEMBER 18 2006

Shattering their old quarterly record for VOIP subscriber gains, North American cable operators signed up more than 1 million IP phone customers for the first time during the spring, according to the latest figures compiled by Cable Digital News

Using mainly the publicly reported figures of cable companies, *CDN* estimates that U.S. and Canadian MSOs collectively netted 1.03 million new VOIP customers in the second quarter of 2006, beating their first-quarter VOIP gains by about 100,000 subscribers. As a result, *CDN* reckons that the North American cable industry ended June with approximately 4.8 million IP phone customers, up from slightly less than 3.7 million customers at the close of the first quarter and slightly more than 2.7 million at the end of last year.

The spring surge occurred even though the second quarter is traditionally the weakest three-month period of the year for the cable guys because of temporary service disconnects by college students and snowbirds leaving their homes for the summer. It came at the same time that U.S. and Canadian MSOs added about 1.18 million high-speed Internet access subscribers, suggesting that most new cable broadband data customers are also opting for broadband voice service.

The second-quarter totals mean that North American cable operators are now signing up an average of about 11,000 new customers a day for IP phone service, up from 9,900 customers per day in the first quarter. Although impressive, that's not too surprising given that all three of the biggest cable IP phone players — Time Warner Cable, Cablevision Systems, and Comcast — are now signing up close to 10,000 or more subscribers every week.

In addition, the latest figures mean that U.S. and Canadian MSOs, with 1.9 million new VOIP subscribers under their belts after the first half of the year, are well on their way to signing up close to 4 million phone customers this year. In a recent Cable *Industry Insider* report, *CDN* projected that cable operators would rack up at least 3.8 million VOIP subscribers this year and another 5 million next year, boosting the industry's grand total to 11.5 million.

Overall, the cable industry now counts more than 7 million telephony subscribers, including those using older, more traditional circuit-switched technology. Cox Communications and Comcast, with at least 2.3 million (mult-switched phone customers between them, together account for nearly all of the non-VOIP subscribers.

As several RBOCs have admitted in their recent quarterly earnings report, cable's gains are coming at least partly at the phone companies' expense. The phone industry's exact losses to cable have been hard to quantify, though, because the wireless industry's growth is taking its toll on landline connections at the same time.

In the latest market analyst report last month, for example, Primetrica noted that the five largest telcos — AT&T, Verizon, BellSouth, Qwest, and Embarq — collectively lost nearly 2.6 million switched access lines in the second quarter. But the firm didn't break down the losses between cable gains and wireless substitution.

As they have for the past two years, Time Warner and Cablevision continue to dominate the cable VOIP business, combining to add more than 355,000 phone subscribers in the second quarter. The two MSOs ended June with more than 2.6 million IP phone customers between them, still more than half of the entire industry total.

But, while Time Warner and Cablevision continue to lead the pack, other large MSOs are starting to make big strides in the VOIP market, too. In particular, Comcast and Charter Communications are now picking up speed after getting off to a relatively late start.

Plus, several large, slower-moving MSOs are finally entering the VOIP market. One laggard, CableOne, started rolling out service in May, while another, Insight Communications, plans to launch VOIP later this

Although it cooled off from its torrid pace at the start of the year, Time Warner easily maintained its position as the top cable VOIP provider by netting 234,000 new customers in the second quarter, down from its record-high total of 270,000 in the preceding quarter and 242,000 in the year-ago period. With the increase, the company raised its overall "Digital Phone" customer count to 1.6 million, at least 600,000 customers higher than Cablevision, its closest cable rival.

Taking questions on the company's earnings call last month, Time Warner officials shrugged off analysts' concerns about the company's slight decline in VOIP sales growth. Defending the MSO's performance. Jeff Bewkes, chairman of the company's Entertainment & Networks Group, said "the second-quarter voice numbers are always seasonally down and have been most years." He also noted that Time Warner is seeing penetration levels of 15 to 20 Percent in some of its older phone markets. such as Albany, Syracuse. and San Antonio

Second-place Cablevision enlisted 122,234 VOIP subscribers in the spring quarter, boosting its Optimum Voice subscriber total to about 988,000. The MSO, which has since become the second cable operator to clear the 1 million-subscriber barrier, also raised its industry-leading VOIP penetration rate to 21.9 percent of homes passed in the New York metro area.

Picking up ground on both leaders, Comcast snared 306,000 VOIP subscribers in the quarter. up an impressive 45 percent from 211,000 in the preceding quarter. With the gain, the continent's largest MSO boosted its total IP phone customer count to 721,000, putting it in position to Scale the 1 million customer mark by the fall. In his remarks during the company's second-quarter earnings call, Comcast COO Steve Burke said the MSO is now signing up about 23,000 VOIP subscribers per week, up from 16,000 per week in the first quarter and 10 000 per week last fall.

Tickled by the results, Comcast officials have hiked their VOIP signup goals for the year. They now expect to add 1.3 million to 1.4 million IP phone subscribers by year's end, up from their earlier projections of a cool 1 million subscribers.

Cox, the cable industry's biggest overall phone player with 1.8 million circuit-switched and VOIP subscribers, does not break down its customer totals by technology. But the privately owned MSO which added an estimated 70,000 IP phone customers in the spring is aggressively expanding its VOIP reach. The company introduced service in the Cleveland area in July and plans to roll out VOIP to its last four markets by early next year

- Alan Sreznick. Site Editor, *Cable Digital News*



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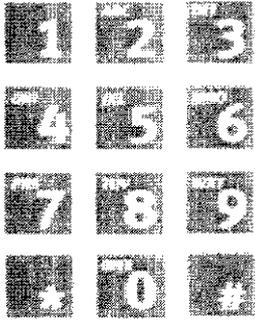


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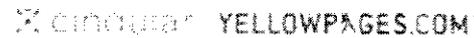
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Corporate Profile

ATBT: Your World. Delivered.

Setting the standard for a new era of communications and entertainment



ATBT Inc. is the largest communications holding company in the United States and worldwide, by revenue. Operating globally under the ATBT brand, ATBT is recognized as the leading worldwide provider of IP-based communications services to businesses and the leading U.S. provider of wireless, high speed Internet access, local and long distance voice, and directory publishing and advertising services. As part of its "three screen" integration strategy, ATBT is expanding video entertainment offerings to include such next-generation television services as AT&T U-verseSM TV.

The merger of AT&T and BellSouth, along with the ownership consolidation of Cingular Wireless and YELLOWPAGES.COM, will speed convergence, competition and continued innovation in the communications and entertainment industry, creating new solutions for consumers and businesses.

ATBT continues to build on the heritage of its predecessor companies that have served customers for more than a century. The new AT&T will earn customer trust and loyalty with a continuing commitment to the deployment of innovative products and services, reliable, high-quality service and excellent customer care.

Company Overview

Key Facts About ATBT

U.S. Presence

Global Reach

Mass Market Consumer and Small Business Portfolio

Global National, Midsize Business and Government Enterprise Portfolio

Wholesale Offerings

Networks

Meaningful Innovation

Community Support

Recognition

Corporate History

Key Facts

Operates one of the world's most advanced and powerful global backbone networks, carrying more than 9.59 petabytes of data traffic on an average business day to nearly every continent and country, with up to 99.999 percent reliability.

The nation's premier wireless carrier based on subscribers, serving 61 million customers

The largest provider of broadband — more than 12 million lines in service (as of 4Q06) — and a major Wi-Fi provider, with 47,500 hot spots in 79 countries.

Ranks as one of the world's largest providers of IP-based communications services for businesses, with an extensive portfolio of Virtual Private Network (VPN), Voice over IP (VoIP) and other offerings, all backed by innovative security and customer support capabilities.

Offers one of the most extensive VoIP service portfolios for businesses, enabling enterprises to migrate seamlessly between traditional and next-generation services.

Only communications provider to deliver interoperability with the world's five leading IP PBX vendors

Leading U.S. provider of local and long distance voice services

Nation's largest directory publisher, delivering 178 million directories a year and publishing more than 1,250 different directories in 22 states.

Through YELLOWPAGES.COM, operates a leading Internet Yellow Pages network that received more than 1 billion local searches in 2006.

World leader in transport and termination of wholesale traffic and recognized by numerous industry experts for its industry-leading wholesale services portfolio.

[Read all segments of the Company Overview](#)

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A Focus on Local Service and Satisfaction

Integra Teiecom, inc. is a facilities-based, integrated communications carrier, dedicated to providing a better choice for businesses in eight western states. It owns and operates a best-in-class carrier network that differentiates itself by staffing locally based customer care, technical, and account management professionals whose goal is to provide high-level, personalized client service and satisfaction.

The company serves thousands of businesses in the metropolitan areas of Arizona, California, Idaho, Minnesota, North Dakota, Oregon, Utah and Washington.

In contrast to companies that simply resell services from the monopoly Regional Bell Operating Companies (RBOC), Integra Teiecom owns and operates its own network offering local dial tone, domestic and international long distance, high-speed Internet and data services (including digital subscriber line or DSL), voice messaging, and numerous ancillary services designed to support the communication needs of businesses.

The company enjoys the highest customer loyalty and customer satisfaction ratings in the telecommunications industry. Primary equity investors in the company include Bank of America Capital Partners, Boston Ventures and Nautic Equity Partners. Primary lenders include Goldman Sachs and Tennenbaum Capital. Integra Telecom and Electric Lightwave are registered trademarks of Integra Telecom Inc.

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Integra Telecom News Release

Integra Telecom, Inc. To Purchase Eschelon Telecom, Inc.

Approved Acquisition will Result in Leading Provider for Businesses in 11 Western and Midwestern States; Combined Annual Revenue Predicted to be in Excess of \$700 Million

PORTLAND, Ore. - Mar 20, 2007 - Integra Telecom, Inc., a provider of local, long-distance and Internet services for businesses, today announced that it has signed a definitive agreement to purchase Eschelon Telecom, Inc. (NASDAQ: ESCH). The transaction is expected to close during the third quarter of 2007 upon obtaining necessary governmental and shareholder approvals. Upon closing, Eschelon will no longer be publicly held and operate under Integra Telecom, Inc., which will continue to be privately held and operated. The combination will yield one of the largest competitive local exchange carriers (CLEC) in the nation. Total company revenues are predicted to be more than \$700 million annually with more than \$200 million in pro-forma 2007 EBITDA.

Integra and Eschelon have each successfully focused on the business market for more than 10 years. "The combined companies are expected to create one of the most established, cash profitable CLECs, insuring long term continuity and superior service for the customers and employees at both companies," said **Dudley Slater**, CEO of Integra Telecom. The combined company will be able to provide Eschelon and Integra customers with expanded product offerings including business telephone systems and powerful high-bandwidth products available on Integra's fiber optic intra and intercity networks.

"Both companies have an excellent reputation in meeting the needs of their customers," added **Richard A. Smith**, president and CEO for Eschelon. "The market position and financial strength resulting from this combination well positions the customers and employees of both companies for the future." Upon closing, Richard A. Smith will join Integra Telecom's Board of Directors.

Upon completion of the transaction, Integra will serve an average of 20 percent of the businesses in the metropolitan areas in which it operates in 11 Western and Midwestern states. The integration of the two businesses is expected to generate substantial operating and network cost savings as nearly 80 percent of each company's revenues derive from overlapping geographic markets. Much of Eschelon's traffic, which was previously routed over leased facilities from other carriers, will now be routed over Integra's extensive metropolitan area and intercity fiber networks.

Under the terms of the agreement, Integra will purchase Eschelon Telecom for \$30 per share or an aggregated purchase price of \$710 million, including the repayment of approximately \$144 million in Eschelon debt. Integra will fund the purchase and the refinancing of its existing debt with \$1.2 billion in new capital, including i) Senior Secured debt facilities to be placed by Deutsche Bank Securities and Morgan Stanley Senior Funding, Inc. as Joint Lead Arrangers and CIBC as Co-Agent, and ii) senior notes to be placed by Deutsche Bank Securities with CIBC acting as lead manager. Integra was advised by Deutsche Bank Securities with legal counsel provided by PerkinsCoie LLP.

Integra's Record of Financial and Integration Success

In early 2003, Integra became the first facilities-based CLEC in the 14-state Qwest Communications service territory to be cash profitable - a key indicator of a business's health. In August 2006 Integra completed the \$243 million purchase of Electric Lightwave from Citizens Communications and has successfully transitioned those customers to Integra's industry-leading brand of customer service.

About Integra Telecom

Integra Telecom, Inc. provides voice, data and Internet communications to thousands of business and carrier customers in eight Western states, including: Arizona, California, Idaho, Minnesota, North Dakota, Oregon, Utah and Washington. The company owns and operates a best-in-class fiber-optic network comprised of metropolitan access networks, a nationally

acclaimed tier one internet and data network and a 4,700-mile high-speed long haul network. The company enjoys some of the highest customer loyalty and customer satisfaction ratings in the telecommunications industry. Primary equity investors in the company include Banc of America Capital investors, Boston Ventures and Nautic Partners. Integra Telecom and Electric Lightwave are registered trademarks of Integra Telecom Inc. For more information, visit www.integratelecom.com.

About Eschelon Telecom, Inc.

Eschelon Telecom, Inc. is a facilities-based competitive communications services provider of voice and data services and business telephone systems in 45 markets in the western United States. Headquartered in Minneapolis, Minnesota, the company currently employs approximately 1,400 telecommunications/Internet professionals, serves over 60,000 business customers and has approximately 600,000 access lines in service throughout its markets in Minnesota, Arizona, Utah, Washington, Oregon, Colorado, Nevada, Montana and California. For more information, please visit our web site at www.eschelon.com.

In connection with the merger, Eschelon will file a proxy statement and other materials with the Securities and Exchange Commission. Before making any voting or investment decision, Eschelon investors are urged to read the proxy statement and these materials when they become available because they will contain important information. Eschelon and its officers and directors may be deemed to be participants in the solicitation of proxies with respect to the proposed transaction. Information regarding such individuals is included in Eschelon's proxy statements and Annual Reports on Form 10K previously filed with the Securities and Exchange Commission and will be included in the proxy statement relating to the proposed transaction when it becomes available. You may obtain Eschelon's proxy statement, when it becomes available, any amendments or supplements to the proxy statement and other relevant documents free of charge at www.sec.gov. You may also obtain a free copy of Eschelon's proxy statement, when it becomes available, any amendments and supplements to the proxy statement and other relevant documents by writing to Eschelon at 730 Second Avenue South, Suite 900, Minneapolis, MN 55402, Attn: Investor Relations or at www.eschelon.com under the tab "Investor Relations" and then under the heading "SEC Filings." In addition, Integra and its officers and directors may be deemed participations in the solicitation of proxies from Eschelon's stockholders in favor of the approval of the merger.

Forward Looking Statements

This announcement contains forward-looking statements with the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements are based on Eschelon Telecom's current intent, belief and expectations. These statements are not guarantees of future performance and are subject to certain risks and uncertainties that are difficult to predict. Actual results may differ materially from these forward-looking statements because of the company's history of losses, ability to maintain relationships with RBOCs, substantial indebtedness, intense competition, dependence on key management, changes in government regulations, and other risks that may be described in the company's filings with the Securities and Exchange Commission. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of today's date. Eschelon Telecom undertakes no obligation to update or revise the information contained in this announcement, whether as a result of new information, future events or circumstances or otherwise.

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Electric Lightwave, Inc.

KEY FACTS

Electric Lightwave, Inc.
 4400 NE 77th Avenue
 Vancouver
 WA 98662
 United States
 Tel: 360 816 3000
 Fax: 360 816 0998
 Web: www.eli.net
 No. Employees: 517
 Turnover: (US\$ Mn)165
 Financial Year End: December

CONTROL PANEL

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**** NEW FEATURE ****

Sign-up for **NewsAlerts** on Electric Lightwave, Inc. so that whenever news breaks on this company you are amongst the first to know. Click here...

BUSINESS DESCRIPTION

Electric Lightwave (ELI) is a supplier of a range of **wireline** communications products and services. It provides local telephone, data, network, and long distance services to small and medium enterprise businesses, carriers, and the eCommerce market.

The company offers local, long distance, and high-speed broadband transport via its fiber optic network. ELI's facilities-based network consists of optical fiber and voice and data switches. The company has a national Internet and data network with switches and routers in key cities, linked by leased transport facilities. In addition, ELI has a long-haul, fiber-optic network connecting the cities it serves in the western US which utilizes an optically self-healing Synchronous Optical Network (SONET) architecture.

ELI offers its services in the Boise, Phoenix, Portland, Sacramento, Salt Lake City, Seattle, and Spokane metropolitan areas. It also offers high-speed broadband data transmission and Internet connectivity nationwide via its data points-of-presence in Atlanta, Chicago, Dallas, Houston, Las Vegas, Los Angeles, Minneapolis, Newark, Palo Alto, Rochester, San Francisco, San Jose, Tacoma, Tukwila, and Washington DC.

ORDER THE FULL VERSION

To receive a complete and bespoke profile on Electric Lightwave, Inc., including SWOT analysis, order the full profile for just \$125. The full profile of Electric Lightwave, Inc. also contains details of the company's key executives and

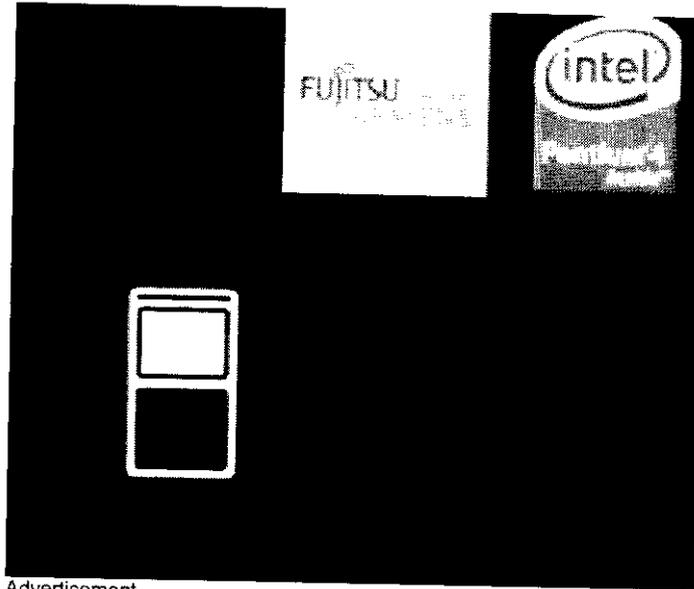
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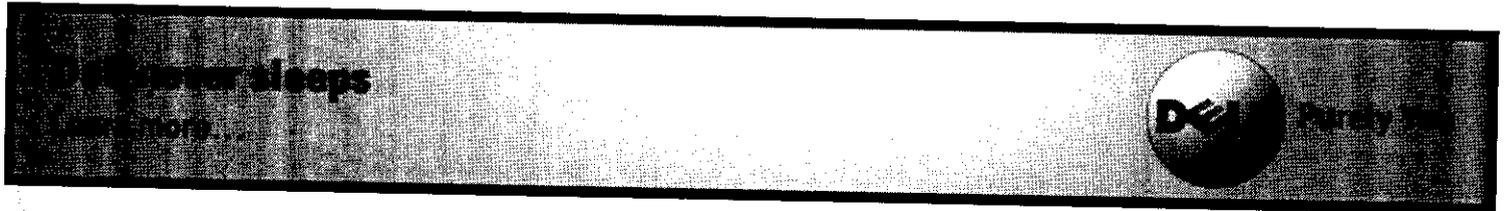
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Twin Cities, Minnesota

Network and Facilities

Integra Telecom is a facilities-based service carrier, operating its network from various switching centers throughout its operating regions. Integra implements only carrier-class equipment in its network operations. Integra's network equipment vendors include Lucent Technologies, Cisco Systems, Nortel, Tekelec, Cerent, Paradyne Corporation, Sun Microsystems, Carrier Access Corporation, and ADC/Kentrox, to name but a few.

Through its acquisition of Electric Lightwave in 2006, Integra owns and operates an eight-market, 2,200 route mile (160,000 fiber miles) metropolitan area network, with direct fiber access into over 580 major commercial buildings. Many other competitive local exchange carriers are scrambling to find network alternatives in response to recent FCC rules that increase the cost of leasing network from the Bell companies. Integra, by acquiring Electric Lightwave's metropolitan area network, becomes one of the first to insulate itself from this unpredictable landscape of telecom regulation. In addition to the metropolitan area networks, Integra will also own and operate Electric Lightwave's unique 4,700-mile, long haul network - one of the largest of its kind in the western United States.

Integra's network operations are monitored 24 hours per day. Backup power sources, including battery and generator systems, keep Integra systems operational in the case of power outages. Integra's voice and data networks are connected to and from the public switched telephone network (PSTN) and the internet via ATM over multiple fiber-optic SONET rings, ensuring failsafe operation in the event of carrier Service interruption. Integra operates Lucent 5ESS® switching equipment to support all local and long distance voice services. Integra's product sets include Lucent's enhanced CLASS services like call waiting, caller ID, and more. Current and future investments in network switching equipment will emphasize a transition to next-generation, packet-switched network technologies. These build-outs provide the flexibility to handle any form of voice or data over an optimized network at lower cost.

With a customer base increasingly dependent on connections to the Internet, Integra Telecom has engineered its data network with virtually unlimited scalability, featuring several multi-megabit connections to Tier 1 Internet providers in each market. Integra's fiber-optic backbone feeds are designed for high burst rates and monitored usage for optimal bandwidth availability.

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Integra Telecom News Release

Riley Research and Integra Announce Telecom Customer and Market Share Survey Results

Dedication to Customers Proves Successful in Establishing Integra as Leader in Quality Customer Service and Market Share

PORTLAND, Ore. - September 26, 2006 - According to customers, Integra Telecom, has the highest customer Satisfaction ratings and leads in market share among alternatives to the regional monopoly carriers. The results of a recent customer service and market share survey conducted by the independent firm of Riley Research Associates, indicates that Integra leads the market in providing overall quality customer service, scores higher than the competition on key service attributes, and enjoys market share leads in its most established markets among alternative providers to the regional monopoly carriers.

In addition, Dun and Bradstreet information indicates that in three of its most established markets, Integra has captured double-digit customer penetration rates within their target market segment.

"The results indicate that Integra Telecom is setting the bar in terms of service quality and has earned the leading position among alternatives to the regional monopoly carriers in Portland/Vancouver, Seattle, Salt Lake City and Minneapolis/St. Paul," said Michael J. Riley, APR, PRC, of Riley Research Associates.

"The market place finally has current objective data on customer service and market share. We're pleased - but not surprised - to learn that Integra's unique and responsive, locally based customer service model is so highly regarded by our customers," according to John Nee, Integra's Vice President of Marketing.

"Our leadership in market share among the competitive carriers reflects substantial demand for our brand of service," adds Nee. "Listening to our customers and focusing on those attributes of Service they find most important has earned us strong Customer loyalty and a reputation for quality in the markets we serve."

The results are based on telephone interviews with a statistically valid sample of randomly chosen business customers in each market. Riley Research Associates completed the surveys during July and August 2006. The sample size of 300 is accurate to within a margin of error of +/- 5.6 percentage points. On a ten-point scale, a half a rating point (+/- 0.56) represents a statistically significant difference.

Market Share within Integra Telecom's Metropolitan Statistical Areas (MSA)
 August 2006 Results

MSA	Qwest	Verizon	Integra	Eschelon	Comcast	AT&T	McLeod	Sprint	Other
Portland-Vancouver	32%	25%	10%	5%	4%	3%	1%	1%	
Seattle	45%	25%	5%	5%	3%	2%	2%	2%	
Salt Lake City-Ogden	67%	8%	4%	4%	3%	2%	2%	1%	
Minneapolis - St. Paul	42%	8%	6%	5%	5%	5%	4%	3%	Eschelon 3%
Boise	81%	5%	3%	2%	1%	1%	1%		
Sacramento	AT&T/SBC 67%	SureWest 9%	Frontier 5%	XO 2%	MCI 1%	Verizon 1%			
Phoenix	Qwest 67%	Com 10%	Eschelon 4%	AT&T 3%	McLeod 2%	Integra 1%	Verizon 1%	XO 1%	

Integra Telecom Leads the Market in Quality Service
 August 2006 Results

Integra Telecom's customer satisfaction score is based on a scale of 1 to 10 with 10 being the highest rating.

Service Attribute	Integra	Qwest	Verizon	AT&T	McLeod	Eschelon	Avg of Others ¹
Reliability of Service	9.0	8.7	8.5	8.9	8.8	8.6	8.4
A full range of services	9.3	9.2	8.9	9.0	9.2	9.0	9.2
Service calls answered by a local rep	9.0	8.0	7.7	8.1	7.9	8.4	8.1
Speed in which call was answered by a real person	9.1	7.7	7.1	7.7	8.3	8.1	8.1
Resolving service call or inquiry in a timely manner	9.0	8.4	7.9	7.9	8.3	7.9	8.2
Overall Satisfaction	8.8	8.3	8.1	8.4	8.5	8.2	8.2

**Integra Telecom Market Penetration
 by Network Footprint Service Area¹**
 August 2006 - Established Integra Markets

Service Area	Percentage of Businesses served by Integra within the Integra Network Service Area <i>(Dun and Bradstreet)</i>
Portland/Vancouver	19.7%
Minneapolis/St. Paul	19.3 %
Salt Lake City	17.8%
Seattle	8.6%

About Integra Telecom

Integra Telecom, Inc. provides voice, data and Internet communications to thousands of business and carrier customers in eight Western states, including: Arizona, California, Idaho, Minnesota, North Dakota, Oregon, Utah and Washington. The company owns and operates a best-in-class fiber-optic network comprised of eight metropolitan access networks, a nationally acclaimed tier one Internet and data network and a 4,700-mile high-speed long haul network. The company enjoys some of the highest customer loyalty and customer satisfaction ratings in the telecommunications industry. Primary equity investors in the company include Bank of America Capital Investors, Boston Ventures and Nautic Equity Partners. Integra Telecom and Electric Lightwave are registered trademarks of Integra Telecom Inc. For more information, visit www.integratelecom.com.

About Riley Research Associates

Riley Research Associates is a 17 year-old communications and market research firm. Principal, Michael J. Riley is a certified professional research practitioner (PRC) by the Market Research Association, and is accredited (APR) by the Public Relations Society of America. Riley has been conducting research in the telecommunications industry for over 20 years.

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Eschelon Telecom, Inc. Fiber Optic Backhaul Ownership Surpasses 50%

Minneapolis, MN - November 27, 2006: Eschelon Telecom, Inc., (NASDAQ:ESCH) a leading provider of integrated communications services to small and medium sized businesses in the western United States, today announced that with the completion of its acquisition of Mountain Telecommunications, Inc. (MTI) last month, the percentage of backhaul facilities carried over company-owned fiber has reached 52%.

"The extent of fiber in our network is probably the company's best-kept secret," stated Richard A. Smith, Eschelon's President and CEO. "As we built the network, we could never justify the economics of building the majority of our own fiber rings. The abundance of available facilities and significant price per channel mile compression has allowed us to lease whatever capacity we needed at very favorable terms. We have now completed our third acquisition of companies with their own fiber networks. Wherever possible, we are moving off of leased transport onto our own facilities -the synergies are significant."

As of December 1, 2006, Eschelon has 617 sheath miles in its network carrying approximately 7,768 strand miles of fiber. When the integration of Mountain Telecom is complete early next year, approximately 700 of the nearly 1,000, or 54% of the Eschelon's DS3 facilities will be carried on the company's own fiber rings.

"As we begin the next phase of our network expansion, we will continue to evaluate the economics of leasing versus building backhaul facilities on a route-by-route basis," continued Smith. "Those economics obviously change significantly when we are able to acquire an existing broadband fiber network with the purchase of another company and since we will most likely continue to grow organically and through acquisitions, I expect our percent fiber ownership to continue to grow."

About Eschelon Telecom, Inc.

Eschelon Telecom, Inc. is a facilities-based competitive communications services provider of voice and data services and business telephone systems in 45 markets in the western United States. Headquartered in Minneapolis, Minnesota, the company currently employs approximately 1,400 telecommunications/

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