

provided by (used in) operating activities in the supplemental information posted on the Company's website.

The Company also provides an adjustment to the measure gross margin by eliminating the impact of non-cash stock-based compensation expense related to the adoption of SFAS 123R. Management uses modified gross margin internally to assess on-going operations. Modified gross margin is reconciled to gross margin in the Consolidated Operations Highlights.

Forward Looking Statements

The statements in this press release concerning the outlook for 2007 and beyond, including expansion plans, growth prospects, expected margins, sales activity, expected customer disconnections, integration activities and results and expected capital expenditures are forward-looking statements that reflect management's views with respect to future events and financial performance. These statements are based on management's current expectations and are subject to **risks** and uncertainties. Important factors that could cause actual results to differ materially from those in the forward looking statements include the risks summarized in the Company's filings with the SEC, especially the section entitled "Risk Factors" in its 2005 Annual Report on Form 10-K. Time Warner Telecom undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Time Warner Telecom

Time Warner Telecom Inc., headquartered in Littleton, Colo., provides managed network services, specializing in Ethernet and transport data networking, Internet access, local and long distance voice, VoIP and security, to enterprise organizations and communications services companies throughout the U.S. As a leading provider of integrated and converged network solutions, Time Warner Telecom delivers customers overall economic value, quality service, and improved business productivity. Please visit www.twtelecom.com for more information.

Time Warner Telecom Inc.
Consolidated Operations Highlights

(Dollars in thousands)

Unaudited (1)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2006	2005	Growth %	2006	2005	Growth %
Revenue						
Network services (formerly dedicated transport) (2)	595,892	\$85,468	12%	5355,996	5341,779	4%
Data and Internet services	82,649	44,752	40%	216,419	162,834	33%
Voice services (formerly switched services) (2)	68,457	43,267	58%	201,968	166,808	21%
Service Revenue	227,198	173,487	31%	774,383	671,421	15%
Intercarrier compensation (3)	11,583	11,032	5%	37,992	37,306	2%
Total Revenue	238,781	184,519	29%	812,375	708,727	15%
Expenses						
Operating costs (4)	98,085	62,598		311,532	264,517	
Gross Margin	140,696	121,921		500,843	444,210	
Selling, general and administrative costs (4)	64,300	51,289		228,465	193,052	
Depreciation, amortization and accretion	71,567	61,907		256,091	238,180	
operating Income	4,628	8,725		16,267	12,978	
interest expense	(23,317)	(29,778)		(98,236)	(120,219)	
Debt extinguishment costs	(11,097)	(5,470)		(36,874)	(14,043)	
Interest income	4,811	4,117		20,054	13,220	
Loss before income taxes	124,774	(22,406)		(98,791)	1108,084	
income tax expense (benefit)	21	(150)				
Net Loss	(\$24,795)	(\$22,256)		(598,819)	(\$108,064)	

SUPPLEMENTAL INFORMATION TO RECONCILE MODIFIED GROSS MARGIN AND MODIFIED EBITDA

Gross Margin	\$140,896	\$121,921		\$500,843	\$444,210	
Add back non-cash stock-based compensation expense	603			2,075		
Modified Gross Margin	141,299	121,921	18%	502,918	444,210	73%
Selling, general and administrative costs	64,300	51,289		228,485	193,052	
Add back non-cash stock-based compensation expense	3,246			11,580		
Modified EBITDA	80,245	70,532	14%	286,023	251,158	74%
Non-cash Stock-based compensation expense	3,849			13,665		
Depreciation, amortization and accretion	71,567	81,907		256,091	238,180	
Net Interest expense	18,506	25,661		78,184	106,999	
Debt extinguishment costs	11,097	5,470		36,874	14,043	
income tax expense	21	(150)		28		
Net Loss	(\$24,795)	(\$22,256)		(198,819)	(\$108,064)	
Modified Gross Margin %	59%	68%		62%	63%	
Modified EBITDA Margin %	34%	38%		35%	35%	

Free Cash Flow:

Modified EBITDA	580,245	\$70,632		\$286,023	\$251,158	
Less: Capital Expenditures	55,605	41,053		192,679	162,521	
Unlevered Free Cash Flow	24,440	29,579		93,344	88,637	
Less: Net interest expense	18,506	25,681		78,184	106,999	
Levered Free Cash Flow	\$5,934	\$3,918		\$15,160	(\$18,362)	

Integration Costs (5)

Operating costs & Selling, General and Administrative costs	\$2,010			\$2,829		
Capital Expenditures	3,511			3,511		
Total	\$5,521			\$6,340		

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.

(2) The Company modified the name of its revenue categories in order to provide further clarity in the first quarter of 2006. This change reflects only a change in title and is consistent with reporting in prior periods. Please see the footnotes of the press release for a further description.

(3) Intercarrier Compensation includes switched access and reciprocal compensation.

(4) The Company adopted SFAS 123R effective January 1, 2006 for non-cash stock-based compensation.

(5) Represents costs to integrate the acquired operations. All amounts are included in the reported results above.

Time Warner Telecom Inc.
Consolidated Operations Highlights

(Dollars in thousands)
 Unaudited(1)

	Three Months Ended		
	December 31, 2006	September 30, 2006	Growth %
Revenue			
Network services (formerly dedicated transport) (2)	\$95,892	\$87,312	10%
Data and Internet services	62,849	53,995	16%
Voice services (formerly switched services) (2)	68,457	45,932	49%
Service Revenue	227,198	187,239	21%
Intercarrier compensation (3)	11,583	8,870	31%
Total Revenue	238,781	196,109	22%
Expenses			
Operating costs (4)	98,085	74,018	
Gross Margin	140,896	122,091	
Selling, general and administrative costs (4)	64,300	54,409	
Depreciation, amortization and accretion	71,567	62,028	
Operating Income	4,829	5,654	
Interest expense	(23,317)	(21,759)	
Debt extinguishment costs	(11,097)	-	
Interest income	4,811	4,754	
Loss before income taxes	(24,774)	(11,351)	
Income tax expense	21		
Net Loss	(\$24,795)	(\$11,351)	

SUPPLEMENTAL INFORMATION TO RECONCILE MODIFIED GROSS MARGIN AND MODIFIED EBITDA

Gross Margin	\$140,696	\$122,091	
Add back non-cash Stock-based compensation expense	603	491	
Modified Gross Margin	141,299	122,562	15%
Selling, general and administrative costs	64,300	54,409	
Add back non-cash stock-based compensation expense	3,246	3,026	
Modified EBITDA	80,245	71,199	13%
Non-cash Stock-based compensation expense	3,849	3,517	
Depreciation, amortization and accretion	71,567	62,028	
Net Interest expense	18,506	17,005	
Debt extinguishment costs	11,097		
Income tax expense	21		
Net Loss	(\$24,795)	(\$11,351)	
Modified Gross Margin %	59%	63%	
Modified EBITDA Margin %	34%	36%	

Free Cash Flow

Modified EBITDA	\$80,245	\$71,199
Less: Capital Expenditures	55,805	48,171
Unlevered Free Cash Flow	24,440	23,028
Less: Net interest expense	18,506	17,005
Levered Free Cash Flow	15,934	\$6,023

Integration Costs (5)

Operating costs and Selling, General and Administrative costs	\$2,010
Capital Expenditures	3,511
Total	\$5,521

- (1) For complete financials and related footnotes, please refer to the Company's SEC filings.
 (2) The Company modified the name of its revenue categories in order to provide further clarity in the first quarter of 2008. This change reflects only a change in title and is consistent with reporting in prior periods. Please see the footnotes of the press release for a further description.
 (3) Intercarrier Compensation includes switched access and reciprocal compensation.
 (4) The Company adopted SFAS 123R effective January 1, 2006 for non-cash stock-based compensation.
 (5) Represents costs to integrate the acquired operations. All amounts are included in the reported results above.

Time Warner Telecom Inc.
 Highlights of Results Per Share
 Unaudited⁽¹⁾ ⁽²⁾ ⁽³⁾

	Three Months Ended		
	12/31/06	9/30/06	12/31/05
Weighted Average Shams Outstanding (thousands)			
Basic and Diluted	<u>136,182</u>	<u>121,659</u>	<u>116,915</u>
Basic and Diluted Loss per Common Share			
Loss per share before debt extinguishment costs and non-cash stock-based compensation expense	(\$0.07)	(\$0.06)	(0.14)
Impact of debt extinguishment costs	(0.08)		10.051
Impact of non-cash stock-based compensation expense	<u>(0.03)</u>	<u>(0.03)</u>	
As Reported	<u>(\$0.18)</u>	<u>(\$0.09)</u>	<u>(\$0.19)</u>
Common Shares (thousands)			
	<u>12/31/06</u>	<u>As of 9/30/06</u>	<u>12/31/05</u>
Actual Shares Outstanding	<u>142,815</u>	<u>122,823</u>	<u>117,382</u>
Options (thousands)			
Options Outstanding	<u>13,738</u>	<u>14,336</u>	<u>19,512</u>
Options Exercisable	<u>8,977</u>	<u>9,843</u>	<u>13,158</u>
Options Exercisable and In-the-Money	<u>4,526</u>	<u>5,355</u>	<u>4,022</u>

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.

(2) As of December 31, 2006 only Class A common shares remain outstanding.

(3) Stock Options, restricted stock units and convertible debt subject to conversion were excluded from the computation of weighted average shares outstanding because their inclusion would be anti-dilutive.

Time Warner Telecom Inc.
Condensed Consolidated Balance Sheet Highlights
 (Dollars in thousands)
 Unaudited (1)

	December 31, 2006	September 30, 2006	December 31, 2005
ASSETS			
Cash and equivalents, and short-term investments	16309,453	\$345,121	\$393,523
Receivables	87,105	65,629	58,535
Less: allowance	(13,182)	(7,395)	(10,936)
Net receivables	73,923	58,234	47,599
Other Current assets	31,297	27,519	28,251
Property, plant and equipment	2,771,631	2,601,746	2,480,113
Less: accumulated depreciation	(1,477,519)	(1,422,315)	(1,253,163)
Net property, plant and equipment	1,294,112	1,179,431	1,226,950
Other Assets	544,452	109,251	96,213
Total	<u>\$2,253,237</u>	<u>\$1,719,556</u>	<u>\$1,792,536</u>
LIABILITIES AND STOCKHOLDER EQUITY			
Current Liabilities			
Accounts payable	\$41,388	\$36,306	\$34,787
Deferred revenue	22,562	18,622	20,478
Accrued taxes, franchise and other fees	78,795	57,289	60,687
Accrued interest	16,984	13,737	35,211
Accrued payroll and benefits	34,688	37,017	28,757
Current portion of debt and lease obligations	6,679	3,038	4,211
Other current liabilities	83,390	75,094	72,113
Total current liabilities	<u>284,506</u>	<u>241,103</u>	<u>256,244</u>
Long-Term Debt and Capital Lease Obligations			
Floating rate senior secured debt - Term Loan B due 11712013	600,000		
Floating rate senior secured debt - Term Loan B due 1113012010 (2)		198,500	200,000
Floating rate senior secured notes, due 211512011 (3)		240,000	240,000
10 118% Senior unsecured notes, due 21112011 (4)			400,000
9 114% Senior unsecured notes, due 211512014	400,396	400,410	400,451
2 318% convertible senior debentures, due 41112026	373,750	373,750	
Capita lease obligations	8,491	8,919	10,122
Less: current portion	(6,679)	(3,038)	(4,211)
Total long-term debt and capital lease obligations	<u>1,375,958</u>	<u>1,218,541</u>	<u>1,246,362</u>
Long-term Deferred Revenue	20,357	18,226	16,937
Other Long-Term Liabilities	19,768	9,083	8,479
Stockholders' Equity	<u>552,648</u>	<u>232,603</u>	<u>264,514</u>
Total	<u>\$2,253,237</u>	<u>\$1,719,556</u>	<u>\$1,792,536</u>

(1) For complete financials and related footnotes, please refer to the Company's SEC filings

(2) This debt was refinanced on October 6, 2008.

(3) These notes were fully redeemed on November 6, 2006.

(4) These notes were fully redeemed on May 1, 2006

Time Warner Telecom Inc.
Consolidated Statements of Cash Flows
 (Dollars in thousands)
 Unaudited (1)

	Three Months Ended		Year Ended
	12131106	9130106	12131106
Cash flows from operating activities:			
Net Loss	(\$24,795)	(\$11,351)	(\$98,819)
Adjustments to reconcile net loss to net cash provided by operating activities			
Depreciation, amortization, and accretion	71,567	62,028	256,091
Stock-based compensation	3,649	3,517	13,665
Other	131		131
Deferred debt issue, extinguishment costs and premium on debt	11,661	779	40,032
Changes in Operating assets and liabilities:			
Receivables and prepaid expense	(928)	(9,915)	(18,161)
Accounts payable, deferred revenue, and other liabilities	2,713	4,943	(18,381)
Net cash provided by operating activities	64,198	50,001	174,558
Cash flows from investing activities:			
Capital expenditures	(55,774)	148,171	(192,269)
Cash paid for acquisitions, net of cash acquired	(212,416)		(212,416)
Purchases of investments	(87,312)	(59,545)	(425,671)
Proceeds from maturities of investments	106,693	153,116	528,201
Proceeds from sale of assets and other investing activities	1,216	(89)	1,232
Net cash provided by (used in) investing activities	(247,593)	45,311	(300,923)
Cash flows from financing activities:			
Net proceeds from issuance of common Stock upon exercise of stock options and in connection with the employee purchase plan	14,107	14,108	46,404
Net proceeds from issuance of debt	595,507	(73)	957,800
Retirement of debt Obligations	(443,300)		(863,552)
Payment of debt and capital lease Obligations	(487)	(1,052)	(3,568)
Net cash provided by (used in) financing activities	165,827	12,983	137,084
Increase (decrease) in Cash and Cash equivalents	(17,568)	108,295	10,719
Cash and cash equivalents at the beginning of the period	239,121	130,826	210,834
Cash and cash equivalents at the end of the period	<u>\$221,553</u>	<u>\$239,121</u>	<u>221,553</u>
Supplemental disclosures of cash flow information:			
Cash paid for interest	\$20,049	\$28,700	\$115,604
Cash paid for debt extinguishment costs	\$4,800		\$25,052
Addition of capital lease obligation	\$31		\$410
Summary of Cash and equivalents and short-term investments:			
Cash and cash equivalents at end of the period	\$221,553	\$239,121	\$221,553
investments	87,900	106,000	87,900
	<u>\$309,453</u>	<u>\$345,121</u>	<u>\$309,453</u>
Supplemental information to reconcile capital expenditures:			
Capital expenditures per cash flow statement	\$55,774	\$48,171	\$192,269
Addition of capital lease obligation	31		410
Total capital expenditures	<u>\$55,805</u>	<u>\$48,171</u>	<u>\$192,679</u>

(1) For complete financials and related footnotes, please refer to the Company's SEC filings.

Time Warner Telecom Inc.
Selected Operating Statistics
 Unaudited(1)

	Quarter Ended							
	2005				2006			
	Mar. 31	Jun. 30	Sept. 30	Dec. 31	Mar. 31	Jun. 30	Sept. 30	Dec. 31
Operating Metrics:								
Route Miles								
Metro	12,835	13,053	13,427	13,589	13,913	14,053	14,409	17,786
Regional	<u>7,015</u>	<u>6,884</u>						
Total	<u>19,850</u>	<u>20,068</u>	<u>20,442</u>	<u>20,604</u>	<u>20,928</u>	<u>21,068</u>	<u>21,424</u>	<u>24,670</u>
Buildings (2)								
Fiber connected buildings (an-net)	5,281	5,501	5,752	5,982	6,185	6,433	6,672	7,457
Type II (4)	<u>14,576</u>				<u>17,623</u>			
Total	<u>19,857</u>	<u>20,558</u>	<u>21,333</u>	<u>22,228</u>	<u>23,050</u>	<u>24,056</u>	<u>25,027</u>	<u>26,410</u>
Networks								
Class 5 Switches	39	39	38	38	38	38	38	71
Soft Switches	20	26	32	34	34	35	35	35
Headcount								
Total Headcount	2,019	2,029	2,022	2,034	2,055	2,105	2,129	2,784
Sales Associates (3)	317	312	312	318	330	331	342	482
customers								
Total Customers	10,740	11,088	11,439	11,834	12,181	12,642	13,081	31,516

- (1) For complete financials and related footnotes, please refer to the Company's SEC filings.
 (2) Fiber connected buildings (e.g., "on-net") represents Customer locations to which the Company's fiber network is directly connected. Type II buildings are carried on the Company's fiber network, including the Company's Switch for voice services, with a leased service from the Company's distribution ring to the customer location.
 (3) includes Sales Account Executives and Customer Care Specialists.
 (4) Excludes Type II buildings for acquired operations in the quarter ended December 31, 2006.



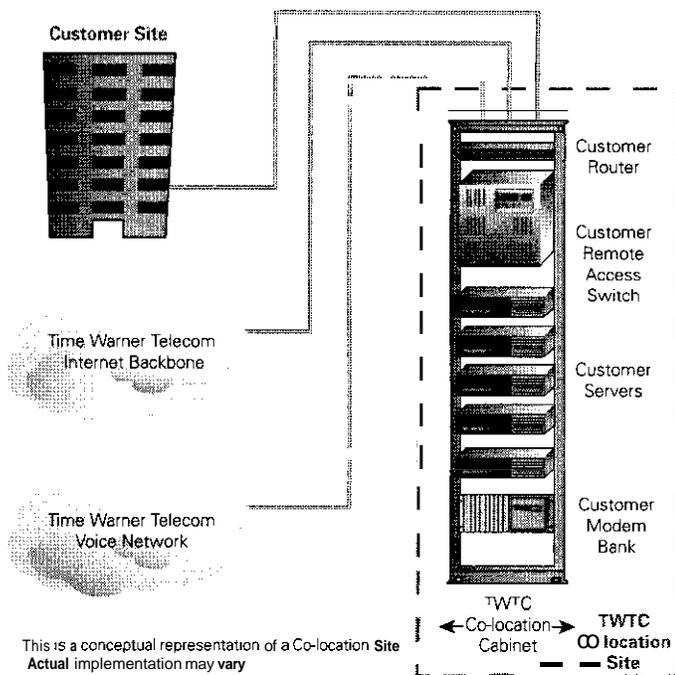
CO-LOCATION SERVICE

Do you want to expand into new markets but can't afford the extra time and money?
Does your network receive so much traffic that it slows down to a crawl?
Do you have a back-up plan in place if something goes wrong with your network?

Time Warner Telecom's Co-Location Service solves these problems and delivers more. Our Co-Location Service supports your expanding network needs with a secure, redundant environment and provides dedicated space for your equipment and storage of your information. We give you a gateway to the industry's most robust local and regional optical networks, allowing you to take advantage of the best infrastructure and support capabilities available.

When you purchase any of Time Warner Telecom's valuable services (including Dedicated Internet Access, Storage Transport, Private Line, Native LAN and ISDN PRI) our Co-Location Service can become the ideal back-up site for you to store your data.

Time Warner Telecom's Co-location sites have secured access, redundant power supplies, dual HVAC, fire detection systems, and 24 x7 network monitoring. We offer flexible space options including open racks, lockable cabinets, and caged



TIME WARNER TELECOM CUSTOMER SITE AND CO-LOCATION CABINET

floor space. *Rack and cabinet space is set-up to support 19" and 23" equipment. Our space is conditioned with AC and DC power options to meet your power requirements.

Take advantage of our robust national network and premier customer service for a fraction of the cost of building your

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Verizon and MCI Close Merger, Creating a Stronger Competitor for Advanced Communications Services

New Unit-- Verizon Business-- Serves Business and Government Customers

January 6, 2006

Media Contact:
Peter Thonis, 212-395-2355

NEW YORK - Verizon Communications Inc. (NYSE:VZ) and MCI, Inc. today announced their merger, enhancing Verizon's ability to deliver the benefits of converged communications, information and entertainment to customers across the country and around the world.

"This milestone for Verizon creates a new opportunity for the company to combine the global MCI network and the reach of Verizon's broadband and wireless networks in the U.S.," said Verizon CEO Ivan Seidenberg. "Our combined network capabilities and strong customer relationships provide a solid foundation for innovative and integrated wireless, wireline and multimedia services designed to meet customer demands for speed, mobility and control."

Seidenberg added, "Our strategy is to be a customer-focused leader in consumer broadband and video, as well as business and government communications, in both the landline and wireless environments. We believe that our superior networks are the basis for innovation and competitive advantage in communications. The combination of our world-class wireless and broadband access rates with the leading global IP (Internet protocol) backbone will allow us to deliver the highest quality service and experience for our customers."

Following the merger, Verizon continues to be based in New York, has approximately \$90 billion in annual total consolidated operating revenues and approximately 250,000 employees, serving customers in 150 countries.

New Unit Named 'Verizon Business'

Verizon Business is the name of the new Verizon business unit encompassing business and government customers and related functions of the former MCI as well as similar businesses that previously were part of Domestic Telecom, Verizon Enterprise Solutions Group.

Verizon now operates three network-based businesses: Verizon Wireless, operating on the nation's most reliable wireless network; and Verizon's landline segment, operating on the most advanced wireline broadband and video network in America today.

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En español
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Verizon Business serves medium and large businesses and government customers and it will announce details of new products and services later this month.

This new business segment boasts a highly trained and experienced force of sales and service professionals deployed in hundreds of sales offices around the world. It owns and operates an end-to-end global IP network spanning more than 100 countries, providing next-generation IP network services to medium and large businesses and government customers.

As previously announced, John Killian has been named president of this new unit, and his leadership as executives have been overseeing integration planning for their respective functions since October.

"I put the team in place to hit the ground running and offer Verizon Business customers greater value from Day One," said Killian. "We believe that our strong commitment to customers and our integrated product offerings will deliver the most advanced business communications solutions and best customer experience available in today's marketplace."

While further details about Verizon Business will be announced at the upcoming market launch, Verizon will continue to build on the success of its "master brand" strategy.

Other elements of the former MCI are being combined with similar existing functions in Verizon. For example, the MCI Foundation will be part of the Verizon Foundation.

Transaction Details

The merger was announced on Feb. 14, 2005, and received the required state, federal and international regulatory approvals by year-end 2005. Verizon and MCI have been engaged in integration planning since the merger was announced by MCI shareholders on Oct. 6, 2005.

Under terms of the merger agreement, MCI shareholders will receive 0.5 shares of Verizon for each cash payment of \$2.738 per MCI share. Verizon elected to make a supplemental cash payment of \$2.738 per MCI share (or \$779 million in the aggregate), rather than issue additional shares of Verizon, as the aggregate consideration was equal to at least \$20.40 per share of MCI. The parties mutually agreed that there would be no purchase price adjustment related to the amount of certain MCI liabilities.

The merger was also structured as a tax-free reorganization, and generally MCI shareholders will be treated as if they received a previously paid special dividend and the supplemental cash payment.

MCI shareholders holding certificates will very shortly receive information about how to exchange their MCI shares. Shareholders who hold their shares in book entry or through a broker will have their shares automatically exchanged for Verizon shares and cash. Verizon shareholders need not take any action.

Verizon's Leadership Team

Verizon's top management team and Board of Directors will remain unchanged. Michael C. Quinn, former president and CEO of MCI, has announced that he is leaving the business now that the merger has been completed.

Seidenberg said, "Michael's work in transforming MCI over these past few years has been a great contribution. He has been a great leader, and he leaves a legacy as an architect of one of the world's great, next-generation communications companies - a strong competitive force focused on customer innovation."

Verizon Communications Inc. (NYSE:VZ), a Dow 30 company, is a leader in delivering broadband and other communication innovations to wireline and wireless customers. Verizon operates America's most reliable wireless network, serving 49.3 million customers nationwide: one of the most expansive wholly-owned global IP networks; and one of the nation's premier wireline networks, serving home, business and wholesale customers. Based in New York, Verizon has a diverse workforce of approximately 250,000 and generates annual consolidated operating revenues of approximately \$90 billion. For more information, visit www.verizon.com.

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NOTE: This press release contains statements about expected future events and financial results that are forward-looking and subject to risks and uncertainties. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The following important factors could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: materially adverse changes in economic and industry conditions and labor matters, including workforce levels and labor negotiations, and any resulting financial and/or operational impact, in the markets served by us or by companies in which we have substantial investments; material changes in available technology; technology substitution; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations; the final results of federal and state regulatory proceedings concerning our provision of retail and wholesale services and judicial review of those results; the effects of competition in our markets; the timing, scope and financial impacts of our deployment of fiber-to-the-premises broadband technology; the ability of Verizon Wireless to continue to obtain sufficient spectrum resources; changes in our accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings; and the extent and timing of our ability to obtain revenue enhancements and cost savings following our business combination with MCI, Inc.

3.0 Service Descriptions

3.1 Local Exchange Service: The Company's Local Telephone Service provides a Customer with the ability to connect to the Company's switching network which enables the Customer to:

- place or receive calls to any calling Station in the local calling area, as defined herein;
- access enhanced 911 Emergency Service;
- access the interexchange carrier selected by the Customer for interLATA, intraLATA, interstate or international calling;
- access Operator Services;
- access Directory Assistance for the local calling area;
- place or receive calls to 800 telephone numbers;
- access Telecommunication Relay Service.

The Company's service can not be used to originate calls to other telephone companies caller-paid information services (900, 976). Calls to those numbers and other numbers used for caller-paid information services will be blocked by the Company's switch.

3.1.1 Service Area:

Plan 1: For company-provided facility based service, where facilities are available, service areas are defined by the following local calling areas.

The Company will offer Local Exchange Service in the Qwest and Verizon areas as defined in Qwest Communications, Inc. WN U-31 and Verizon Incorporated WN U-17 and the Southern Washington Area, which consists of the Camas/Washougal and Vancouver exchange areas, as defined below. Customers in each of the aforementioned areas will have different pricing structures. Where Company has facilities available, service areas are defined by the following exchange designations:

<u>Exchange</u>	<u>Exchange</u>
Bainbridge island	Vancouver+
Vashon	Bremerton
Des Moines	Camas/Washougal+
Puyallup (N)	Port Orchard
Seattle	Bellevue
Seattle Adams	Kirkland'
Seattle North	Halls Lake'
Seattle South	Everett'
Sumner (N)	Silverlake'
Richmond Beach'	Bothel*
Tacoma	Issaquah
Tacoma Waverly (N)	Maple Valley
Kent	Renton
Auburn	
Silverdale	
Battle Ground+	

* Verizon Areas
+ So. Washington Areas

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Randee Klindworth
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707 17TH Street, #4200
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MCImetro Access Transmission Services, LLC
 d/b/a Verizon Access Transmission Services
 Washington Price List No. 2

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.1 Service Area (Cont'd):

Plan 2: For service provisioned via UNE-Platform (UNE-P) the service and calling areas will mirror the existing ILEC Exchange Services Tariff. UNE-P is a service delivery method where Company obtains local exchange facilities via unbundled network elements through the Incumbent ILEC.

3.1.1.1 Local Calling Areas: Exchanges and zones, included in the local calling area for each of the serving area exchange designations, are specified below. NXX's associated with each particular exchange or zone may be found in the telephone directory published by the dominant exchange service provider in the Customer's exchange area. Customers in each exchange service area (Verizon and/or Qwest and/or So. Washington) may have different pricing structures.

Exchange or Zone:

Bainbridge Island:	Bainbridge Island, Eatonville and Seattle	C
Vashon:	Auburn, Bainbridge Island, Bellevue, Bothell, Des Moines, Halls Lake, Issaquah, Kent, Kirkland, Maple Valley, Renton, Richmond Beach, Seattle and Vashon	
Des Moines:	Auburn, Des Moines, Kent, Renton, Tacoma, Tacoma Waverly and Seattle	
Seattle:	Ames Lake, Auburn, Bainbridge Island, Bellevue, Bothell, DesSeattle Adams, Moines, Halls Lake, Issaquah, Kent, Kirkland, Maple Valley, Seattle North, Renton, Richmond Beach. Seattle and Vashon	
Seattle South:		
Richmond Beach*:	Richmond Beach, Bothell, Halls Lake, Seattle	

* Verhon Area
 + So. Washington Area

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3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.1 Service Area (Cont'd):

3.1.1.1 Local Calling Areas (Cont)

Exchange or Zone:

Tacoma:	Arletta, Burley, Eatonville, Fox Island, Gig Harbor, Graham, Lakebay, Orting, Puyallup, Rainier, Roy, South Prairie, Sumner, Tacoma, Tacoma Waverly and Yelm
Kent:	Auburn, Black Diamond, Des Moines, Kent, Maple Valley, Renton and Seattle
Auburn:	Auburn, Black Diamond, Des Moines, Enumclaw, Kent, Renton, Seattle, Sumner, Tacoma and Tacoma Waverly
Silverdale:	Belfair, Bremerton, Port Orchard, Kingston, Poulsbo, Silverdale
Vancouver+:	Amboy, Battle Ground, Camas/Washougal, La Center, Ridgefield, Vancouver, Woodland, Yacolt
Bremerton:	Belfair, Bremerton, Dewatto, Port Orchard, Silverdale
Camas/Washougal+:	Camas/Washougal, Vancouver
Port Orchard:	Belfair, Bremerton, Port Orchard, Silverdale

* Verizon Area
+ So. Washington Area

MCImetro Access Transmission Services, LLC
d/b/a Verizon Access Transmission Services
Washington Price List No. 2

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.1 Service Area (Cont'd):

3.1.1.1 Exchange or Zone:(Cont'd)

Bellevue:	Ames Lake, Bellevue, Carnation, Fall City, Issaquah, Kirkland, North Bend, Renton and Seattle	
Kirkland.:	Kirkland, Bellevue, Bothel, Carnation, Fall City, Issaquah, North Bend and Seattle	
Halls Lake*:	Halls Lake, Bothel, Everett, Richmond Beach, Seattle and Silver Lake	
Everett*:	Everett, Halls Lake, Marysville, Silver Lake, Snohomish	C
Silver Lake*:	Silver Lake, Bothel (Excluding Duvall), Everett, Halls Lake, Marysville, Snohomish	C
Bothel*:	Ames Lake, Bothel, Carnation, Fall City, Halls Lake, Kirkland, Richmond Beach, Seattle and Silver Lake	
Issaquah:	Bellevue, Carnation, Fall City, Issaquah, Kirkland, Maple Valley, North Bend, Renton and Seattle	
Maple Valley:	Black Diamond, Issaquah, Kent, Maple Valley, Renton and Seattle	
Marysville:	Everett, Marysville, Silver Lake	N
Renton:	Auburn, Bellevue, Des Moines, Issaquah, Kent, Maple Valley and Renton and Seattle	
Puyallup:	Graham, Orting, Puyallup, South Prairie, Sumner, Tacoma	
Snohomish:	Everett, Silver Lake, Snohomish	N
Sumner:	Auburn, Buckley, Enumclaw, Orting, Puyallup, South Prairie, Sumner, Tacoma	
Tacoma Waverly:	Arleta, Auburn, Des Moines, Eatonville, Fox Island, Gig Harbor, Graham, Lakebay, Orting, Puyallup, Rainier, Roy, south Prairie, Sumner, Tacoma, Tacoma Waverly, Yelm	

* Veruon Area
+ So. Washington Area

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.2 Local Line: A facilities based service which provides a Business Customer with an individual access line and the ability to connect to the Company's switching network to complete calling within a local calling area for the transmission of two way interactive switched voice or data communication. Local Line provides the Customer With a single, voice-grade communications channel. Each Local Line will include a telephone number. The following services and/or options may apply:

Flat Rate Option: Customers electing this option may make unlimited local calls

Per Minute Option:¹ Customer may make local calls on a per minute basis according to usage rates as set forth in Section 3.1.4.1

High Capacity Inbound Service: A High Capacity Inbound Line or Trunk is any inbound line or trunk for which, during any monthly billing period and at any location or individual building address of a customer, the following three conditions are met: 1) more than 70 percent of the traffic carried is inbound local; 2) the average off-hook time per call is more than ten minutes; and 3) the average daily usage per line or trunk exceeds eight hours. Monthly charges shall apply to each High Capacity inbound Line or Trunk used by the Customer. These charges are in lieu of other monthly recurring local line, Local Trunk-Basic (Per Call/Per Minute/Flat Rate options) and Local Trunk-DID (Analog) and are in addition to non-recurring and per minute usage charges specified elsewhere in this price list.

3.1.2.1 Standard Features: Each Local Line Customer is provided with the following standard features:

- Call Forward-Variable
- Call Hold
- Call Park
- Call Pickup (Group Call Pickup or Directed Call Pickup)
- Calling Number Delivery Blocking (Selective)
- Conference Six-Way
- Customer Group Dialing Plan
- Do Not Disturb
- Message Waiting
- Hunting (Circular, Sequential and Uniform Call Distribution)
- Touchtone

¹ Effective March 1, 2001, this option will no longer be available to new subscribers

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.2 Local Line (Cont'd)

3.1.2.2 Optional Features: A Local Line Customer may order the following optional features, at the rates specified in Section 3.1.2.3.3:

Call Forward-Busy*
Call Forward-No Answer'
Call Transfer or 3-Way Conference'
Call Waiting/Cancel Call Waiting'
Caller ID-Number'
Caller ID with Name and Number
Call Trace
Calling Number Delivery+
Calling Number Delivery Blocking (Complete)
Interim Local Number Portability
Selective Call Screening
Speed Dial-8 or Speed Dial-30*
Toll Restriction,
Remote Call Forwarding'

Feature Package 1 (Only where facilities are available. Includes all Standard Features listed above and each of the following Optional Features):

Call Transfer or 3-Way Conference Calling
Call Forward-Busy
Call Forward-No Answer
Speed Dial-8

Feature Package 2 (Only where facilities are available. Includes all Standard Features listed above, Feature Package 1 and each of the following Optional Features):

Speed Dial-8 or Speed Dial-30
Toll Restriction

3.1.2.3 Local Line Rates and Charges: A Local Line Customer will be charged applicable Non-Recurring and Monthly Recurring Charges as specified in Sections 3.1.2.3.1 and 3.1.2.3.2, respectively. Local Line charges will vary based on whether the Customer chooses the per minute rate or Flat Rate option, as specified in Section 3.1.2.3.2. The usage rates in section 3.1.2.3.4 will only apply to those customers who choose the Per Minute and/or Per Call Options specified in Section 3.1.2.3.2.

* Installation on or after December 15, 1998 will be charged the applicable rate. Existing lines will continue to receive these feature at no charge.

+ Beginning December 15, 1998, this feature will not be available to new subscribers.

¹ Effective November 1, 2000, this feature will no longer be available to new subscribers.

² Effective January 1, 2004, this feature is not available to customers who choose Plan 2.

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.2 Local Line (Cont'd)

3.1.2.3 Local Line Rates and Charges (Cont'd):

3.1.2.3.1 Non-Recurring Charges

Line Connection Charge (per line)	
Verizon Area	\$15.00
Qwest Area	\$15.00
So. Washington Area	\$15.00

Account Setup (per account)	
Verizon Area	\$48.50
Qwest Area	\$0.00
So. Washington Area	\$0.00

Moves, Changes, Additions (per change)	
Verizon Area	\$24.25
Qwest Area	\$20.00
So. Washington Area	\$20.00

Account Changes (per billing record change)	
Verizon Area	\$24.25
Qwest Area	\$20.00
So. Washington Area	\$20.00

Line Restoral Charge (per line)	
Verizon Area	\$20.00
Qwest Area	\$20.00
So. Washington Area	\$20.00

(Applies for line restoral after temporary interruptive service initiated by the Company. If service is temporarily interrupted and payment is not received within 10 days following the interruption, the Company reserves the right to discontinue service. If service is discontinued and subsequently re-established, charges apply as for a new installation of service.)

Order Expedite Charge (Per Line)	\$25.00
-------------------------------------	---------

Due Date Change (Per Occurrence)	\$10.00
-------------------------------------	---------

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.2 Local Line (Cont'd)

3.1.2.3 Local Line Rates and Charaes (Cont'd):

3.1.2.3.1 Non-Recurrino Charges (Cont'd)

Suspension of Service Restoral Charge
(per line)

Verizon Area	\$41.25
Qwest Area	\$10.00
So. Washington Area	\$10.00

(Applies for restoral of service after Customer-initiated suspension)

3.1.2.3.2 Recurring Charges - Monthly

Plan 1:
Local Line -Line Charge (Analog)
(per line)

Per Minute/Per Call Options¹

Verizon Area	\$17.50
Qwest Area	\$18.60
So. Washington Area	\$17.50

Flat Rate Option:

Verizon Area	\$31.40
Qwest Area	\$26.89
So. Washington Area	\$26.89

High Capacity Inbound Service (Analog)

Per minute/per call options

Verizon Area	\$17.50
Qwest Area	\$18.60
So. Washington	\$17.50

Flat Rate Option

Verizon Area	\$31.40
Qwest Area	\$26.89
So. Washington Area	\$26.89

¹ Effective March 1, 2001, this option will no longer be available to new subscribers

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.2 Local Line (Cont'd)

3.1.2.3 Local Line Rates and Charoes (Cont'd):

3.1.2.3.2 Recurrino Charoes - Monthly (Cont.)

Plan 2:

	Fiat	Metered
Plan 2 a) for 1-3 lines	\$40.00	\$17.50
Plan 2 b) for 4 or more lines (rate applies to all lines)	\$40.00	\$17.50

3.1.2.3.3 Optional Features:

	<u>Monthly Recurring</u>
Call Forward-No Answer	\$1.00
Call Transfer or 3-Way Conference	\$2.00
Call Waiting/Cancel Call Waiting	\$3.00
Caller ID-Number	\$5.00
Caller ID with Name and Number	\$5.00
Speed Dial-8	\$2.00
Speed Dial-30	\$4.00
Toll Restriction	\$3.00
Feature Package 1	\$4.50
Feature Package 2	\$9.50
Calling Number Delivery	\$4.75
Calling Number Delivery Blocking (Complete)	\$0 00
Interim Local Number Portability ¹	\$0 00
Selective Call Screening (per line)	\$2.00
Call Trace ¹	
(monthly subscription charge)	\$0.00
(per-activation charge)	\$0.00
Remote Call Forwarding	\$20.00

¹ Rates for volume of numbers greater than 500 will be provided on an individual case basis

² Customers may choose between a monthly subscription or per-activation charge. The total monthly charge for per-activation is capped at \$25.00.

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.2 Local Line (Cont'd)

3.1.2.3 Local Line Rates and Charges (Cont'd):

3.1.2.3.3 Optional Features: (Cont)

	<u>Non-Recurring</u>
Call Forward-Busy	\$5.00
Call Forward-No Answer	\$5.00
Call Transfer or 3-Way Conference	\$5.00
Call Waiting/Cancel Call Waiting	\$5.00
Caller ID-Number	\$5.00
Caller ID with Name and Number	\$5.00
Speed Dial-8	\$5.00
Speed Dial-30	\$5.00
Toll Restriction	\$5.00
Feature Package 1	\$10.00
Feature Package 2	\$10.00
Selective Call Screening	\$24.00

3.1.2.3.4 Usage Rates: The rates in Section 3.1.20 will apply.

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.3 Local Trunk: A facilities based service which will provide a single, analog, voice-grade communications access line that can be **used** to place or receive one call at a time. Provides a trunk-side connection from the customer's PBX or trunk capable key system to the Company's switch. Signaling is ground start. The service is Dual Tone Multi-Frequency (DTMF). Local Trunk(s) provide the Customer with a voice-grade communications channel(s) to the Customer's Private Branch Exchange or Hybrid Key System. Local Trunks can be provisioned as either analog or digital. The following services and/or options may apply:

Local Trunk - Basic: Can be used to carry one-way outbound traffic, one-way or two-way traffic. The calling options described in Section 3.12 will be available to Local Trunk-Basic customers.

Local Trunk - DID: Provides the customer with a single analog connection which can carry one-way inbound traffic.

High Capacity Inbound Service: A High Capacity Inbound Line or Trunk is any inbound line or trunk for which, during any monthly billing period and at any location or individual building address of a customer, the following three conditions are met: 1) more than 70 percent of the traffic carried is inbound local; 2) the average off-hook time per call is more than ten minutes; and 3) the average daily usage per line or trunk exceeds eight hours. Monthly charges shall apply to each High Capacity Inbound Line or Trunk used by the Customer. These charges are in lieu of other monthly recurring local line, Local Trunk-Basic (Per Call/Per Minute/Flat Rate options) and Local Trunk-DID (Analog) and are in addition to non-recurring and per minute usage charges specified elsewhere in this price list.

3.1.3.1 Local Trunk-Basic: Local Trunk- Basic can be used to carry one-way outbound traffic, one-way inbound or two-way traffic.

3.1.3.1.1 One-Way Outbound: Provides the Customer with a single analog connection which is restricted to carry outbound traffic only.

3.1.3.1.2 One-Way Inbound or Two-Way: Provides the Customer with a single analog connection which can carry one-way inbound or two-way traffic.

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.3 Local Trunk (Cont'd)

3.1.3.1 Local Trunk-Basic (Cont'd)

3.1.3.1.2 One-Way Inbound or Two-Way (Cont)

3.1.3.1.2.1 Features: The following features are available:

Standard:

Hunting (Circular, Sequential and
Uniform Call Distribution)
Calling Number Delivery Blocking
(Selective)
Touchtone

Optional:

Selective Call Screening
Interim Local Number Portability
Calling Number Delivery Blocking
(Complete)
Remote Call Forwarding
Overflow Routing

3.1.3.1.3 Local Trunk-Basic Rates and Charges: A Local Trunk -Basic Customer will be charged the applicable Non-Recurring and Monthly Recurring Charges specified in Sections 3.1.3.1.3.1 and 3.1.3.1.3.2, respectively.

3.1.3.1.3.1 Non-Recurring Charges

Line Connection Charges (per Trunk)

Verizon Area	\$20.00
Qwest Area	\$20.00
So. Washington Area	
Analog	\$20.00
Digital	\$20.00

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.3 Local Trunk (Cont'd)

3.1.3.1 Local Trunk-Basic (Cont'd)

3.1.3.1.3 Local Trunk-Basic Rates and Charges (Cont'd)

3.1.3.1.3.1 Non-Recurring Charaes (Cont'd)

Account Setup (per account)

Verizon Area	\$48.50
Qwest Area	\$0.00
So. Washington Area	\$0.00

Account Changes (Moves, Changes, Additions)
(per change)

Verizon Area	\$24.25
Qwest Area	\$20.00
So. Washington Area	\$20.00

Account Changes (per Billing Record Change)

Verizon Area	\$24.25
Qwest Area	\$20.00
So. Washington Area	\$20.00

Line Restorai Charge (per trunk)

Verizon Area	\$20.00
Qwest Area	\$20.00
So. Washington Area	\$20.00

(Applies for trunk restoral after temporary interruption of service initiated by the Company. If service is temporarily interrupted and payment is not received within 10 days following the interruption, the Company reserves the right to discontinue service. if service is discontinued and subsequently re-established, charges apply as for a new installation of service.)

Suspension of Service Restoral Charge
(per trunk)

Verizon Area	\$41.25
Qwest Area	\$10.00
So. Washington Area	\$10.00

(Applies for trunk restorai after Customer-initiated suspension.)