

Heritage – Attachment C

****PUBLIC****

FACILITIES-BASED CLEC COMPANY PROFILES

1. The following profiles provide further information on the facilities-based CLECs providing local service in the Ohio serving area today.
2. The competitors profiled in this attachment meet the criteria for “Track A” competition by providing service to both residential and business customers either exclusively or predominantly over their own facilities. In addition, several CLECs are providing facilities-based services to businesses while at the same time providing resold services to residential customers, see Table A below, which also demonstrates compliance with “Track A”.¹

*****TABLE A*****

TRACK A COMPETITORS IN OHIO – JUNE 2001

TRACK A COMPETITORS	FACILITIES-BASED LINES (E911 LISTINGS)		FACILITIES- BASED LINES (UNE-Ps)		FACILITIES- BASED CLECS RESOLD LINES
	BUS.	RES.	BUS.	RES.	RESIDENTIAL
AT&T					
Buckeye TeleSystem					
CoreComm					
ICG Communications					
WorldCom					
XO Communications					

¹ See the Kansas-Oklahoma Order, ¶ 43, fn. 101, where the FCC specifically noted that compliance with “Track A” requirements may be demonstrated through the existence of resold residential service.

Individual Company profiles:

AT&T

AT&T	Collocation Instances	MOU * 05/01 Exchanged	Resold Lines	Inter-connection Trunks	UNE-Ps	E911 Listings	Telephone Numbers Assigned
Ohio State Total							

*** *Note: Minutes of Use (“MOU”s) are local only and do not include ISP MOUs.

3. AT&T is a communications and information services company serving more than 90 million residential, business, and government customers. AT&T operates in more than 200 countries and territories around the world, offering local, long-distance and wireless services; online services; access to home entertainment; and cable TV services. AT&T receives about 44% of its revenue from telecom service to businesses, about 31% from services to residential consumers, about 15% from its wireless business, and about 11% from AT&T Broadband (including Cable TV).²
4. Nationwide, AT&T’s total assets are over \$242 billion, with 2000 revenues of over \$65 billion.³

Ohio operations:

- The PUCO approved under Section 252 of the Act an interconnection agreement between Ameritech Ohio and AT&T on February 20, 1997 in Case No. 96-0752-TP-ARB, and approved the most recent amendment to the interconnection agreement on October 25, 2000 in Case No. 00-1734-TP-AEC.

² Current Analysis, AT&T Description; <<http://www.currentanalysis.com/>>

³ Market Guide, *Research: AT&T Annual Balance Sheet*, <<http://www.marketguide.com/mgi/MG.asp?nss=%20www&rt=abalancestd&rn=A0034>>; *Annual Income Statement*,

- AT&T has operational voice switches in Cincinnati, Cleveland, Columbus and Toledo.⁴
- AT&T has at least *** facilities-based business lines in Ohio as evidenced by its E911 listings, with at least *** of these serving residential customers.

Buckeye TeleSystem

Buckeye	Collocation Instances	MOU * 05/01 Exchanged	Resold Lines	Inter-Connection Trunks	UNE-Ps	E911 Listings	Telephone Numbers Assigned
Ohio State Total							

*** *Note: Minutes of Use (“MOU”s) are local only and do not include ISP MOUs.

5. Buckeye TeleSystem, Inc., an affiliate of Buckeye CableSystem, is a locally-owned and operated provider of business telecommunications in the Greater Toledo area. Founded in 1994, the company offers voice, video and data communication transport, including local phone service, frame relay, digital trunks, Internet access, and long distance.

Ohio operations:

- The PUCO approved under Section 252 of the Act an interconnection agreement between Ameritech Ohio and Buckeye TeleSystem on March 10, 1998 in Case No. 97-1645-TP-NAG, and approved the most recent amendment to the interconnection agreement on February 23, 2001 in Case No. 01-172-TP-AEC.
- Buckeye has an operational voice switch and 250 miles of fiber in Toledo.⁵

<<http://www.marketguide.com/MGI/mg.asp?target=%2Fstocks%2Fcompanyinformation%2Fincomestmt%2Faincomestd&Ticker=T>>.

⁴ New Paradigm Resources, Inc., CLEC Report 2001, Chapter 9 – AT&T at 20, 22-23 of 29 (13th ed. 2000).

⁵ <http://www.buckeye-telesystem.com/>

- Buckeye has at least *** facilities-based business lines in Ohio as evidenced by its E911 listings, with at least *** of these serving residential customers.

CoreComm

CoreComm	Collocation Instances	MOU * 05/01 Exchanged	Resold Lines	Inter-connection Trunks	UNE-Ps	E911 Listings	Telephone Numbers Assigned
Ohio State Total							

*** *Note: Minutes of Use (“MOU”s) are local only and do not include ISP MOUs.

6. CoreComm was founded in March of 1998, when it began selling local telephone service in Ohio, and had year-end 2000 revenues of over \$132M. It recently introduced its "Smart LEC" strategy with the acquisition announcements of MegsINet, an Internet backbone provider, and USN Communications, a wide-scale reseller. CoreComm uses a "Smart LEC" network strategy that combines bundled Internet access, plus local and long distance telephony services. CoreComm reports that, as of 3rd quarter 2000, it was providing local service to over 18,000 residential customers in Cleveland and over 16,000 residential customers in Columbus.⁶

Ohio operations:

- The PUCO approved under Section 252 of the Act an interconnection agreement between Ameritech Ohio and OCOM Corporation on February 12, 1998 in Case No. 97-0799-TP-ARB (which agreement was assigned later that year to CoreComm Newco, Inc.), and approved the most recent amendment to the interconnection agreement on April 28, 2000 in Case No. 00-0600-TP-AEC.
- CoreComm has operational voice switches in Cleveland and Columbus.

⁶ 6/1/01 - <http://www.core.com/about/Corporate/Q3IRPresentation.pdf>

- CoreComm has at least *** facilities-based business lines in Ohio as evidenced by its E911 and UNE-P listings, with at least *** of these serving residential customers.

ICG Communications

ICG	Collocation Instances	MOU * 05/01 Exchanged	Resold Lines	Inter-connection Trunks	UNE-Ps	E911 Listings	Telephone Numbers Assigned
Ohio State Total							

*** *Note: Minutes of Use (“MOU”s) are local only and do not include ISP MOUs.

7. ICG Communications is strategically located in major metropolitan areas. It delivers voice, data and Internet access to Internet service providers (ISPs), business and carrier customers nationwide. At the end of second quarter 2000, ICG had approximately 1.1 million access lines in service, including 208,000 lines installed in the second quarter. The company owns 4,767 fiber route miles and 67 switches. ICG has 3,000 full-time employees nationwide.⁷
8. ICG filed for Chapter 11 protection November 14, 2000 and expects to emerge this year. The company has received approval from the court and creditors' committee to move forward with a revised business and plan of reorganization.⁸

Ohio operations:

- The PUCO approved under Section 252 of the Act an interconnection agreement between Ameritech Ohio and ICG Communications on September 19, 1996 in Case No. 96-0611-TP-UNC, and approved the most recent amendment to the interconnection agreement on October 18, 2000 in Case No. 00-1685-TP-AEC.
- ICG has operational voice switches in Cincinnati, Akron, Cleveland and Dayton.⁹

⁷ 8/6/01 – <http://www.icgcom.com/profile/history.asp>

- ICG has at least *** facilities-based business lines in Ohio as evidenced by its E911 listings, with at least *** of these serving residential customers.

WorldCom

WorldCom	Collocation Instances	MOU * 05/01 Exchanged	Resold Lines	Inter-connection Trunks	UNE-Ps	E911 Listings	Telephone Numbers Assigned
Ohio State Total							

*** *Note: MOUs are local only and do not include ISP MOUs.

- WorldCom is a leading player in the U.S. telecom service industry and offers services in 65 countries worldwide. The company is best known for its long-distance services, but it also provides a wide range of data, Internet, local, international, network access, and facilities management solutions. By segment, corporate revenues are as follows: consumer and wholesale, 28%; data, 19%; business voice, 17%; international, 16%; small business/alternative channels, 10%; dedicated Internet, 6%; and dial Internet, 4%.¹⁰
- Nationwide, WorldCom had total assets in 2000 of over \$98 billion, with 2000 revenues of over \$39 billion.¹¹

Ohio operations:

- The PUCO approved under Section 252 of the Act an interconnection agreement between Ameritech Ohio and WorldCom (MCI Metro) on May 22, 1997 in Case No. 96-0888-TP-ARB, and approved the most recent amendment to the interconnection agreement on November 7, 1998 in Case No. 98-1409-TP-AEC.

⁸ Yahoo website at <http://biz.yahoo.com/e/010723/icgx.html>

⁹ New Paradigm Resources, Inc., CLEC Report 2001, Chapter 9 – ICG at 10 of 16 (13th ed. 2000).

¹⁰ Current Analysis, WorldCom Description; <http://www.currentanalysis.com>

WorldCom also operates as MFS and Brooks Fiber in Ohio. An interconnection agreement between Ameritech Ohio and MFS was approved by the PUCO on August 29, 1996 in Case No. 96-0565-TP-UNC, which was subsequently amended to include resale on June 12, 1997 in Case No. 97-0292-TP-NAG. In addition, the PUCO approved an interconnection agreement between Ameritech Ohio and Brooks Fiber on November 7, 1996 in Case No. 96-0828-TP-UNC.

- WorldCom has operational voice switches in Cincinnati, Cleveland and Toledo.¹²
- WorldCom serves at least *** facilities-based lines in Ohio using E911 as a measure, with at least *** of these serving residential customers.
- WorldCom has *** instances of collocation in Ohio as of June 2001. Further, WorldCom (through its subsidiary, UUNET) itself is a provider of collocation services, which it sells to other communications companies.¹³

XO Communications

XO	Collocation Instances	MOU * 05/01 Exchanged	Resold Lines	Inter-connection Trunks	UNE-Ps	E911 Listings	Telephone Numbers Assigned
Ohio State Total							

*** *Note: Minutes of Use (“MOU”s) are local only and do not include ISP MOUs.

11. XO Communications (formerly NEXTLINK Communications) is a facilities-based CLEC that provides local, long-distance and data services primarily to small and medium-sized business customers. It also provides Internet business solutions for small businesses, including DSL access, Web hosting, and e-commerce. XO

¹¹ Market Guide, *Research: WorldCom, Annual Balance Sheet*, <<http://www.marketguide.com/mgi/MG.asp?nss=www&rt=abalancedtd&rn=50715>>; Market Guide, *Research: WorldCom, Annual Income Statement*, <<http://www.marketguide.com/mgi/MG.asp?nss=www&rt=aincomestd&rn=50715>>.

¹² New Paradigm Resources, Inc., CLEC Report 2001, Chapter 9 – WorldCom at 14 of 21 (13th ed. 2000).

currently provides local switched service in 60 markets. XO's revenues, on an annualized basis, are over \$895 million, with voice services revenues of \$131.1 million, in the 1st Q 2001.¹⁴

Ohio operations:

- The PUCO approved under Section 252 of the Act an interconnection agreement between Ameritech Ohio and XO Communications (formerly NEXTLINK Communications) on April 25, 1997 in Case No. 97-0069-TP-NAG, and approved the most recent amendment to the interconnection agreement on July 21, 2000 in Case No. 00-1129-TP-AEC.
- XO has operational voice switches in Akron, Cleveland and Columbus.
- XO has at least *** facilities-based business lines in Ohio as evidenced by its E911 listings, with at least *** of these serving residential customers.

OTHER SERVICE PROVIDERS

DSL.net Communications

12. DSL.net Communications, L.L.C. provides high-speed data communications and Internet access services through xDSL technology to small and medium-sized businesses in second and third tier cities, generally with populations of less than 900,000. DSL.net's services, marketed under the NetGAIN brand name, offer customers high-speed digital connections at prices similar to T-1, ISDN, or frame relay. The Company also supports both local and virtual private networks.

¹³ WorldCom, *Products and Services*,
<http://www.wcom.com/for_your_business/e_business/web_host.phtml>.

¹⁴ Market Guide, *Research: XO Communications, Inc. Quarterly Business Segments*,
<<http://multex.marketguide.com/mgi/MG.asp?nss=multex&rt=qbussegm&rn=A1869>>; Market Guide,
Research: XO Communications, Inc. Quarterly Income Statement,
<<http://multex.marketguide.com/mgi/MG.asp?nss=multex&rt=qincomestd&rn=A1869>>.

DSL.net was incorporated in March 1998 and began marketing itself in March 1999. Commercial service from the first point of presence (POP) located in Stamford, CT began in May 1998.¹⁵

13. DSL.net has adopted a different strategy than other xDSL providers. The Company focuses on selling directly to small and medium-sized businesses outside of large metropolitan areas. In contrast, other xDSL providers sell primarily to Internet Service Providers (ISPs) who, in turn, resell services to end-users.
14. DSL.net has *** **completed collocation arrangements in Ohio central offices and *** **stand alone UNE loops. DSL.net currently provides services in Canton, Dayton and Columbus. While it is unknown to Ameritech if DSL.net is providing voice services to its customers, its method of provisioning services offers an excellent platform for provisioning voice over DSL. It sells directly to end-users. This affords DSL.net an excellent opportunity to expand data services to include services competitive with Ameritech's local telephone services. In a Business Wire article on May 4, 2000, DSL.net announced it had successfully tested both voice service and DSL Internet access over the same standard telephone wire, a strong indication that it intends to offer voice services in the future.¹⁶

Covad

15. Covad Communications is a national broadband CLEC that offers high-speed Internet and network access via DSL. The company offers DSL service primarily

¹⁵ The 2001 CLEC Report

¹⁶ Business Wire 05/04/2000 DSL.net Announces Successful Test of Voice and Data Line Sharing

via more than 250 ISPs, but also via telecom carriers, enterprises, affinity programs, and Application Service Providers (ASPs) to small and medium businesses and home users. Covad is primarily a wholesaler, but on June 16, 2000, the company announced that it had changed its strategy and would also sell directly to end-users.

16. In September 2000, Covad acquired BlueStar Communications, a southeastern DSL provider, for \$215 million in stock and debt--a purchase that significantly expanded the company's southeastern footprint in Tier 2 and Tier 3 markets.
17. Covad's services are currently available across the U.S. in 109 of the top metropolitan statistical areas (MSAs), including Akron, Cincinnati, Columbus and Dayton. Covad's network currently covers more than 40 million homes and business and reaches approximately 40 to 45 percent of all U.S. homes and businesses. Markets currently served include all the leading markets, most Tier 1 markets, and many Tier 2 markets.¹⁷
18. Covad has *** completed collocation arrangements in Ohio central offices and *** stand alone UNE loops. While it is unknown to Ameritech if Covad is offering voice services to its customers, many DSL CLECs, including DSL.net, have successfully tested voice over DSL capability.

New Edge Networks

19. New Edge Networks was formed in June 1999 and provides broadband services nationally in small, midsize and semi-rural markets with populations generally ranging from 5,000 to 250,000.

¹⁷ Current Analysis, Covad Description

20. New Edge Networks has installed DSL network equipment in 29 states and built a national data communications network with 18 regional aggregation points and almost 600 nodes, making it one of the largest ATM networks in the United States. Through this network, New Edge Networks delivers a full range of consumer and business-class DSL options in 380 cities, as well as advanced Broadband Services such as Virtual Private Networks (VPNs), LAN-to-LAN internetworking, Virtual Private Lines and frame relay.¹⁸
21. New Edge Networks plans to overlay voice, video and other value added broadband services.¹⁹
22. New Edge Networks has *** ** completed collocation arrangements in Ohio central offices and *** ** stand alone UNE loops. While it is unknown to Ameritech if New Edge Networks is offering voice services to its customers, many DSL CLECs have successfully tested voice over DSL capability. New Edge has developed a national data network, which also provides a platform on which competitive local voice services could be carried. New Edge advertises the benefits of using VPNs over DSL connections. Its ATM backbone is capable of transmitting data, IP, voice, and video.²⁰ This is a further indication of the ability of DSL providers in general, and New Edge in particular, to use high speed data connections to compete with conventional voice telephony.

¹⁸ New Edge Web Site – 08/04/01 - <http://www.newedgenetworks.com/investors/strategy/>

¹⁹ New Edge Web Site – 08/6/01 - <http://www.newedgenetworks.com/pressroom/meet/>

²⁰ New Edge Web Site: - 08/04/01

<http://www.newedgenetworks.com/services/getconnected/wanproducts.html>