

COMPETITIVE TELECOMMUNICATIONS SERVICE PROVIDERS

For the provision of (check all that apply):

- INTEREXCHANGE CARRIER
- COMPETITIVE ACCESS
- ALTERNATIVE OPERATOR SERVICE PROVIDER
- COMPETITIVE LOCAL EXCHANGE CARRIERS
- OTHER (Describe):

ANNUAL REPORT

OF

Independent Telecommunications Systems, Inc. dba ITS Communications, IXC Direct 90-6124

(Exact legal name of respondent)

If name was changed during year, show also the previous name and date of change.

Website URL

<u>2912 Lakeside Drive</u>	<u>Oklahoma City,</u>	<u>Oklahoma</u>	<u>Oklahoma</u>	<u>73120</u>
Address	City	County	State	Zip Code

(405) 755-8177

Phone: (Area Code) Number

4079 Park East Court, Grand Rapids, MI 49546

(Address of principal business office at end of year)

TO THE
PUBLIC UTILITIES COMMISSION OF OHIO



RECEIVED
MAY 04 2005
CSFS

FOR THE
YEAR ENDED DECEMBER 31, 2004

Name, title, address, e-mail address and telephone number (including area code) of the person to be contacted concerning this report.

Judith A. Riley, Regulatory Agent

Telephone: (405) 755-8177

2912 Lakeside Drive, Oklahoma City, OK 73120

Email: jriley@telecompliance.net

RECEIVED TELECOMPLIANCE DIV

2005 MAY -4 PM 1:29

PUCO

TABLE OF CONTENTS

Title	Page
General Instructions	1
Identity of Respondent	2
Important Changes During The Year	3
Directors, Proprietors, Partners (Schedule 1)	4
Statement of Intrastate Gross Earnings (Revenue) For The Year (Schedule 2)	5
Name, Address and Phone Number of the Company's Contact Persons and Whom Invoice Should be Directed	6
Verification	7

GENERAL INSTRUCTIONS, DEFINITIONS, ETC.

Please read the general instructions carefully before filling out this form:

1. The word "Respondent" in the following inquiries means the person, firm, association, or company in whose behalf the report is made.
2. The schedules and questions contained in this report were developed to be generally applicable to all competitive telecommunication service providers. All instructions shall be followed and each question answered as fully and accurately as possible. Sufficient answers shall appear to show that no schedule, question, or line item has been overlooked.
3. If answers to an inquiry are given elsewhere in the report, incorporation of the information by reference is sufficient.
4. Customary abbreviations may be used except that the exact name of the respondent shall be shown in full on the "Title Page" and in the "Verification" page.
5. Where the space provided is insufficient for the required data or it is necessary or desirable to insert additional statements or schedules, the insert pages shall show the number and title of the schedule to which it pertains, as well as the name of the respondent and the year covered, and shall be on 8 1/2" x 11" durable paper.
6. The information required with respect to any statement furnished is the minimum requirement. The respondent may add such further material information as is necessary to ensure that the required statements are not misleading.
7. All copies filed with the Commission must be legible and permanent. All entries shall be made in permanent ink or by a typewriter. Items of a reverse or contrary character shall be enclosed in parentheses, or indicated by a minus sign followed by the amount.
8. The annual report shall be signed by a duly elected officer of the respondent and it shall be notarized.
9. "Operating" as used in this report refers to regulated operations while "Nonoperating" refers to nonregulated operations.

IDENTITY OF RESPONDENT

1. Identify respondent's form of business organization: sole proprietorship, partnership, corporation, or other (explain).

Corporation

2. If a consolidated, merged, or reorganized company, briefly provide particulars of such transactions, the date of the transactions, and PUCO authority. If a reorganized company, give name of original company.

N/A

3. Identify any other names (other than shown on title page) under which respondent conducted any part of its business during the year.

ITS Communications IXC Direct, Inc.

4. If incorporated specify:

- a. Date of filing of articles of incorporation. 03/29/1984
b. State in which incorporated. Michigan

5. Identify PUCO Case Number (and date issued) granting operating authority and identify certificate number(s) issued.

6. State whether respondent is operational in Ohio (actually providing service and the date operations began), or available (but not currently providing service).

Operational Statewide

7. If operational, identify Ohio counties where respondent is providing service.

Statewide

8. List the types of services provided by the respondent, e.g., residential voice, business voice, business data, other (specify types of other services provided).

residential voice, business voice

9. Identify if services are provided by resale (total service resale of local exchange company service) or facilities based (through respondent's own switch or via UNE platform), and names of Ohio counties where each type of service is provided.

Resale Statewide

10. Identify local exchange companies that respondent has interconnection agreements with to provide service in Ohio.

N/A

IMPORTANT CHANGES DURING THE YEAR

Report important changes of the types listed. Except as otherwise indicated data furnished should apply to the same period the report covers. Answers should be numbered in accordance with the inquiries and if "none" states the fact, it should be used. If information which answers an inquiry is given elsewhere in the report, identification of the other answer will be sufficient.

1. Changes in ownership or control (shareholders holding 5% or more of outstanding stock).

N/A

2. Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.

N/A

DIRECTORS, PROPRIETORS, PARTNERS

1. Give the name of each director or proprietor. (For partnerships identify each partner, identify which and show each partner's percent of interest.)

Line No.	Name and Address (City and State) (a)	Served Continuously From (b)
1	SEE ATTACHED	
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
	(For corporations, show the data requested; for other forms of business organizations, show in comparable positions.)	
16	Name of Chairman of the Board	21 Treasurer
17	Name of Secretary of Board	22 Controller
18	President	
19	Vice-President	
20	Secretary	

4

Instructions:

Schedule 2 is used for PUCO annual assessment purposes pursuant to Section 4905.10, RC. The reporting company shall maintain supporting and/or subsidiary records to separately record revenues derived from total operations and from its Ohio intrastate operations. Information presented herein is subject to audit by the PUCO.

The jurisdictional separation of revenues reported in this schedule should conform, to the extent applicable, to the procedures and instructions of CFR 47 Parts 32 and 36.

For interexchange carriers, intrastate refers to messages originating and terminating in Ohio.

For cellular, competitive access, and paging providers, intrastate refers to amounts billed to an Ohio account.

SCHEDULE: 2

STATEMENT OF INTRASTATE GROSS EARNINGS (REVENUE)		
Line No.	Item	Amount Ohio Intrastate
1	Operating and Miscellaneous Revenue - Wholesale Cellular Communications, Radio Common Carrier, Directory Revenue, Rent Revenue, Special Billings (revenue from work performed for others, rent revenue-nonoperating, return on regulated investment used to provide nonregulated products and services, etc.)	705,038.57
2	Other Revenue, Dividend and Interest Income, Gains From Disposition of Property -- Operating and Nonoperating, Other Operating or Nonoperating Gains (foreign currency exchange or transfer, extinguishment of debt, company's share of earnings of affiliated company accounted for on equity method, income from sinking and other funds, etc.)	705,038.57
3	SUBTOTAL (1) + (2)	705,038.57
4	Earnings or receipts from sales to other public utilities for resale	()
5	TOTAL (3) + (4)	705,038.57

SCHEDULE: 3

IN ORDER TO ENSURE THAT PUCO CORRESPONDENCE IS DIRECTED TO THE APPROPRIATE PERSON AT THE CORRECT ADDRESS, PLEASE COMPLETE THE FOLLOWING.

Name, Title, Address, and Phone Number of the Company's Contact Persons
to Receive Entries and Orders from the Docketing Division

Judith A. Riley Regulatory Agent
Name Title
2912 Lakeside Drive, Oklahoma City, OK 73120
Address
(405) 755-8177
Phone Number (Including Area Code)

Name, Title, Address, and Phone Number of Person to whom Invoice
should be Directed

Judith A. Riley Regulatory Agent
Name Title
2912 Lakeside Drive, Oklahoma City, OK 73120
Address
(405) 755-8177
Phone Number (Including Area Code)

Name and Address of the President

Robert Sweezie
Name President
5645 Forest Glen SE, Ada, MI 49301
Address

VERIFICATION

The foregoing report must be verified by the President or Chief Officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

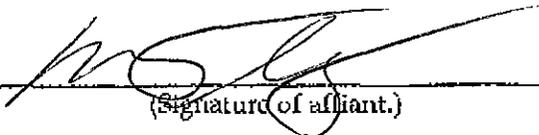
State of Oklahoma
County of Oklahoma

Robert Sweezie makes oath and says that
(Insert here the name of the affiant.)

he is President
(Insert here the official title of deponent)

of Independent Telecommunications Systems, Inc. dba ITS Communication, IXC Direct, Inc.
(Insert here the exact legal title or name of the respondent.)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including January 1, 2004, to and including December 31, 2004.


(Signature of affiant.)

Independent Telecommunications Systems, Inc.
d/b/a ITS Communications
List of Officers

President

Robert Sweezie
5645 Forest Glen SE
Ada, MI 49301

Vice-President

Scott Sweezie
4079 Park East Court
Grand Rapids, MI 49546

Secretary/Treasurer

Frederick D. Byam
4079 Park East Court
Grand Rapids, MI 49546

Independent Telecommunications Systems, Inc.
d/b/a ITS Communications
List of Officers

President

Robert Sweezie
5645 Forest Glen SE
Ada, MI 49301

Vice-President

Scott Sweezie
4079 Park East Court
Grand Rapids, MI 49546

Secretary/Treasurer

Frederick D. Byam
4079 Park East Court
Grand Rapids, MI 49546

Independent Telecommunications Systems, Inc.
d/b/a ITS Communications
List of Officers

President

Robert Sweezie
5645 Forest Glen SE
Ada, MI 49301

Vice-President

Scott Sweezie
4079 Park East Court
Grand Rapids, MI 49546

Secretary/Treasurer

Frederick D. Byam
4079 Park East Court
Grand Rapids, MI 49546