



Michael J. Wirl  
Director  
Public Affairs, Policy, and Communications

April 18, 2008

100 Communications Drive  
P.O. Box 49  
Sun Prairie, WI 53590

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Public Service Commission of Wisconsin  
RECEIVED: 04/18/08, 12:02:51 PM

**VIA PSC ELECTRONIC REGULATORY FILING SYSTEM**

Mr. Gary Evenson  
Administrator Telecommunications Division  
Public Service Commission of Wisconsin  
610 North Whitney Way  
P.O. Box 7854  
Madison, WI 53707-7854

RE: 2007 Annual Report (Utility No. 7101)

Dear Mr. Evenson,

Accompanying this letter, please find the public and confidential versions of the Telecommunications Annual Report for Telecom\*USA.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael J. Wirl".

Michael J. Wirl

**CONFIDENTIALITY FORM TO ACCOMPANY  
REQUEST FOR CONFIDENTIAL FILING**



100 Communications Drive  
P.O. Box 49  
Sun Prairie, WI 53590-0049

1. **Date** April 18, 2008

2. **Position of any individual signing on behalf of an applicant.**

Michael Wirl – Director Public Affairs, Policy, and Communications

3. **Specific type of information for which confidential status is sought.**

Revenue Figures, Minutes of Use and Number of customers contained in the TELECOM\*USA (Utility ID 7101) Alternative Telecommunications Utility – Telecommunications Reseller Annual Report For Year Ending December 31, 2007. TELECOM\*USA is a wholly-owned subsidiary of Verizon.

4. **Facts supporting legal authority believed to constitute a basis for obtaining Confidential treatment of the information, including the specific statute or statutes relied upon:**

The circumstances warranting confidentiality is derived from Ch. 134.90 (trade secret protection) and 196.14 (public record exception). The Commission may withhold from public inspection any information, including trade secrets, which would aid a competitor of a public utility in competition with the public utility.

5. **Number of people having knowledge of the records sought to be protected from disclosure and whether the absence of confidential handling would increase that number significantly.**

Approximately 10 people have access to the information. Absence of confidential handling would significantly increase that number because this information is available only to employees who compile it and prepare reports incorporating it.

6. **Does the information have any value to the possessor or to a competitor and, if so, is that value substantial?**

Yes, the information has value to the possessor and to a competitor and the value is substantial. It would allow the competitor to create a strategic business plan for market entry targeted to certain services, exchange areas and customer groups. The Commission has recognized the value of this information by granting protection to the identical data in TELECOM\*USA annual reports in prior years.

7. **What damage, if any, would the possessor of the alleged confidential material suffer if there were disclosure and what specific advantages would a competitor reap from disclosure?**

If the information were disclosed it would have the ultimate damaging effect of TELECOM\*USA's market share loss. It would allow a competitor to target its market entry and grow its market share at the expense of an equal loss of market share by TELECOM\*USA.

Requiring TELECOM\*USA to disclose this information puts TELECOM\*USA at a competitive disadvantage.

Disclosure would aid competitor's market planning and entry. The report information would strengthen the feasibility of business case, business plan scenarios, market strategies, tests of key assumptions and guide going forward operations.

Therefore, it would unfairly provide the vital information that would help determine which local markets competitors decide to enter.

8. **Are benefits likely to flow from disclosure; and if any, to whom would those benefits accrue?**

Disclosure of the information would allow benefits to accrue to competitors of TELECOM\*USA..

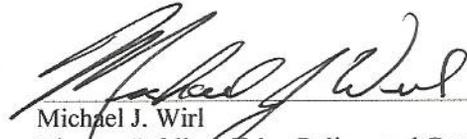
9. **Would the public interest in disclosure be satisfied in any way other than by full disclosure?**

Not applicable, as there is not public "need" for disclosure.

10. **Why should the public not have access to the information even if the information is a trade secret or information would aid a competitor, or is otherwise subject to release or protection in the Commission's discretion.**

There is no benefit to the public associated with the disclosure of this information that would outweigh the competitive harm to TELECOM\*USA.

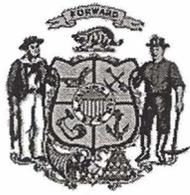


  
Michael J. Wirl  
Director Public Affairs, Policy, and Communications

Subscribed and sworn to me on this 18<sup>th</sup> day of April, 2008



Linda R. Herbst  
My Commission expires on August 2, 2009

|                                                                                           |                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br>4010 | <b>Public Service Commission of Wisconsin</b><br><b>(7101) - TELECOM USA</b><br><b>Alternative Telecommunications Utility -- Telecommunications Reseller Annual Report</b><br><b>For Year Ending December 31, 2007</b> |
| Rules for Reporting<br>Assessable Revenue Definitions<br><a href="#">Help</a>             |                                                                                                                                                                                                                        |

\* - indicates required fields

**Signature**

I certify that I am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

|                                           |                                 |
|-------------------------------------------|---------------------------------|
| Utility Name:                             | TELECOM USA                     |
| Person responsible for accounts:          | Haleh Davary *                  |
| Title of person responsible for accounts: | Regulatory Compliance Analyst * |
| Date:                                     | 04/09/2008 * (mm/dd/yyyy)       |

**Identification**

|                              |                                |                    |                                                                        |
|------------------------------|--------------------------------|--------------------|------------------------------------------------------------------------|
| Utility Name:                | TELECOM USA                    |                    |                                                                        |
| Street Address:              | 22001 Loudoun County Parkway * |                    |                                                                        |
| PO Box:                      |                                | PO Box Zip:        |                                                                        |
| City:                        | Ashburn                        | * State:           | VA * Zip: 20147 *                                                      |
| Web Site Address:            | WWW.Verizon.Com                |                    |                                                                        |
| Business Customers Phone:    | 8004442222                     | Example 6085551212 | Ext: <span style="border: 1px solid black; padding: 2px 20px;"></span> |
| Residential Customers Phone: | 8004443333                     | Example 6085551212 | Ext: <span style="border: 1px solid black; padding: 2px 20px;"></span> |

**Primary Address - Primary Utility Contact (located at Utility address)**

|                 |                                       |                    |                   |
|-----------------|---------------------------------------|--------------------|-------------------|
| Name:           | Michael J. Wirl *                     |                    |                   |
| Title:          | Director, Regulatory And Government * |                    |                   |
| Firm/Company:   | Telecom*USA *                         |                    |                   |
| Office Address: | 100 Communications Drive *            |                    |                   |
| PO Box:         |                                       | PO Box Zip:        |                   |
| City:           | Sun Prairie                           | * State:           | WI * Zip: 53590 * |
| Fax Number:     | 6088371128                            | Example 6085551212 |                   |
| Phone Number:   | 6088371732 *                          | Example 6085551212 |                   |
| Email Address:  | Mike.Wirl@Verizon.Com *               |                    |                   |

**Annual Report Contact - Contact Person for Information Contained in This Annual Report**

Same As Primary Address

|                 |  |
|-----------------|--|
| Name:           |  |
| Title:          |  |
| Firm/Company:   |  |
| Office Address: |  |

PO Box:  PO Box Zip:   
 City:  \* State:  \* Zip:  \*  
 Fax Number:  Example 6085551212  
 Phone Number:  \* Example 6085551212  
 Email Address:

**Regulatory Contact - Contact Person for Regulatory Inquiries and Complaints**

Same As Primary Address

Name:  \*  
 Title:  \*  
 Firm/Company:  \*  
 Office Address:  \*  
 PO Box:  PO Box Zip:   
 City:  \* State:  \* Zip:  \*  
 Fax Number:  Example 6085551212  
 Phone Number:  \* Example 6085551212  
 Email Address:

**Assessable Revenues** (Reported in 000's, example: \$95,000 is reported as 95)

**Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes:**

(000's)

1. Gross Operating Revenues--Wisconsin (including interstate revenues) \*
2. **Less:** Inbound Interstate 800 and Collect Revenues billed to customer outside of Wisconsin and included on line 1 (exclusive of uncollectible and nonregulated revenues) \*
3. **Less:** Current Year Write-offs of Uncollectible Revenues \*
4. **Plus:** Current Year Collection of Operating Revenues Previously Written Off \*
5. Total Assessable Revenues for Remainder and Telephone Relay Assessment Purposes \*

**Cost of plant in Wisconsin utilized by the reseller for provision of telecommunications services in Wisconsin:**

6. Amount (in 000's) at December 31, 2007 \*

**Cost basis (including capital leases) of transmission facilities (excluding switches) in Wisconsin, including wire, cable, fiber optics or radio, and associated electronics owned, operated, managed or controlled by the telecommunications reseller, in excess of \$400,000 (\$400 in 000's) as of December 31, 2007:**

7. Amount (000's) at December 31, 2007 \*

**Assessable Revenues for Universal Service Fund Assessment Purposes (Line 10) and Total gross operating revenues, minutes of use and average number of customers generated by the provision of intrastate Wisconsin telecommunications services:**

| Revenue Type                                                                                    | Revenue Amount<br>(000's) | Minutes of Use<br>(Actual No.) | Avg. No. of Customers<br>(Actual No.) |
|-------------------------------------------------------------------------------------------------|---------------------------|--------------------------------|---------------------------------------|
| 8. Retail (derived from telecommunications services sold directly to retail end-user customers) | CONFIDENTIAL              | CONFIDENTIAL                   | CONFIDENTIAL                          |
| 9. Wholesale (derived from telecomm. services sold to other telecommunications providers)       | CONFIDENTIAL              | CONFIDENTIAL                   | CONFIDENTIAL                          |
| 10. Total Wisconsin Gross Intrastate Operating Telecommunications Service Revenue               | CONFIDENTIAL              | CONFIDENTIAL                   | CONFIDENTIAL                          |

**Note:** If Revenue Amount on line 10 divided by Minutes of Use on line 10 is more than 1, please provide a brief explanation.

Not Applicable.

**Changes During The Year**

Changes during 2007 to the information requested in this report or other information originally filed with the reseller's certification petition:

If you do not have any, please enter NONE \*

None.

**Adoption Of Other Marketing, Trade, or "doing business as" (DBA) Names:**

Enter DBA name(s) one per line (press **Enter** to go to next line ).

If you do not have any, please enter NONE \*

None.

**Number of Lifeline and Linkup Customers**

Actual number of Lifeline customers in Wisconsin at December 31, 2007

Actual number of Linkup customers in Wisconsin connected in 2007

**CONFIDENTIAL** \*

**Annual Report Notes (if applicable):**

Telecom\*USA's business is conducted primarily on a transaction basis using dial-around (1010 XXX) access codes.  
Telecom\*USA's customer count represents number of pre-subscribed customers as of December 31, 2007.  
Telecom\*USA's minutes of use are estimates generated by applying a ratio of revenue to minutes from 2006.  
Telecom\*USA is a subsidiary of Verizon Business Global LLC.

**Explanation of Significant Variances in Assessable Revenue**

If line 5 represents an increase or decrease of more than 20 percent and \$200,000 from last year, please provide a brief explanation here. If variance is less than these thresholds, enter NONE.

Not Applicable.

**Please print this report before submitting it to the Commission. Once the report is submitted you will not be able to print it.**

When the submit button is clicked, the program will check for errors and display a message to the right of any box with an error. If there are no errors, a confirmation page will appear.

Print

Check for Errors & Submit