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APR 17 2006

Missouri Public
Service Commission

Budget Phone, Inc.

Full Company Name (Do not abbreviate, yet include any Commission approved
AKA/DBA/Fictitious Name, if applicable.)

COMPETITIVE LOCAL EXCHANGE CARRIER

and / or

INTEREXCHANGE TELECOMMUNICATIONS CARRIER

ANNUAL REPORT

TO THE

MISSOURI PUBLIC SERVICE COMMISSION

For The Year Ending December 31, 2005

CLEC-IXC

Budget Phone, Inc.

Annual Report of

for the year ending December 31, 2005

1. State in full the exact 'certificated' name of the Competitive Local Exchange Carrier/Interexchange Telecommunications Carrier: (Do not abbreviate; yet include any Commission approved AKA/DBA/Fictitious Name, if applicable.)

Budget Phone, Inc.

2. Is utility certificated as a Competitive Local Exchange Carrier (CLEC)? If yes, state effective date of certification by the MO Public Service Commission and associated case number:

Date (e.g. 00/00/0000): 01/01/04 Case No: 01/01/04

- b. Is utility certificated as a Interexchange Telecommunications Carrier (IXC)? If yes, state effective date of certification by the MO Public Service Commission and associated case number:

Date (e.g. 00/00/0000): 09/12/2002 Case No: 01/1/04

3. Was the company certificated in Missouri under any other name(s)? If yes, please provide all names and time periods involved since the original certification:

No

4. This Competitive Local Exchange/Interexchange Telecommunications Carrier is a (Check box with an X) and if different than certificated name listed above (e.g. parent corporation name) or if 'Other' is identified, explain:

<input checked="" type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Corporation

Partnership

Sole Proprietorship

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

LLC

LP

Other - Explanation

5. Date of incorporation or other original organization (e.g. 00/00/0000):

05/01/1996 12:00:00 AM

6. Under the laws of what state is the Competitive Local Exchange/Interexchange Telecommunications Carrier organized:

LA

7. State in full the name, street address, telephone number, and e-mail address* of the individual completing/verifying this Annual Report:

R. Daniel Hyde, Jr.

(318) 671-5000

amagee@budgetphone.com

Budget Phone, Inc.

PO Box 19360

Shreveport

LA

71149

(*) To facilitate electronic sending of the Annual Report form next year.

10. Please provide the following information concerning Total Company and gross intrastate operating revenues (i.e., Missouri Specific) Revenues for this Calendar Year: 2005

<u>Revenues:</u>	Total Company	MO Specific
Operating Revenues* from Telecommunication Services	2109033.23	1635386.93
Access Fee Revenues		
Federal USF Subsidies		
State USF Subsidies		
Other Revenues		
TOTAL REVENUES	2109033.23	1635386.93

MO Specific should match Statement of Revenue (MoPSC Assessment)

* Missouri Revised Statutes §386.020(53)

(53) "Telecommunications service", the transmission of information by wire, radio, optical cable, electronic impulses, or other similar means. As used in this definition, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. Telecommunications service does not include:

- (a) The rent, sale, lease, or exchange for other value received of customer premises equipment except for customer premises equipment owned by a telephone company certificated or otherwise authorized to provide telephone service prior to September 28, 1987, and provided under tariff or in inventory on January 1, 1983, which must be detariffed no later than December 31, 1987, and thereafter the provision of which shall not be a telecommunications service, and except for customer premises equipment owned or provided by a telecommunications company and used for answering 911 or emergency calls;
- (b) Answering services and paging services;
- (c) The offering of radio communication services and facilities when such services and facilities are provided under a license granted by the Federal Communications Commission under the commercial mobile radio services rules and regulations;
- (d) Services provided by a hospital, hotel, motel, or other similar business whose principal service is the provision of temporary lodging through the owning or operating of message switching or billing equipment solely for the purpose of providing at a charge telecommunications services to its temporary patients or guests;
- (e) Services provided by a private telecommunications system;
- (f) Cable television service;
- (g) The installation and maintenance of inside wire within a customer's premises;
- (h) Electronic publishing services; or
- (i) Services provided pursuant to a broadcast radio or television license issued by the Federal Communications Commission;

11. Local Exchange Carriers Federal/State Low-Income/Disabled Universal Service Fund Subscribers

Background and Purpose: To ascertain on a monthly basis the number of subscribers being provided federal and/or Missouri low-income/disabled support as being reported to USAC (federal support, Form 497) and the fund administrator of the Missouri programs (Missouri support).

Month	Calendar Year 2004	Calendar Year 2005	
	Number of Federal Low Income subscribers	Number of Missouri Low Income subscribers*	Number of Missouri Disabled subscribers*
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
TOTAL:	0	0	0

* Effective for 2005 calendar year Annual Report.

Budget Phone, Inc.

12. CLEC-IXC Annual Report of _____ for the year ending December 31, 2005

COMPETITIVE LOCAL EXCHANGE CARRIER ACCESS LINE REPORT

Exchange (Use name in the tariff)	Residential Voice Grade Equivalent Lines				Business Voice Grade Equivalent Lines				Public	Customer Owned Coin Telephone
	Pure Resale	UNE-L	UNE-P	Full Facility Based	Pure Resale	UNE-L	UNE-P	Full Facility Based		
CenturyTel, Inc.	293									
Southwestern Bell	2399									
Sprint	234									
Totals	2926									

Instructions for completing the Competitive Local Exchange Carrier Access Line Report

I. BACKGROUND

In opening local telephone markets to competition, the Missouri Public Service Commission (MoPSC) is interested in determining and tracking the amount of actual competition occurring throughout the state. For a variety of reasons including but not limited to statutory reasons, the MoPSC finds it necessary to track the level of competition in local telephone markets.

II. PURPOSE

The purpose of this portion of the Annual Report is to ascertain, on an exchange specific basis, the number of voice-grade equivalent access lines in service being provided by your company in each exchange (as identified in your tariff) in Missouri. Information is sought for residential and business voice-grade equivalent access lines on an exchange-by-exchange basis. **Please use the common exchange name as shown in your tariffs.** Further, information is sought on the following ways of provisioning each access line: (A) pure resale lines; (B) unbundled network element lines (UNE); (C) unbundled network element platform lines (UNE-P); and, (D) pure facility based lines. **Please report on a separate line the number of company used lines.**

III. WHAT IS MEANT BY "VOICE TELEPHONE SERVICE"?

Voice telephone service means local exchange or exchange access services that allow end users to originate and terminate local telephone calls on the public switched telephone network, whether used by the end user for telephone calls or for other types of calls carried over the public switched network (for example, lines used for facsimile equipment and "dial-up" internet lines).

IV. WHAT IS MEANT BY "VOICE-GRADE" EQUIVALENT LINES?

You are to report voice-grade equivalent lines. Count as one voice-grade equivalent line: traditional analog POTS lines, Centrex-CO extensions, and Centrex-CU trunks. Count lines based on how they are charged to the customer rather than how they are physically provisioned. For example, count Basic Rate Integrated (BRI) and Digital Network (ISDN) Services lines as two voice-grade equivalent lines. Report 8 voice-grade equivalent lines if a customer buys 8 trunks that happen to be provisioned over a DS1 circuit. If a customer buys a DS1 circuit that is provided as channelized service, report 24 voice-grade equivalent lines, even if there is some indication that the customer is only using 8 of the derived lines. Thus, a voice-grade equivalent line is a line that directly connects an end user to a carrier and allows the end user to originate and terminate local telephone calls on the public switched network.

Voice-grade equivalent lines include high capacity (DS1, DS-3, etc.) lines that are channelized to provide voice-grade service. In such instances, it is the number of channels available for voice traffic to/from the public switched network that should be counted as voice-grade equivalent access lines. **Note for competitive LEC's providing local exchange service over hybrid fiber-coaxial cable television systems:** Count your records and report how many voice-grade equivalent lines are being billed.

**Instructions for completing the
Competitive Local Exchange Carrier Access Line Report Con'td.**

V. WHAT IS MEANT BY PURE RESALE VOICE GRADE EQUIVALENT LINES?

Pure resold lines are those lines provided pursuant to § 251 (c)(4) of the Communications Act of 1934, as amended. Pure resold lines are those lines not owned or controlled by the telephone company billing the end user for the service. Pure resold lines are typically leased from an underlying carrier at a wholesale discount off the tariffed rate. The use of resold lines exclusively provides a means to offer service without owning or controlling any equipment. Pure resold lines are those lines provided under a general or local exchange tariff, but without benefit of an accompanying switched access tariff.

VI. WHAT IS MEANT BY UNBUNDLED NETWORK ELEMENT (UNE) LINES?

UNE lines are those lines where the carrier provides some portion of the equipment required to provide telephone service. The most common example is a competitive LEC who provides the switching but leases a loop (or extended loop) from the incumbent LEC. UNE loops are obtained on a stand alone basis and service is provided to the end user without combining other UNEs. Service provisioned over UNE loops requires the carrier to lease a loop from another LEC in order to connect the customer to the carrier's own switch. UNE lines are provided under a general or local exchange tariff in combination with a switched access tariff.

VII. WHAT IS MEANT BY UNE-P VOICE GRADE EQUIVALENT LINES?

UNE Platform (UNE-P) lines are those lines utilizing a combination of UNEs so that service provisioned over UNE-P lines does not require the carrier to use its own switch, port, or loop. UNE-P lines are commonly used by competitive LECs. UNE-P lines are provided under a general or local exchange tariff in combination with a switched access tariff.

VIII. WHAT IS MEANT BY FULL FACILITY BASED VOICE GRADE EQUIVALENT LINES?

Full facility based lines are those lines owned or controlled exclusively by a local exchange carrier and used to connect to an end user's premises. Count as your own such facilities, those facilities that you actually owned as well as facilities such as dark fiber that you obtained the right to use from other entities. Do not include, as full facilities based lines, lines provided over UNE loops that you obtained from another carrier. Full facility based lines are provided under a general or local exchange tariff in conjunction with a switched access tariff.

IX. WHAT IS MEANT BY PUBLIC ACCESS LINES?

Some carriers (particularly incumbent carriers) still separate pay telephone lines from business lines. Use this column to report pay telephone lines if your company tariffs reflect pay telephone lines distinct from business lines.

X. WHAT IS MEANT BY EXCHANGE?

"Exchange" as defined in Missouri Revised Statutes §386.020(16), is a geographical area for the administration of telecommunications services, established and described by the tariff of a telecommunications company providing basic local telecommunications service.

Submitting this Annual Report is an "option" through EFIS.

A registered official company representative is authorized to utilize this option, type in all necessary information below, including the Notary's information (pursuant to Sections 432.200 and 432.295). After submitting the Annual Report through EFIS, you will receive a BMAR (confirmation) number. Indicate that BMAR number on the original and retain for your records.

CLEC-IXC
Annual Report of Budget Phone, Inc.
for the year ending December 31, 2005

VERIFICATION

The foregoing report must be verified by the oath of the President, Treasurer, General Manager or Receiver 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 Louisiana
County Of Bossier Parish } ss:
Arthur Magee makes oath and says that
(Insert here the name of the affiant)

s/he is CFO
(Insert here the official title of the affiant)

of Budget Phone Inc
(Insert here the exact legal title or name of the respondent)

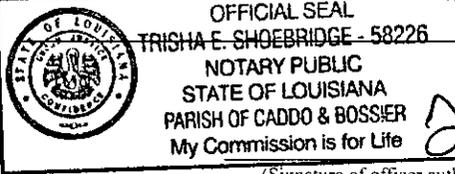
that s/he has examined the foregoing report; that to the best of his or her knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

_____, _____, to and including _____,

[Signature]
(Signature of affiant)

Subscribed and sworn before me, a Notary Public in and for the
State and county above named, this 13th day of April, 2006

My Commission expires _____, 2006



Trisha E. Shoebridge
(Signature of officer authorized to administer oaths)

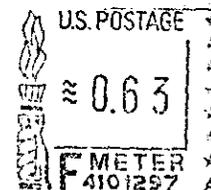
Missouri Revised Statutes § 392.210

Original in its entirety must be mailed (if not utilizing EFIS) to:
Manager of the Data Center
MoPSC, 200 Madison Street, Suite 100
Jefferson City, MO 65101 (P.O. Box 360, 65102-0360)

Budget Phone Inc.

• • telecommunications :: clear :: simple

6901 West 70th Street • P.O. Box 19360 • Shreveport, LA 71149



Missouri Public Service Commission
Manager of the Data Center
P.O. Box 360
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