

1 RESPECTFULLY SUBMITTED this 9th day of September, 2005.

2 MCI, INC.

3
4
5 By: _____

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14 copies of the foregoing filed this
15 9th day of September, 2005, with:

16 Arizona Corporation Commission
17 Docket Control – Utilities Division
18 1200 W. Washington Street
19 Phoenix, Arizona 85007

20 COPY of the foregoing hand-delivered
21 this 9th day of September, 2005, to:

22 Lyn Farmer, Chief Administrative Law Judge
23 Hearing Division
24 Arizona Corporation Commission
25 1200 W. Washington Street
26 Phoenix, Arizona 85007

Christopher C. Kempley, Chief Counsel
Legal Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

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8 COPY of the foregoing mailed this
9 9th day of September, 2005, to:

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Andrew B. Clubok

11

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

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4 COMMISSIONERS

5
6 JEFF HATCH-MILLER, Chairman
7 MARC SPITZER
8 WILLIAM A. MUNDELL
9 MIKE GLEASON
10 KRISTIN K. MAYES

IN THE MATTER OF THE JOINT NOTICE
OF INTENT OF VERIZON
COMMUNICATIONS, INC., AND MCI,
INC.

DOCKET NOs: T-01846B-05-0279
T-03258A-05-0279
T-03475A-05-0279
T-03289A-05-0279
T-03198A-05-0279
T-03574A-05-0279
T-02431A-05-0279
T-03197A-05-0279
T-02533A-05-0279
T-03394A-05-0279
T-03291A-05-0279

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12
13 **REBUTTAL TESTIMONY OF MICHAEL A. BEACH**
14 **ON BEHALF OF MCI, INC.**

15
16 **SEPTEMBER 9, 2005**

17
18
19 **PUBLIC VERSION**
20

21 **Q. What are your name, business address and current position with MCI?**
22
23 A. Michael A. Beach. My business address is 6415 Business Center Drive,
24 Highlands Ranch, Colorado 80130. I am Vice President – Carrier Management
25 for MCI.¹

26 **Q. Are you the same Michael A. Beach who filed direct testimony in these**
27 **proceedings on July 13, 2005?**

28 A. Yes, I am.

29 **Q. What is the purpose of your rebuttal testimony?**

30 A. I will respond to certain issues raised by staff witnesses Elijah Abinah and
31 Armando Fimbres regarding MCI's Arizona-regulated subsidiaries and certain
32 conditions that they recommend be imposed as part of the Commission's approval
33 of this transaction.

34 **Q. What issues do Staff witnesses raise regarding MCI?**

35 A. Mr. Abinah's testimony raises two particular issues involving MCI subsidiaries.
36 These issues involve:

- 37 1. the legal status of Telecom USA; and
38 2. an automobile accident that occurred in 2003.

39 Mr. Fimbres addresses another matter to which I will respond, that being MCI's
40 use of telephone numbering resources in Arizona.

41 **Q. What is MCI's reaction to the specific recommendations of the Staff**
42 **witnesses?**

¹ MCI, Inc. identifies the holding company. I use "MCI" for ease of reference throughout this testimony to refer to the collective MCI operating companies.

43 A. MCI will comply with the recommendations that Staff makes relating to
44 Telecom*USA and MCI's use of telephone numbers. The other condition
45 suggested by Mr. Abinah, which relates to an automobile accident, is not
46 necessary as described below and should not be ordered by the Commission.

47 **Q. Mr. Abinah asserts that Telecom*USA is not in good standing. Is he correct?**

48 A. No. Telecom*USA is not a stand-alone legal entity. Rather, it is merely a "dba"
49 for Teleconnect Long Distance Services and Systems Company ("Teleconnect").

50 It is not a separate corporation or otherwise distinct from Teleconnect.

51 Teleconnect has filed all annual reports as required. Attached hereto as Exhibit 1
52 is Teleconnect's 2004 Annual Report that was properly and timely filed with the
53 Commission. Mr. Abinah is correct that apparently Teleconnect has not
54 registered its "dba" of Telecom*USA with the Arizona Secretary of State.

55 Teleconnect is in the process of registering its "dba" of Telcomm*USA and will
56 complete the registration as requested. Attached hereto as Exhibit 2 is a copy of
57 Teleconnect's application seeking to register its "dba."

58 **Q. What is MCI doing with respect to its telephone numbering resources?**

59 A. Mr. Fimbres questions whether MCI is fully utilizing the telephone numbers that
60 it has been assigned in Arizona. Based on his evaluation, he recommends that
61 MCI review its numbering resources in three NPAs, 480, 602 and 623. MCI
62 agrees that such a review is appropriate, and it is commencing a review of its
63 number resources in those areas. Once we complete that review, MCI will,
64 consistent with industry guidelines, return to the numbering administrator any
65 number blocks that are not needed and are not contaminated.

66 **Q. Does MCI agree with Mr. Abinah that it should be required to provide**
67 **further reports about the car accident that occurred in 2003?**

68 A. No. Upon further investigation, MCI has determined that the individual involved
69 in the automobile accident cited by Mr. Abinah was employed by Skytel, a
70 subsidiary of MCI, Inc. that provides paging services that are not regulated by this
71 Commission. Because Skytel is not a certificated carrier and does not provide
72 services regulated by this Commission, the company is not subject to the rules
73 referenced by Staff, and was not required to file a report pursuant to A.A.C. R14-
74 2-101(A), as Staff's testimony suggests. Accordingly, this condition is no longer
75 necessary.

76 **Q. Does this conclude your testimony?**

77 A. Yes.

EXHIBIT 1

**REDACTED
(HIGHLY CONFIDENTIAL)**

EXHIBIT 2

Please mail Registration to:
Secretary of State Jan Brewer / Trade Name Division
1700 West Washington 7th Fl. Phoenix, Arizona 85007
Walk-in service: 14 N. 18th Ave., Phoenix, Arizona
Tucson Office: 400 W. Congress, Ste. 252
(602) 542-6187
(800) 458-5842 (within Arizona)
Filing Fee: \$10.00



APPLICATION FOR REGISTRATION OF TRADE NAME
(A.R.S. §44-1460)

The Registration of Trade Names and Trademarks is not legally required in Arizona, but is an accepted business practice. This is a registration for an Arizona Trade Name only in accordance with A.R.S. §44-1460. The registration of a trade name is a public record and does not constitute exclusive rights to the holder of the name. Names with a corporate ending (e.g., Inc., LLC or Ltd.) are not acceptable.

Please clearly print or type your application to avoid registration errors.

Name, title or designation to be registered: TELECOM*USA

Name of Applicant(s): TELECONNECT LONG DISTANCE SERVICES AND SYSTEMS COMPANY
(If more than 1 applicant, an "or" designation is assumed unless otherwise indicated)

Your certificate and renewal notices are dependent on accurate address information including suite numbers. Remember to update your registration if you move.

Business Address: 22001 LOUDOUN COUNTY PARKWAY, ASHBURN, VIRGINIA 20147
Street or Box Number City State Zip
Phone (Optional): 703 886-4970

Applicant must check one. Do not select "Corporation" or "LLC" if you are not currently incorporated, or your application will be returned to you.

- Individual
- Partnership
- Corporation
- Foreign corporation licensed to do business in Arizona
- Association
- LLC
- Organization
- Other _____

The date in which the name, title or designation was first used by the applicant within this state. This date must be today's date or prior to today's date: SEPTEMBER 7 2005
Month Day Year

General nature of business conducted: COMMUNICATION
TELECONNECT LONG DISTANCE SERVICES

Applicant's Printed Name

[Signature]
Applicant's Signature
Stephen C. Ferguson Vice President

AND SYSTEMS COMPANY

Applicant's Printed Name

Applicant's Signature

State of Arizona
County of Gaillard

Acknowledged before me on this 8th day of September, 2005

[Signature]
Notary Public

My Commission Expires January 31, 2009

