

WESTEL, INC.
BALANCE SHEET
JUNE 30, 2002

ASSETS

Current Assets	\$ 4,081,075
Historical Cost of Plant in Service	\$ 7,263,366
Accumulated Depreciation & Amortization	\$ (6,947,979)
Net Operating Property	<u>\$ 315,387</u>
Investments and Other Assets	\$ 9,716,470
Total Assets	<u><u>\$ 14,112,932</u></u>

LIABILITIES AND EQUITY

Current and Accrued Liabilities	\$ 5,403,395
Total Other Liabilities	\$ 5,275,808
Common Stock and Paid-in Capital	\$ 14,000
Retained Earnings	\$ 3,419,729
Total Liabilities and Equity	<u><u>\$ 14,112,932</u></u>

WESTEL, INC.
INCOME STATEMENT
SIX MONTHS ENDED JUNE 30, 2002

Operating Revenues	\$ 10,536,999
Operating Expenses	\$ 10,028,972
Depreciation & Amortization	\$ 123,318
Other Operating Expenses	\$ -
Net Operating Income	<u>\$ 384,710</u>
Total Other Income	\$ 120,507
Interest Expense	\$ 53
Income Before Extraordinary Items	<u><u>\$ 505,164</u></u>

ARIZONA CORPORATION COMMISSION
APPLICATION AND PETITION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE
INTRASTATE TELECOMMUNICATIONS SERVICES

B-4

1. Projected total revenue for the first twelve months after certification. (presumed intrastate)	\$	264,000
2. Projected operating expenses for the first twelve months after certification.	\$	158,000
3. Net book value of Arizona assets at June 30, 2002	\$	25,782