

**STANDARD
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COMMENTARY REPORT

U.S. Telecom And Cable Companies, Strongest To Weakest

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The trends in U.S. wireline telecommunications of the past two years have continued over the past several months, with phone companies still losing residential-access lines while adding more digital subscriber line customers. Meanwhile, competition between cable and phone companies for video customers has heated up. Overall growth remains good in the wireless sector, but not all carriers are benefiting equally. The cable industry seems to have peaked in terms of number of video subscribers, though growth from advanced services is still solid.

The following list ranks all the rated companies in this industry from strongest to weakest based on rating and outlook. Companies with the same rating and outlook are further ranked by our opinion of credit quality based primarily on business risks for investment-grade companies and primarily on financial risks for speculative-grade companies.

Ratings are displayed as long-term rating/outlook or CreditWatch/short-term rating. A double dash (--) indicates no rating. Issuer credit ratings are identical for local and foreign currency unless noted with the "LC" and "FC" designations.

For the related industry commentary, please see published earlier today.

Publication Date

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U.S. Telecom And Cable Companies, Strongest To Weakest Report Title

Issuer Ranking: U.S. Telecommunications & Miscellaneous, And Pay TV Companies (cont. 'd)				
Company	Corporate credit rating*	Business risk	Financial risk	Analyst
Verizon Communications Inc.	A/Stable/A-1	Strong	Modest	Catherine Cosentino
AT&T Inc.	A/Stable/A-1	Strong	Modest	Catherine Cosentino
Comcast Corp.	BBB+/Stable/A-2	Strong	Intermediate	Richard Siderman
CenturyTel Inc.	BBB/Negative/A-3	Satisfactory	Intermediate	Allyn Arden
Sprint Nextel Corp.	BBB/Watch Neg/A-3	Satisfactory	Intermediate	Allyn Arden
Cox Enterprises Inc.	BBB-/Positive/A-3	Strong	Aggressive	Allyn Arden
Embarq Corp.	BBB-/Stable/—	Satisfactory	Intermediate	Susan Madison
Telephone & Data Systems Inc.	BB+/Developing/—	Satisfactory	Aggressive	Catherine Cosentino
American Tower Corp.	BB+/Stable/—	Strong	Aggressive	Catherine Cosentino
Citizens Communications Co.	BB+/Negative/—	Weak	Aggressive	Allyn Arden
Windstream Corp.	BB+/Negative/—	Weak	Aggressive	Susan Madison
DIRECTV Group Inc. (The)	BB/Stable/—	Satisfactory	Aggressive	Naveen Sarma
Qwest Communications International Inc.	BB/Stable/—	Weak	Aggressive	Catherine Cosentino
Crown Castle International Corp.	BB/Negative/—	Strong	Highly leveraged	Catherine Cosentino
Cablevision Systems Corp.	BB/Watch Neg/—	Satisfactory	Aggressive	Catherine Cosentino
ALLTEL Corp.	BB/Watch Neg/A-2	Satisfactory	Aggressive	Catherine Cosentino
FairPoint Communications Inc.	BB-/Watch Pos/—	Weak	Aggressive	Susan Madison
EchoStar Communications Corp.	BB-/Watch Dev/—	Weak	Aggressive	Naveen Sarma
GCI Inc.	BB-/Stable/—	Weak	Aggressive	Allyn Arden
NTELOS Holdings Corp.	BB-/Stable/—	Weak	Aggressive	Susan Madison
Iowa Telecommunications Services Inc.	BB-/Stable/—	Weak	Aggressive	Naveen Sarma
D&E Communications Inc.	BB-/Negative/—	Weak	Aggressive	Naveen Sarma
Mediacom Communications Corp.	BB-/Negative/—	Weak	Highly leveraged	Naveen Sarma
Consolidated Communications Holdings Inc.	BB-/Watch Neg/—	Weak	Aggressive	Susan Madison
Insight Midwest L.P.	BB-/Watch Neg/—	Weak	Aggressive	Catherine Cosentino
Alaska Communications Systems Holdings Inc.	B+/Stable/—	Weak	Aggressive	Allyn Arden
Bresnan Broadband Holdings LLC	B+/Stable/—	Weak	Highly leveraged	Allyn Arden
Cequel Communications LLC	B+/Stable/—	Weak	Highly leveraged	Naveen Sarma
Block Communications Inc.	B+/Stable/—	Weak	Highly leveraged	Naveen Sarma
Cincinnati Bell Inc.	B+/Negative/—	Vulnerable	Aggressive	Susan Madison
San Juan Cable LLC	B+/Negative/—	Weak	Highly leveraged	Catherine Cosentino
Intelsat Ltd.	B+/Watch Neg/—	Satisfactory	Highly leveraged	Naveen Sarma
INFONXX, Inc.	B/Positive/—	Vulnerable	Highly leveraged	Susan Madison
Atlantic Broadband Finance LLC	B/Positive/—	Weak	Highly leveraged	Naveen Sarma
PAETEC Holding Corp.	B/Positive/—	Vulnerable	Highly leveraged	Allyn Arden
Equinix Inc.	B/Positive/—	Weak	Highly leveraged	Catherine Cosentino
Hargray Holdings LLC	B/Stable/—	Weak	Highly leveraged	Allyn Arden
Centennial Communications Corp.	B/Stable/—	Vulnerable	Highly leveraged	Naveen Sarma
Knology Inc.	B/Stable/—	Vulnerable	Highly leveraged	Allyn Arden
CapRock Holdings Inc.	B/Stable/—	Weak	Highly leveraged	Susan Madison
Time Warner Telecom Inc.	B/Stable/—	Vulnerable	Highly leveraged	Catherine Cosentino
One Communications Corp.	B/Negative/—	Vulnerable	Highly leveraged	Allyn Arden

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Issuer Ranking: U.S. Telecommunications & Miscellaneous, And Pay TV Companies (cont.'d)				
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Hughes Network Systems LLC	B-/Negative/—	Vulnerable	Highly leveraged	Naveen Sarma
Dobson Communications Corp.	B-/Watch Pos/—	Vulnerable	Highly leveraged	Susan Madison
Rural Cellular Corp.	B-/Watch Pos/—	Vulnerable	Highly leveraged	Susan Madison
SunCom Wireless Holdings Inc.	B-/Watch Pos/—	Vulnerable	Highly leveraged	Susan Madison
Integra Telecom Inc.	B-/Positive/—	Vulnerable	Highly leveraged	Allyn Arden
Broadview Networks Holdings Inc.	B-/Positive/—	Vulnerable	Highly leveraged	Catherine Cosentino
NuVox Inc.	B-/Positive/—	Vulnerable	Highly leveraged	Catherine Cosentino
MetroPCS Communications Inc.	B-/Positive/—	Vulnerable	Highly leveraged	Catherine Cosentino
Leap Wireless International Inc.	B-/Positive/—	Vulnerable	Highly leveraged	Allyn Arden
U.S. TelePacific Holdings Corp.	B-/Positive/—	Vulnerable	Highly leveraged	Allyn Arden
GeoEye Inc.	B-/Developing/—	Vulnerable	Highly leveraged	Naveen Sarma
WideOpenWest Finance LLC	B-/Stable/—	Vulnerable	Highly leveraged	Allyn Arden
Charter Communications Inc.	B-/Stable/—	Weak	Highly leveraged	Richard Siderman
Level 3 Communications Inc.	B-/Stable/—	Vulnerable	Highly leveraged	Susan Madison
Grande Communications Holdings Inc.	B-/Stable/—	Vulnerable	Highly leveraged	Catherine Cosentino
ITC DeltaCom Inc.	B-/Stable/—	Vulnerable	Highly leveraged	Catherine Cosentino
Hawaiian Telcom Communications Inc.	B-/Negative/—	Vulnerable	Highly leveraged	Susan Madison
iPCS Inc.	B-/Negative/—	Vulnerable	Highly leveraged	Susan Madison
McLeodUSA Inc.	B-/Negative/—	Vulnerable	Highly leveraged	Susan Madison
Iridium Satellite LLC	B-/Negative/—	Vulnerable	Highly leveraged	Susan Madison
Insight Communications Co. Inc.	CCC+/Watch Pos/—	Weak	Highly leveraged	Susan Madison

*Ratings as of Oct. 9, 2007

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