

CenturyLink Operating Companies

Transmittal No. 28

Description and Justification

The CenturyLink Operating Companies (CLOCs) hereby submit the following information in support of the accompanying revisions to CenturyLink Operating Companies Tariff F.C.C. Nos. 1, 2, 3, 5, 6, 7, 8 and 9, as required by Sections 61.38 and 61.41 through 61.49 of the Federal Communications Commission's Rules and Regulations.

This filing adjusts CenturyLink's federal universal service fund (USF) contribution factor for 4th quarter 2012 to 17.4% consistent with the requirements of the Commission's USF Order¹. In addition, special construction nonrecurring charges for the installation of fiber optic cable in order to satisfy the requirements of customers in the states of Alabama, Arkansas, Colorado, Illinois, Louisiana, Michigan, Minnesota, Missouri, North Carolina, Oregon, Pennsylvania, Virginia and Wisconsin are included.

1.0 Universal Service Fund Contribution Factor - Fourth Quarter 2012

For all companies, excluding those in CLOC Tariff F.C.C. No. 9, a surcharge equal to the fourth quarter 2012 USF contribution factor of 0.174 is applied to end users being billed local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex), switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges). The percentage surcharge is reflected as a separate line item, clearly identified on the customer's bill. The detailed calculations for Tariff F.C.C. No. 9 are defined below.

Calculations for CenturyLink Operating Companies Tariff F.C.C. No. 9

¹ *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Public Notice (DA 12-1484) released September 12, 2012.

CenturyLink adjusts their federal universal service fund (USF) end user charges to reflect its full contribution obligation, which is based on interstate end user revenues used by the Universal Service Administration Company (USAC) to calculate CenturyLink's fourth quarter 2012 assessment.

Consistent with the requirements of the Commission's *USF Interim Methodology Orders*,² CenturyLink recovers its federal universal service contributions through per line monthly charges assessed to end users subscribing to local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex). Contributions for end users being billed switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges) are recovered by applying a surcharge equal to the fourth quarter 2012 USF contribution factor of 0.174 to the total of the end user customer's interstate access charges. Both the per line charge and percentage surcharge are reflected as a separate line item, clearly identified on the customer's bill.

As detailed on Exhibit 1, Page 1, the Federal USF end user charges for primary residential, non-primary residential, ISDN-BRI and single-line business are calculated by applying the fourth quarter 2012 contribution factor of 0.174 to the sum of the charges representing the interstate portion of the customer's bill (i.e., the customer's end user common line or subscriber line charges).

Page 2 of Exhibit 1 details the calculation of the Federal USF end user charges for Centrex, ISDN-PRI and multi-line business customers. The *USF Interim Methodology Orders* allow the Federal USF end user charges for Centrex customers to be recovered using an "equivalency ratio." Initially, the Federal USF charges for Centrex, ISDN-PRI and multi-line business customers are calculated by applying the 0.174 fourth quarter 2012 contribution factor to the sum of the charges representing the interstate portion of the customer's bill in the same manner as outlined above. For multi-line business and ISDN-

² *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order and Second Further Notice of Proposed Rulemaking (FCC 02-329), released December 13, 2002; Order and Second Order on Reconsideration (FCC 03-58), released March 14, 2003; and Public Notice (DA 03-1909) (Collectively *USF Interim Methodology Orders*).

PRI, the Federal USF charges are calculated by first determining the difference, on a per line basis, between assessing Centrex lines based on the equivalency ratio and applying the remaining USF recovery across multi-line business and ISDN-PRI lines on an averaged basis. Once the difference is determined, a portion (\$0.50) is allocated back to Centrex, and the remainder is added to the initial multi-line business Federal USF charge to produce the Federal USF end user charge for multi-line business customers. The Federal USF end user charge for ISDN-PRI customers is calculated by multiplying the multi-line business charge by 5. The Federal USF end user charge for Payphone Service Providers is calculated by apply the 0.174 fourth quarter 2012 contribution factor to the multi-line business subscriber line charge.

2.0 Special Construction Individual Case Base Filings

CenturyLink proposed to add nonrecurring charges for the special construction of DS1 and DS3 fiber optic facilities to satisfy the specific requirements of customers in the states of Alabama, Arkansas, Colorado, Illinois, Louisiana, Michigan, Minnesota, Missouri, North Carolina, Oregon, Pennsylvania, Virginia and Wisconsin. The proposed rates and charges recover the cost of materials, engineering and installation incurred by the Telephone Company, which is in addition to the investment costs included in the monthly recurring rates associated with the special access services requested. Rate development worksheets detailing the calculation of the proposed rates and charges for each special construction case are included as Exhibit 2.

3.0 Conclusion

The CenturyLink Operating Companies are submitting the accompanying information consistent with the requirements of the Commission's price cap regulations for local exchange carriers and in compliance with universal service decisions. The rate adjustments proposed herein are demonstrated to be just and reasonable, and are supported by detailed exhibits, where applicable, reflecting the calculation of the proposed USF end user charges and detailed cost and rate development for special construction requests.

CenturyLink FCC #9 - 9/14/12 Federal USF End User Surcharge Rates
 (4th Qtr 2012 USF Contribution Factor 17.4% - DA 12-1484)
 Transmittal No. 28

	Subscriber Line Charge - SLC Rates					Proposed 4th Qtr 2012 USF Contribution Factor (F)	Federal End User USF Surcharge								
	Residential Primary TL #21 <u>7/3/2012</u> (A)	Residential Non-Primary TL #21 <u>7/3/2012</u> (B)	ISDN BRI TL #21 <u>7/3/2012</u> (C)	Single Line Business TL #21 <u>7/3/2012</u> (D)	Multi-Line Business & ISDN-PRI & Centrex TL #21 <u>7/3/2012</u> (E)		Residential Primary TL #28 <u>10/1/2012</u> (G)=A*F	Residential Non-Primary TL #28 <u>10/1/2012</u> (H)=B*F	ISDN BRI TL #28 <u>10/1/2012</u> (I)=C*F	Single Line Business TL #28 <u>10/1/2012</u> (J)=D*F	Payphone TL #28 <u>10/1/2012</u> (K)=E*F	Multi-Line Business * & ISDN-PRI TL #28 <u>10/1/2012</u> (L)=Col H Page 2	Centrex * TL #28 <u>10/1/2012</u> (L)=Col I Page 2		
	Florida	\$ 6.15	\$ 6.15	\$ 6.15	\$ 6.15		\$ 6.71	17.4%	\$ 1.07	\$ 1.07	\$ 1.07	\$ 1.07	\$ 1.17	\$ 1.36	\$ 0.50
	Indiana#	\$ 6.10	\$ 6.10	\$ 6.10	\$ 6.10		\$ 8.61	17.4%	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.06	\$ 1.50	\$ 1.61	\$ 0.50
Kansas	\$ 6.50	\$ 6.86	\$ 6.86	\$ 6.50	\$ 9.20	17.4%	\$ 1.13	\$ 1.19	\$ 1.19	\$ 1.13	\$ 1.60	\$ 1.62	\$ 0.50		
Minnesota	\$ 6.15	\$ 6.15	\$ 6.15	\$ 6.15	\$ 8.33	17.4%	\$ 1.07	\$ 1.07	\$ 1.07	\$ 1.07	\$ 1.45	\$ 1.53	\$ 0.50		
Missouri#	\$ 6.39	\$ 6.39	\$ 6.39	\$ 6.39	\$ 8.87	17.4%	\$ 1.11	\$ 1.11	\$ 1.11	\$ 1.11	\$ 1.54	\$ 1.92	\$ 0.50		
Nebraska	\$ 2.90	\$ 2.90	\$ 2.90	\$ 2.90	\$ 3.31	17.4%	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.58	\$ 0.59	\$ 0.50		
Nevada	\$ 3.59	\$ 3.59	\$ 3.59	\$ 3.59	\$ 3.74	17.4%	\$ 0.62	\$ 0.62	\$ 0.62	\$ 0.62	\$ 0.65	\$ 0.69	\$ 0.50		
New Jersey	\$ 5.22	\$ 5.22	\$ 5.22	\$ 5.22	\$ 7.59	17.4%	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 1.32	\$ 1.38	\$ 0.50		
North Carolina	\$ 5.40	\$ 5.40	\$ 5.40	\$ 5.40	\$ 5.54	17.4%	\$ 0.94	\$ 0.94	\$ 0.94	\$ 0.94	\$ 0.96	\$ 1.07	\$ 0.50		
Ohio	\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30	\$ 6.09	17.4%	\$ 0.92	\$ 0.92	\$ 0.92	\$ 0.92	\$ 1.06	\$ 1.14	\$ 0.50		
Oregon	\$ 5.91	\$ 5.91	\$ 5.91	\$ 5.91	\$ 9.20	17.4%	\$ 1.03	\$ 1.03	\$ 1.03	\$ 1.03	\$ 1.60	\$ 1.68	\$ 0.50		
Pennsylvania	\$ 4.30	\$ 4.30	\$ 4.30	\$ 4.30	\$ 7.31	17.4%	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.75	\$ 1.27	\$ 1.32	\$ 0.50		
South Carolina	\$ 5.18	\$ 5.18	\$ 5.18	\$ 5.18	\$ 5.29	17.4%	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.92	\$ 0.97	\$ 0.50		
Tennessee	\$ 4.70	\$ 4.70	\$ 4.70	\$ 4.70	\$ 4.82	17.4%	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.82	\$ 0.84	\$ 0.96	\$ 0.50		
Texas	\$ 5.90	\$ 5.90	\$ 5.90	\$ 5.90	\$ 9.20	17.4%	\$ 1.03	\$ 1.03	\$ 1.03	\$ 1.03	\$ 1.60	\$ 1.64	\$ 0.50		
Virginia	\$ 3.96	\$ 3.96	\$ 3.96	\$ 3.96	\$ 4.10	17.4%	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.69	\$ 0.71	\$ 0.73	\$ 0.50		
Washington	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 9.14	17.4%	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.59	\$ 2.50	\$ 0.50		
Wyoming	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	17.4%	\$ 1.13	\$ 1.22	\$ 1.22	\$ 1.13	\$ 1.60	\$ 1.68	\$ 0.50		

* - Rates are developed on Exhibit 1 Page 2 of 2.

CenturyLink FCC #9 - 9/14/12 Federal USF End User Surcharge Rates
 (4th Qtr 2012 USF Contribution Factor 17.4% - DA 12-1484)
 Transmittal No. 28

	August 2012 Access Lines				Total Multi-Line Bus & ISDN PRI & Centrex Lines (E)=A-B+C+D	Multi-Line Bus, ISDN-PRI & Centrex SLC Rate TL #21 7/3/2012 (F)	Proposed 4th Qtr 2012 USF Contribution Factor (G)	Initial USF Charge Calculation (H)=F*G	Proposed 10/1/2012 * MultiLine Business & ISDN-PRI USF Charge I=if((E*H-D*0.50)/(A-B+C)< \$0.50,H,(E*H-D*0.50)/(A-B+C))	Proposed 10/1/2012 * Centrex USF Charge J=Min(\$0.50,H)	Allowable MultiLine Bus & Centrex & ISDN-PRI Revenue K=E*H	PriceOut MultiLine Bus & Centrex & ISDN-PRI Revenue L=(A-B+C)*I+D*J
	MultiLine Business (A)	Payphone (B)	ISDN PRI (5 Times) (C)	Centrex (D)								
Florida	198,750	755	16,285	60,202	274,482	\$ 6.71	17.4%	\$ 1.17	\$ 1.36	\$ 0.50	\$ 320,469	\$ 320,469
Indiana#	23,459	98	1,860	2,757	27,978	\$ 8.61	17.4%	\$ 1.50	\$ 1.61	\$ 0.50	\$ 41,915	\$ 41,915
Kansas	12,360	9	461	230	13,042	\$ 9.20	17.4%	\$ 1.60	\$ 1.62	\$ 0.50	\$ 20,878	\$ 20,878
Minnesota	18,661	18	1,874	1,832	22,349	\$ 8.33	17.4%	\$ 1.45	\$ 1.53	\$ 0.50	\$ 32,393	\$ 32,393
Missouri#	28,599	53	2,196	10,960	41,702	\$ 8.87	17.4%	\$ 1.54	\$ 1.92	\$ 0.50	\$ 64,362	\$ 64,362
Nebraska	2,265	5	160	477	2,897	\$ 3.31	17.4%	\$ 0.58	\$ 0.59	\$ 0.50	\$ 1,668	\$ 1,668
Nevada	87,009	719	10,160	27,349	123,799	\$ 3.74	17.4%	\$ 0.65	\$ 0.69	\$ 0.50	\$ 80,563	\$ 80,563
New Jersey	27,881	110	1,055	2,110	30,936	\$ 7.59	17.4%	\$ 1.32	\$ 1.38	\$ 0.50	\$ 40,856	\$ 40,856
North Carolina	140,285	626	10,638	33,478	183,775	\$ 5.54	17.4%	\$ 0.96	\$ 1.07	\$ 0.50	\$ 177,152	\$ 177,152
Ohio	44,981	160	4,731	7,468	57,020	\$ 6.09	17.4%	\$ 1.06	\$ 1.14	\$ 0.50	\$ 60,422	\$ 60,422
Oregon	8,627	39	530	657	9,775	\$ 9.20	17.4%	\$ 1.60	\$ 1.68	\$ 0.50	\$ 15,648	\$ 15,648
Pennsylvania	36,888	122	2,965	2,265	41,996	\$ 7.31	17.4%	\$ 1.27	\$ 1.32	\$ 0.50	\$ 53,416	\$ 53,416
South Carolina	10,049	26	846	1,212	12,081	\$ 5.29	17.4%	\$ 0.92	\$ 0.97	\$ 0.50	\$ 11,120	\$ 11,120
Tennessee	19,248	100	2,731	8,134	30,013	\$ 4.82	17.4%	\$ 0.84	\$ 0.96	\$ 0.50	\$ 25,171	\$ 25,171
Texas	47,503	76	2,980	1,976	52,383	\$ 9.20	17.4%	\$ 1.60	\$ 1.64	\$ 0.50	\$ 83,855	\$ 83,855
Virginia	46,122	161	3,527	4,530	54,018	\$ 4.10	17.4%	\$ 0.71	\$ 0.73	\$ 0.50	\$ 38,536	\$ 38,536
Washington	9,229	34	710	8,259	18,164	\$ 9.14	17.4%	\$ 1.59	\$ 2.50	\$ 0.50	\$ 28,887	\$ 28,887
Wyoming	1,159	2	40	83	1,280	\$ 9.20	17.4%	\$ 1.60	\$ 1.68	\$ 0.50	\$ 2,049	\$ 2,049
	763,075	3,113	63,749	173,979	997,690					\$	\$ 1,099,361	\$ 1,099,361

Interstate Access Rate Development

ICB #: 2011-NC-8KFKHB
AT&T Mobility
3301 Belknap, Superior, WI
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		
2. Outside Plant Investment	\$	30,198
3. Total Investment Cost (Line 1 + Line 2)		30,198
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		30,198

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 10,066	33.33%
7. Ad Valorem Taxes	132	0.44%
8. Maintenance & Other Expenses	1,374	4.55%
9. Return	2,345	7.77%
10. Federal and State Tax	3,121	10.33%
11. Total Annual Cost (Line 6 thru Line 10)	17,037	56.42%
12. Total Monthly Cost (Line 11 / 12)	1,420	

C. Non-Recurring Cost

13. Non-Recurring Cost	33,554
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 33,553.68
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 39,849.00

Direct Cost/ Rate
0.8420

Interstate Access Rate Development

ICB #: 2011-NC-8NQQFA
AT&T
1808 W MAIN ST, RUSSELLVILLE, AR
Network Elements (1) Site for (2) DS3 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		21,251
2. Outside Plant Investment	\$	38,827
3. Total Investment Cost (Line 1 + Line 2)		60,079
4. Net Salvage Value - Material	\$	(214)
5. Net Installed Cost (Line 3 - Line 4)		<u>60,293</u>

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 15,372	25.59%
7. Ad Valorem Taxes	135	0.23%
8. Maintenance & Other Expenses	1,627	2.71%
9. Return	4,549	7.57%
10. Federal and State Tax	<u>3,965</u>	<u>6.60%</u>
11. Total Annual Cost (Line 6 thru Line 10)	25,648	42.69%
12. Total Monthly Cost (Line 11 / 12)	2,137	

C. Non-Recurring Cost

13. Non-Recurring Cost	60,590
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D. Pricing

15. Proposed Nonrecurring Charge	\$ 60,590.25
16. Monthly Direct Cost	PRICE FLOOR
17. PROPOSED NONRECURRING RATE:	\$ 72,710.00

Direct Cost/ Rate
<u>0.8333</u>

Interstate Access Rate Development

ICB #: 2011-NC-8PRSNH
AT&T Mobility
26321 MALHEUR LANE, HUNTINGTON, OR
Network Elements (1) Site for (6) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	113,853
3. Total Investment Cost (Line 1 + Line 2)		113,854
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		113,854

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 37,951	33.33%
7. Ad Valorem Taxes	398	0.35%
8. Maintenance & Other Expenses	3,843	3.38%
9. Return	8,842	7.77%
10. Federal and State Tax	11,766	10.33%
11. Total Annual Cost (Line 6 thru Line 10)	62,800	55.16%
12. Total Monthly Cost (Line 11 / 12)	5,233	

C. Non-Recurring Cost

13. Non-Recurring Cost	126,504
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 126,504.19
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 151,810.00

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2011-NC-8Q2MTD
AT&T Mobility
106 WAKE FOREST Stree, ANDALUSIA, AL
Network Elements (1) Site for (4) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		39,569
2. Outside Plant Investment	\$	35,035
3. Total Investment Cost (Line 1 + Line 2)		74,604
4. Net Salvage Value - Material	\$	(1,229)
5. Net Installed Cost (Line 3 - Line 4)		75,833

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 14,355	19.24%
7. Ad Valorem Taxes	272	0.36%
8. Maintenance & Other Expenses	1,993	2.67%
9. Return	5,636	7.55%
10. Federal and State Tax	2,741	3.67%
11. Total Annual Cost (Line 6 thru Line 10)	24,996	33.50%
12. Total Monthly Cost (Line 11 / 12)	2,083	

C. Non-Recurring Cost

13. Non-Recurring Cost	54,293
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 54,292.56
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 65,155.00

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2012-NC-8Q9TJ8
AT&T Mobility
6264 W Coombs Rd, Lake City, MI
Network Elements (1) Site for (4) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	18,278
3. Total Investment Cost (Line 1 + Line 2)		18,278
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		18,278

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 6,093	33.33%
7. Ad Valorem Taxes	(1)	0.00%
8. Maintenance & Other Expenses	566	3.10%
9. Return	1,419	7.77%
10. Federal and State Tax	2,095	11.46%
11. Total Annual Cost (Line 6 thru Line 10)	10,172	55.65%
12. Total Monthly Cost (Line 11 / 12)	848	

C. Non-Recurring Cost

13. Non-Recurring Cost	20,309
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 20,308.55
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 24,375.00

Direct Cost/ Rate
0.8332

Interstate Access Rate Development

ICB #: 2012-NC-8QCJR5
AT&T Mobility
2132 Tower Rd, Boyne Falls, MI
Network Elements (1) Site for (6) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	119,195
3. Total Investment Cost (Line 1 + Line 2)		119,195
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		119,195

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 39,732	33.33%
7. Ad Valorem Taxes	(4)	0.00%
8. Maintenance & Other Expenses	3,692	3.10%
9. Return	9,257	7.77%
10. Federal and State Tax	13,659	11.46%
11. Total Annual Cost (Line 6 thru Line 10)	66,336	55.65%
12. Total Monthly Cost (Line 11 / 12)	5,528	

C. Non-Recurring Cost

13. Non-Recurring Cost	132,439
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 132,439.26
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 153,980.00

Direct Cost/ Rate
0.8601

Interstate Access Rate Development

ICB #: 2012-NC-8QLT2G
AT&T Mobility
6200 W Walker Rd., Marlette, MI
Network Elements (1) Site for (4) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	23,964
3. Total Investment Cost (Line 1 + Line 2)		23,964
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		23,964

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 7,988	33.33%
7. Ad Valorem Taxes	(1)	0.00%
8. Maintenance & Other Expenses	742	3.10%
9. Return	1,861	7.77%
10. Federal and State Tax	2,746	11.46%
11. Total Annual Cost (Line 6 thru Line 10)	13,337	55.65%
12. Total Monthly Cost (Line 11 / 12)	1,111	

C. Non-Recurring Cost

13. Non-Recurring Cost	26,627
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 26,626.96
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 31,955.00

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2012-NC-8QMSQE
AT&T Mobility
847 US ROUTE 30, DIXON, IL
Network Elements (1) Site for (6) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		30,757
2. Outside Plant Investment	\$	27,858
3. Total Investment Cost (Line 1 + Line 2)		58,615
4. Net Salvage Value - Material	\$	(687)
5. Net Installed Cost (Line 3 - Line 4)		59,302

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 13,684	23.35%
7. Ad Valorem Taxes	77	0.13%
8. Maintenance & Other Expenses	1,463	2.50%
9. Return	4,465	7.62%
10. Federal and State Tax	2,773	4.73%
11. Total Annual Cost (Line 6 thru Line 10)	22,462	38.32%
12. Total Monthly Cost (Line 11 / 12)	1,872	

C. Non-Recurring Cost

13. Non-Recurring Cost	49,070
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 49,069.99
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 58,885.00

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2012-NC-8QPTJU
TeleQuality Comm
855 S Main St, Oconto Falls, WI
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	15,372
3. Total Investment Cost (Line 1 + Line 2)		15,372
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		<u>15,372</u>

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 5,124	33.33%
7. Ad Valorem Taxes	67	0.44%
8. Maintenance & Other Expenses	395	2.57%
9. Return	1,194	7.77%
10. Federal and State Tax	<u>1,589</u>	<u>10.33%</u>
11. Total Annual Cost (Line 6 thru Line 10)	8,369	54.44%
12. Total Monthly Cost (Line 11 / 12)	697	

C. Non-Recurring Cost

13. Non-Recurring Cost	17,080
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D. Pricing

15. Proposed Nonrecurring Charge	\$ 17,080.01
16. Monthly Direct Cost	PRICE FLOOR
17. PROPOSED NONRECURRING RATE:	\$ 20,500.00

Direct Cost/ Rate
<u>0.8332</u>

Interstate Access Rate Development

ICB #: 2012-NC-8QSSPR
AT&T Mobility
Summit Ridge Cell, Durango, CO
Network Elements (1) Site for (8) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	72,401
3. Total Investment Cost (Line 1 + Line 2)		72,401
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		72,401

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 24,134	33.33%
7. Ad Valorem Taxes	(429)	-0.59%
8. Maintenance & Other Expenses	2,346	3.24%
9. Return	5,623	7.77%
10. Federal and State Tax	6,899	9.53%
11. Total Annual Cost (Line 6 thru Line 10)	38,572	53.28%
12. Total Monthly Cost (Line 11 / 12)	3,214	

C. Non-Recurring Cost

13. Non-Recurring Cost		80,446
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 80,446.11
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 96,540.00

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2012-NC-8RWLWT
AT&T
2449 HWY 15 - MANGHAM; LA
Network Elements (1) Site for (2) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		26,980
2. Outside Plant Investment	\$	96,493
3. Total Investment Cost (Line 1 + Line 2)		123,473
4. Net Salvage Value - Material	\$	(717)
5. Net Installed Cost (Line 3 - Line 4)		124,190

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 33,253	26.93%
7. Ad Valorem Taxes	733	0.59%
8. Maintenance & Other Expenses	2,204	1.79%
9. Return	9,441	7.65%
10. Federal and State Tax	9,467	7.67%
11. Total Annual Cost (Line 6 thru Line 10)	55,098	44.62%
12. Total Monthly Cost (Line 11 / 12)	4,591	

C. Non-Recurring Cost

13. Non-Recurring Cost	120,761
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 120,760.69
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 144,913.00

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2012-NC-8RXQZQ

ATTM

56881 S. Candy Ln; Christmas Valley; OR

Network Elements (1) Site for (18) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	34,293
3. Total Investment Cost (Line 1 + Line 2)		34,293
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		34,293

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 11,431	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	2,663	7.77%
10. Federal and State Tax	3,544	10.33%
11. Total Annual Cost (Line 6 thru Line 10)	17,638	51.43%
12. Total Monthly Cost (Line 11 / 12)	1,470	

C. Non-Recurring Cost

13. Non-Recurring Cost	38,103
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 38,103.11
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 45,724

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2012-NC-8RZ63L
 ATTM
 6387 9 MILE RD; MECOSTA; MI
 Network Elements (1) Site for (4) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		20,160
2. Outside Plant Investment	\$	28,790
3. Total Investment Cost (Line 1 + Line 2)		48,950
4. Net Salvage Value - Material	\$	(1,361)
5. Net Installed Cost (Line 3 - Line 4)		50,311

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 8,672	17.72%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	3,753	7.67%
10. Federal and State Tax	1,843	3.76%
11. Total Annual Cost (Line 6 thru Line 10)	14,268	29.15%
12. Total Monthly Cost (Line 11 / 12)	1,189	

C. Non-Recurring Cost

13. Non-Recurring Cost	24,142
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 24,141.67
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 27,280

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2012-NC-8S7MMD
AT&T Mobility
231 B RR1, HERMANN, MO
Network Elements (1) Site for (4) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		42,645
2. Outside Plant Investment	\$	117,008
3. Total Investment Cost (Line 1 + Line 2)		159,653
4. Net Salvage Value - Material	\$	(1,322)
5. Net Installed Cost (Line 3 - Line 4)		160,976

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 41,555	26.03%
7. Ad Valorem Taxes	844	0.53%
8. Maintenance & Other Expenses	4,447	2.79%
9. Return	12,218	7.65%
10. Federal and State Tax	10,756	6.74%
11. Total Annual Cost (Line 6 thru Line 10)	69,819	43.73%
12. Total Monthly Cost (Line 11 / 12)	5,818	

C. Non-Recurring Cost

13. Non-Recurring Cost	146,724
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 146,724.11
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 165,798

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2012-NC-8SKR7T
ATTM
Jack Mountain ; Burns OR
Network Elements (1) Site for (6) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	48,482
3. Total Investment Cost (Line 1 + Line 2)		48,482
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		48,482

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 16,161	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	3,765	7.77%
10. Federal and State Tax	5,010	10.33%
11. Total Annual Cost (Line 6 thru Line 10)	24,936	51.43%
12. Total Monthly Cost (Line 11 / 12)	2,078	

C. Non-Recurring Cost

13. Non-Recurring Cost	53,868
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 53,868.33
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 64,642.00

Direct Cost/ Rate
0.8333

Interstate Access Rate Development

ICB #: 2011-MA-8M4TFQ
Verizon
2040 Durham Rd., Roxboro, NC
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	33,169
3. Total Investment Cost (Line 1 + Line 2)		33,169
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		33,169

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 11,056	33.33%
7. Ad Valorem Taxes	87	0.26%
8. Maintenance & Other Expenses	882	2.66%
9. Return	2,576	7.77%
10. Federal and State Tax	3,361	10.13%
11. Total Annual Cost (Line 6 thru Line 10)	17,962	54.15%
12. Total Monthly Cost (Line 11 / 12)	1,497	

C. Non-Recurring Cost

13. Non-Recurring Cost	36,854
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 36,854.17
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 41,645

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2011-NC-8LBPJ8
Verizon
1600 East Lincoln Way, Chambersburg, PA
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		
2. Outside Plant Investment	\$	6,882
3. Total Investment Cost (Line 1 + Line 2)		6,882
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		6,882

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 2,294	33.33%
7. Ad Valorem Taxes	5	0.08%
8. Maintenance & Other Expenses	146	2.12%
9. Return	449	6.52%
10. Federal and State Tax	616	8.95%
11. Total Annual Cost (Line 6 thru Line 10)	3,510	51.01%
12. Total Monthly Cost (Line 11 / 12)	293	

C. Non-Recurring Cost

13. Non-Recurring Cost		7,836
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 7,836.33
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 8,641.00

Direct Cost/ Rate
0.9069

Interstate Access Rate Development

ICB #: 2011-NC-8PXS88
AT&T Mobility
205 SOULE Road, NEW BLOOMFIELD, PA
Network Elements (1) Site for (6) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	43,493
3. Total Investment Cost (Line 1 + Line 2)		43,493
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		43,493

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 14,498	33.33%
7. Ad Valorem Taxes	34	0.08%
8. Maintenance & Other Expenses	734	1.69%
9. Return	3,378	7.77%
10. Federal and State Tax	4,730	10.87%
11. Total Annual Cost (Line 6 thru Line 10)	23,374	53.74%
12. Total Monthly Cost (Line 11 / 12)	1,948	

C. Non-Recurring Cost

13. Non-Recurring Cost		48,326
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 48,325.95
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 54,608

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2012-MA-8U34Q5
AT&T
1085 THORN ROSE LN-CHARLOTTESVILLE VA
Network Elements (1) Site for (6) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	10,651
3. Total Investment Cost (Line 1 + Line 2)		10,651
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		10,651

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 3,550	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	827	7.77%
10. Federal and State Tax	1,050	9.86%
11. Total Annual Cost (Line 6 thru Line 10)	5,428	50.96%
12. Total Monthly Cost (Line 11 / 12)	452	

C. Non-Recurring Cost

13. Non-Recurring Cost	11,834
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 11,834.31
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 13,373

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2011-WO-8KRTUV
AT&T Mobility
10675 GHEEN HILL PKWY, GHEEN, MN
Network Elements (1) Site for (10) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		
2. Outside Plant Investment	\$	21,476
3. Total Investment Cost (Line 1 + Line 2)		21,476
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		21,476

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 7,159	33.33%
7. Ad Valorem Taxes	13	0.06%
8. Maintenance & Other Expenses	753	3.51%
9. Return	1,668	7.77%
10. Federal and State Tax	2,325	10.82%
11. Total Annual Cost (Line 6 thru Line 10)	11,917	55.49%
12. Total Monthly Cost (Line 11 / 12)	993	

C. Non-Recurring Cost

13. Non-Recurring Cost	23,862
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 23,862
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 26,964

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2011-WO-8FTSHH
AT&T Mobility
27702 173rd STREET, PIERZ, MN
Network Elements (1) Site for (3) DS1 Connections

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		
2. Outside Plant Investment	\$	121,894
3. Total Investment Cost (Line 1 + Line 2)		121,894
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		121,894

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 40,631	33.33%
7. Ad Valorem Taxes	58	0.05%
8. Maintenance & Other Expenses	6,772	5.56%
9. Return	9,466	7.77%
10. Federal and State Tax	13,195	10.82%
11. Total Annual Cost (Line 6 thru Line 10)	70,123	57.53%
12. Total Monthly Cost (Line 11 / 12)	5,844	

C. Non-Recurring Cost

13. Non-Recurring Cost	135,438
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 135,438
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 153,045

Direct Cost/ Rate
0.8850