

NEVADA BELL TELEPHONE COMPANY (NBTC)
2014 ANNUAL FILING
3RD QUARTER FEDERAL UNIVERSAL SERVICE FUND (FUSF) ADJUSTMENTS
TRANSITION OF PRICE CAP CARRIER ACCESS CHARGES - STEP 3
HOLDING COMPANY ACCESS RECOVERY CHARGE (ARC)

DESCRIPTION AND JUSTIFICATION
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1. INTRODUCTION

This filing is being made in compliance with the following:

- In the Matter of Material to be Filed in Support of 2014 Annual Access Tariff Filings, Order (Tariff Review Plan), DA 14-494, released April 14, 2014;
- In the Matter of Connect America Fund and Developing an Unified Intercarrier Compensation Plan, ICC Clarification Order, DA14-434, released March 31, 2014;
- In the Matter of July 1, 2014 Annual Access Charge Tariff Filings, Order, DA 14-404, released March 25, 2014;
- In the Matter of Assessment and Collection of Regulatory Fees for the Fiscal Year 2013, MD Docket 13-58, FCC 13-74, released May 23, 2013;
- In the Matter of Connect America Fund WC Docket No. 10-90, A National Broadband Plan for Our Future GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers WC Docket No. 07-135, High-Cost Universal Service Support WC Docket No. 05-337, Developing an Unified Intercarrier Compensation Regime CC Docket No. 01-92, Federal-State Joint Board on Universal Service CC Docket No. 96-45, Lifeline and Link-Up WC Docket No. 03-109, Universal Service Reform – Mobility Fund WT Docket No. 10-208, Order (June 5, 2012 Order), FCC 11-161, released June 5, 2012;
- In the Matter of Connect America Fund WC Docket No. 10-90, A National Broadband Plan for Our Future GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers WC Docket No. 07-135, High-Cost Universal Service Support WC Docket No. 05-337, Developing an Unified Intercarrier Compensation Regime CC Docket No. 01-92, Federal-State Joint Board on Universal Service CC Docket No. 96-45, Lifeline and Link-Up WC Docket No. 03-109, Universal Service Reform – Mobility Fund WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking (USF/ICC Transformation Order), FCC 11-161, released November 18, 2011;
- In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Low-Volume Long Distance Users and Federal-State Joint Board on Universal Service, Sixth Report and Order CC Docket Nos. 96-262 and 94-1, Report and

Order CC Docket No. 99-249 and Eleventh Report and Order CC Docket No. 96-45, (*CALLS Order*), FCC 00-193, released May 31, 2000;

- In the Matter of Thousand-Block Number Pooling, Report and Order and Second Order on Reconsideration, CC Docket No. 96-98 and CC Docket No. 99-200, released December 28, 2001;
- In the Matter of Defining Primary Lines, Report and Order & Further Notice of Proposed Rulemaking, CC Docket No. 97-181, released March 10, 1999;
- In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure, Second Order on Reconsideration and Memorandum Opinion and Order, CC Docket Nos. 96-262, 94-1, and 91-213, released October 9, 1997;
- In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, and End User Common Line Charges, Order on Reconsideration, CC Docket Nos. 96-262, 94-1, 91-213 and 95-72, released July 10, 1997;
- In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, and End User Common Line Charges, Errata, CC Docket Nos. 96-262, 94-1, 91-213 and 95-72, released June 4, 1997;
- In the Matter of Federal-State Joint Board on Universal Service, Errata, CC Docket No. 96-45, released June 4, 1997;
- In the Matter of Federal-State Joint Board on Universal Service, Report and Order, CC Docket No. 96-45, released May 8, 1997;
- In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, and End User Common Line Charges, First Report and Order, CC Docket Nos. 96-262, 94-1, 91-213 and 95-72, released May 16, 1997;
- In the Matter of Price Cap Regulation of Local Exchange Carriers Rate-of-Return Sharing and Lower Formula Adjustment, Report and Order, CC Docket No. 93-179, released April 14, 1995;
- In the Matter of Price Cap Performance Review for Local Exchange Carriers, First Report and Order, (*Price Cap Review Order*), CC Docket No. 94-1, released April 7, 1995;

- ❑ In the Matter of Access Charge Reform, Notice of Proposed Rulemaking, Third Report and Order, and Notice of Inquiry, CC Docket No. 96-262, released December 24, 1996, paragraph 305 (removing lower service band limits);
- ❑ In the Matter of Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board, Report and Order, CC Docket No. 80-286, released February 3, 1997;
- ❑ In the Matter of Responsible Accounting Office Letter 20, Uniform Accounting for Postretirement Benefits Other Than Pensions in Part 32, Memorandum Opinion and Order and Notice of Proposed Rulemaking, (RAO 20 Order), CC Docket No. 96-22, released March 7, 1996;
- ❑ In the Matter of Transport Rate Structure and Pricing, Second Report and Order, CC Docket No. 91-213, released January 31, 1994;
- ❑ In the Matter of Amendments of Part 69 of the Commission's Rules Relating to Creation of Access Charge Subelements for Open Network Architecture, Report and Order & Order on Further Reconsideration, CC Docket 89-79, released July 11, 1991;
- ❑ In the Matter of Policy and Rules Concerning Rates for Dominant Carriers, Order on Reconsideration, CC Docket 87-313, released April 17, 1991 (LEC Price Cap Reconsideration Order);
- ❑ In the Matter of Policy and Rules Concerning Rates for Dominant Carriers, Second Report and Order, CC Docket 87-313, released October 4, 1990 (LEC Price Cap Order);
and
- ❑ Parts 61 and 69 of the Commission's Rules as stated herein.

This filing is comprised of four sections. The first section contains supporting documentation for the Price Cap 2014 Annual Filing. The *LEC Price Cap Order* requires an annual access tariff filing in which Price Cap companies are required to adjust the price cap indices (PCIs) for each basket of services, based on the change in the Gross Domestic Product Price Index (GDP-PI), a transitional mechanism (x-factor) and exogenous cost changes.

The second portion of this filing contains supporting documentation to implement the 3rd quarter USF factor.

The third portion of this filing contains supporting documentation necessary to implement the Step 3 requirements of the *USF/ICC Transformation Order*.

The final portion of this filing contains supporting documentation for development of AT&T's Access Recovery Charge (ARC) established in the *USF/ICC Transformation Order*.

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2. EXOGENOUS COST DEVELOPMENT - (ΔZ)

Part 61.45(a) of the *Code of Federal Regulations (CFR)* requires that local exchange carriers (LECs) adjust their PCIs to reflect the dollar effect of the exogenous cost changes (ΔZ) described in Part 61.45(d). According to Part 61.45(b), this dollar effect must be measured at the base period level of operations.

In the 2014 Annual Filing, the following exogenous adjustments will be made. All are allowable in accordance with the Commission's Part 61 Rules or were designated in Commission Orders:

- Investment Tax Credit (ITC)
- Telecommunications Relay Service (TRS)
- Regulatory Fee Payment Exogenous

Part 61.45(d)(3) requires that exogenous cost changes be apportioned between price cap services and excluded services. The exogenous cost changes were adjusted to remove impacts associated with services that are excluded from price cap regulation, to the extent that revenues for these services existed and were identifiable.

2.A INVESTMENT TAX CREDIT (ITC) AMORTIZATION

In paragraph 72 of the *LEC Price Cap Reconsideration Order*, the FCC allowed exogenous treatment of the flow-through of the repeal of the Invest Tax Credit (ITC). In this filing, NBTC reflects the estimated exogenous cost changes associated with this item in *Exhibit 2.2* for the 2014-2015 tariff period.

2.B COMBINED EFFECT

The combined effect of EDT and ITC is developed to determine the impact of all exogenous cost changes on the interstate revenue requirements. *Exhibit 2.3* summarizes this impact. Details pertaining to this calculation are shown in *Exhibit 2.4*.

2.C TELECOMMUNICATIONS RELAY SERVICES (TRS) FUND

The Commission has also ruled Telecommunications Relay Service (TRS) fund payments¹ may be treated as exogenous. NBTC is estimating the total TRS contribution amount for the ensuing tariff period based on the proposed factor of \$.01174. The development of the TRS exogenous cost for this filing is provided in *Exhibit 2.5*.

2.D REGULATORY FEE PAYMENTS EXOGENOUS ADJUSTMENTS

The filing for exogenous treatment of Regulatory Fees is consistent with Parts 61.45(a) and 61.45(d)(1)(vi) and the Common Carrier Bureau's October 7, 1994 *Order*.² On May 23, 2013, the Commission released its Order, In the Matter of Assessment and Collection of Regulatory Fees for Fiscal Year 2013, MD Docket 13-58 (FCC 13-74), detailing the proposed factor for the Fiscal Year 2013. The regulatory fee payments and the corresponding exogenous adjustment are estimated based up on the proposed factor and revenue. The exogenous adjustment is detailed in *Exhibit 2.5*.

¹ *In the Matter of Telecommunications Relay Service, and the Americans with Disabilities Act of 1990*, CC Docket No. 90-571, *Second Order on Reconsideration and Fourth Report and Order*, released September 29, 1993, paragraph 18.

² *Price Cap Treatment of Regulatory Fees Imposed by Section 9 of the Communications Act Order*, (DA 94-1119) (Common Carrier Bureau, released October 7, 1994), (Erratum released November 2, 1994) paragraph 6, granting a waiver to permit exogenous cost treatment of regulatory fees.

2.E SUMMARY OF EXOGENOUS COSTS & DISTRIBUTIONS

Part 61.45(d) (4) requires that exogenous cost changes be apportioned between price cap services and excluded services. The combined exogenous cost changes have been adjusted to remove impacts associated with services that are excluded from price cap regulation, to the extent that revenues for these services existed and were identifiable. The costs associated with non-price cap services, included in Parts 36 and 69 costs, are not identifiable. It is assumed that the costs for these services are equivalent to the revenue from these services. A percentage of exogenous costs are equivalent to the percentage of total identifiable interstate access and Interexchange services revenue representing non-price cap service revenue. Totals of all exogenous costs applied in this filing are summarized on *Exhibit 2.6*.

3. OTHER PRICE CAP INDEX FACTORS/VARIABLES DEVELOPMENT

The annual filing adjustments to the PCI, detailed in Part 61.45(a), require the identification or development of the factors³ contained in the PCI formulas. The development of these factors, except for ΔZ , is described in this Section. The development of the ΔZ factor is described in Section 2.

These factors are used to calculate a new PCI for each of the price cap baskets. The new PCIs are the benchmark against which the price cap basket Actual Price Indices (APIs), associated with the proposed prices, are measured. The change in the PCI also affects the calculation of the allowable Service Band Index (SBI) Upper Limits, which are used to demonstrate if the proposed service category rates are in-band for the Special Access basket. The change in the

³ The required factors are PCI_{t-1} , GDP-PI, X, R, g, w, and $\square Z$.

PCI also affects the allowable Sub-Index upper limits for Special Access DS1, DS3 and Zone Density Pricing (ZDP) categories.

The calculations of the PCIs are detailed on form PCI-1 of the Tariff Review Plan (TRP).

EXISTING PCI

The PCI_{t-1} is described in Part 61.45(c) as "the immediately preceding PCI value." For purposes of the 2014 Annual Filing, the immediately preceding PCIs are identified in the existing PCI column of the TRP. The reference document, which is required to identify the transmittal associated with each of the existing PCIs, is provided as *Exhibit 11*.

SPECIAL ACCESS AND INTEREXCHANGE REDUCTIONS

No reductions are required in the Special Access Service pursuant to Part 61.45(b)(iv).

GDP-PI

The GDP-PI factor is described in Part 61.45(c) as "the percentage change in the GDP-PI between the quarter ending six months prior to the effective date of the new annual tariff and the corresponding quarter of the previous year."

The change in the GDP-PI for the 2014 Annual Filing is 1.4205 percent.

X FACTOR

The x-factor for the Special Access basket is set equal to the GDP-PI pursuant to 61.45(b)(1)(iv).

'R' VARIABLE

The 'R' variable, as described in Part 61.45 (b)(1)(i), is calculated by multiplying base period quantities by the rates that were in effect at the time of the last PCI update.

The base period is defined in Part 61.3 (g) as "the 12-month period ending six months prior to the effective date of annual price cap tariffs." For purposes of this filing, the base period is the calendar year 2013.

The calculation of the 'R' variable for the Common Line and Special Access baskets are detailed in *Exhibits 5 and 6*, respectively.

COMMON LINE USAGE GROWTH (g)

The Minutes of Use (MOU) Carrier Common Line (CCL) charges are zero, which eliminates the need to calculate a (g) factor.

4. DEVELOPMENT OF 2013 BASE PERIOD DEMAND

Historical base period demand is required for the Common Line and Special Access baskets. Demand information for these baskets is detailed on exhibits provided with this filing. Historical base period demand for the Special Access Basket reflects the removal of demand in MSAs that have been granted Phase II regulatory relief.⁴

5. COMMON LINE BASKET RATE DEVELOPMENT

The Common Line Basket rates were developed in accordance with Part 69.152. *Exhibit 5* lists

⁴ MO&O, CCB/CPD No. 00-26, DA 01-670, released March 14, 2001; MO&O, CCB/CPD No. 01-32, DA 02-823, released April 11, 2002; and MO&O, WCB/Pricing No. 03-8, DA 03-1721, released May 15, 2003 MO&O, CCB/CPD No. 00-25, DA 01-670, released March 14, 2001; MO&O, CCB/CPD No. 01-35, DA 02-823, released April 11, 2002.

the rates and demand used to calculate the Common Line 'R' value.

6. SPECIAL ACCESS BASKET PCI, API, SBI AND RATE DEVELOPMENT

In accordance with Parts 61.45(a), 61.46(a), 61.47(a), 61.47(b) and 61.47(e), the determination of the proposed Special Access Basket rates, PCI, API, SBI and SBI Upper Limits for each of the service categories or sub categories of Voice Grade, Audio & Video, and High Cap & DDS associated with the 2014 Annual Filing are developed using 2013 base period demand. The 2014 Annual Filing PCI calculation is detailed on the IND-1, PCI-1, and RTE-1 forms of the TRP. In addition, exhibits detailing compliance with the CFR are as follows:

Exhibit 6 – Calculation of 'R' Value

Exhibit 6.1 – Calculation of API and SBI

Exhibit 6.2 - Calculation of DS1 & DS3 Sub-Indices

7. INTEREXCHANGE BASKET PCI, API AND RATE DEVELOPMENT

In accordance with Part 61.45, the existing and proposed PCI for the Interexchange Basket is detailed on the PCI-1 form of the TRP. The associated APIs are included on the IND-1 and RTE-1 forms of the TRP.

8. PART 69 WAIVERS

The following is a list of Part 69 waivers involving Southwestern Bell Telephone Company (SWBT), Pacific Bell Telephone Company (PBTC), NBTC, Ameritech Operating Companies (Ameritech), The Southern New England Telephone Company (SNET) and BellSouth Telecommunications, LLC (BellSouth), collectively the AT&T Companies, including a citation to the Order granting the waiver and the basket and service category, if applicable, and the treatment of rate elements created by the waiver:

- Ameritech, PBTC, NBTC, SNET, SWBT – Order (DA 05-1607), released June 6, 2005, granting permission to waive True IP to PSTN (TIPTop) services from price caps for the 2005 Annual access tariff filing requirements.
- Ameritech, BellSouth, PBTC, SNET, SWBT – Order (DA 96-2004) released December 2, 1996, granting waiver of Parts 69.110, 69.111 and 69.112 to establish new rate elements associated with a new SONET-based switched transport service. These charges are included in the HiCap Service Category of the Trunking Basket. NBTC does not offer SONET-based switched transport.
- Ameritech – Order (DA 96-446) released March 27, 1996, to establish unbundled rate elements for SS7 service. These rate elements are included in the Traffic Sensitive and Trunking baskets. BST, NBTC, PBTC, SNET and SWBT do not offer TCAP and ISUP usage rates.
- Ameritech, BellSouth, NBTC, PBTC, SNET, SWBT – Order (DA 94-1350) released November 30, 1994, granting establishment of a new rate element for 500 Access Service. The service is included in the Local Switching Service Category of the Traffic Sensitive Basket. SNET includes this rate element in the Database Service Category of the Traffic Sensitive Basket.
- AT&T ILECs - Bureau Order, released July 23, 1993, granting a blanket waiver of Part 69 of the Commission Rules to enable all Local Exchange Carriers to tariff interstate access elements that reasonably reflect facility arrangements for transport between the Telecommunications Relay Service (TRS) service bureau and associated tandem switches, until October 31, 1995, when the interim local transport structure is scheduled to be replaced. These rate elements are included in the HiCap Service Category of the Trunking Basket.
- Ameritech - *Order*, released February 12, 1992, granting permission to assess the Ameritech Directory Search (ADS) rates, formerly Electronic Directory Search. These rate elements are included in the Information Service Category of the Traffic Sensitive Basket.
- SNET – *Order*, released June 30, 1993 waiver of Part 69 allows SNET to establish rate elements to recover costs associated with its Electronic Directory Assistance Service. These charges are included in the Information Service category of the Traffic Sensitive basket.
- AT&T ILECs - *Ameritech DNAL Waiver Order* (DA 91-1629), released December 27, 1991; *BOC DNAL Order* (DA 92-199), released January 30, 1992, PBTC & NBTC *Memorandum Opinion and Order* (DA 92-271), released March 6, 1992 granting establishment of sub-elements in the Switched Access transport rate element to recover the costs associated with a Dedicated Network Access Line (DNAL) Basic Service Arrangement (BSA). This rate element is included in the Local Switching Category of the Traffic Sensitive Basket.
- AT&T ILECs - Commission Order, released October 9, 1991, granting establishment of an Information Surcharge rate element within the Information Category. This rate element is included in the Traffic Sensitive Basket.

- AT&T ILECs – *Operator Services Waiver Order* (DA 91-274), released March 5, 1991. The Commission established a blanket waiver for all carriers who provide operator services to include Line Status Verification, Call Interruption and Operator Transfer. The Commission did not specify applicable price cap baskets or service categories in the waiver.
- AT&T ILECs - Bureau MO&O, released September 28, 1988, granting establishment of a rate element for the recovery of costs incurred in the provision of 900 Access Service. This rate element is included in the Local Switching Service Category of the Traffic Sensitive Basket.
- AT&T ILECs - Order, released September 3, 1987, granting permission to determine the Message Unit Credit (MUC) on a statewide basis instead of an exchange basis, as stated in Part 69.106(c). The waiver was extended via the 1989 and 1990 Waiver Orders. This charge is included in the Local Switching Service Category of the Traffic Sensitive Basket.
- SNET - Commission Order, released June 7, 1985, granting permission to disaggregate the Directory Assistance Charge into a charge "per call" and a charge "per minute of use (MOU)." This waiver was extended indefinitely "pending further order" in the Commission's 1989 Waiver Order, paragraph 6, released December 2, 1988. This charge is included in the Information Service Category of the Traffic Sensitive Basket.
- AT&T ILECs - Commission MO&O (FCC 83–356), released August 22, 1983, established the \$25.00 Special Access Surcharge (waiving Part 69.115 (c)) for private line subscribers who actually leak traffic into the local network. This grant was extended in the 1985 Waiver Order, released June 7, 1985, and again addressed in the 1989 Waiver Order, released December 2, 1988, granting waiver in force pending resolution of the Special Access Surcharge issues. This rate element is included in the Common Line Basket.

9. NEW SERVICES INCLUDED IN THE PRICE CAP INDICES

No new services were added in 2013.

10. SERVICES EXCLUDED FROM PRICE CAPS

The Commission's Order, *In the Matter of Material to be Filed in Support of 2001 Annual Access Tariff Filings (2001 TRP Order)*, released April 30, 2001, required LECs, for the first time, to provide support documentation detailing services excluded from price cap regulation. In *Exhibit 10*, NBTC has included a list of all services excluded from price cap regulation, which

has been revised to reflect activity subsequent to the 2013 Annual Filing in accordance with the *2014 TRP Order*.

11. IND-1 REFERENCE

The reference document, which is required to identify the transmittal associated with each of the existing PCIs, is provided as *Exhibit 11*.

12. RATE COMPARISON

Exhibit 12 identifies current and proposed rates for elements with changing rates. In addition to this exhibit, a Rate Detail file which lists all price cap services demand and revenues by service basket is provided.

13. EXHIBITS

This section provides the exhibits and other support documents referenced in prior sections of the D&J.

- Exhibit 2.2 – Investment Tax Credit (ITC)
- Exhibit 2.3 – Combined Effect
- Exhibit 2.4 – EDT/ITC Adjusted for Non-Price Cap Services
- Exhibit 2.5 – Telecommunications Relay Service and Regulatory Fee Exogenous
- Exhibit 2.6 – Summary of Exogenous Costs & Distribution
- Exhibit 5 – Common Line basket Price Cap Model
- Exhibit 6 – Calculation of ‘R’ Value – (Special)
- Exhibit 6.1 – Calculation of Price Cap Indices (Special)
- Exhibit 6.2 – Calculation of DS1 & DS3 Sub-Indices (Special)
- Exhibit 10 – Excluded Services List
- Exhibit 11 – IND-1 Reference
- Exhibit 12 – Rate Comparison
- Tariff Review Plan (TRP)
- Rate Detail File

3RD QUARTER FEDERAL UNIVERSAL SERVICE FUND (FUSF) ADJUSTMENTS

14. 3RD QUARTER UNIVERSAL SERVICE FUND ADJUSTMENTS

This portion of the filing is to revise the USF obligation based on the 3rd quarter 2014 contribution factor, which NBTC will begin billing July 1, 2014. The 3rd quarter contribution factor, 15.7 percent, was provided in the Commission's recent Public Notice, DA 14-812, released June 12, 2014. Recovery of this contribution is allowable pursuant to Part 69.158. The methodology used to calculate end user charges assessed to recover this liability is detailed below.

Calculation of the Federal Universal Service Fund Flat Rate End User Charge

To ensure compliance with the Commission's *Interim Contribution Methodology Order*, NBTC recovers its USF obligation associated with switched access services through various flat-rate end user charges.⁵ The charges will be assessed with respect to the interstate end user service that generates the USF obligation.

NBTC assesses three general types of USF charges (Basic, Port, and Non-recurring) for switched access customers. These charges are calculated using the following methodology as shown on *Exhibit 14.1* and *Exhibit 14.2*.

⁵See *Federal-State Joint Board on Universal Service, 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990, Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, Number Resource Optimization, Telephone Number Portability*, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116., 98-170, *Report and Order and Second Further Notice of Proposed Rule Making*, 17 FCC RCD 24952 (2202) (*Interim Contribution Methodology Order*).

Basic USF Recovery Charges

These charges are assessed to switched access lines to recover the USF obligation associated with the assessment of End User Common Line (EUCL) and End User Port charges.

Residential / Single Line Business (SLB)

NBTC develops the Basic USF charge for residential and single line business customers by multiplying EUCL charges assessed to these customers by the relevant contribution factor released by the Commission. The calculation for the Basic FUSF Residential/Single Line Business rate is demonstrated in *Exhibit 14.1*.

BRI ISDN / BRI ISDN Port

NBTC develops the Basic USF charge for BRI ISDN by adding the BRI ISDN EUCL rate to the BRI ISDN LINE PORT rate, to arrive at the TOTAL BRI ISDN basic interstate revenue. The TOTAL BRI ISDN interstate revenue is then multiplied by the relevant contribution factor released by the Commission. The calculation for the BRI ISDN USF Recovery Charge is demonstrated in *Exhibit 14.1*.

Multi Line Business, PRI ISDN, and Centrex

NBTC elected to utilize the provisions granted in the Commission's *Order and Second Order on Reconsideration* regarding Centrex customers.⁶ A portion of the un-recovered obligation created

⁶ See *Federal-State Joint Board on Universal Service, 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990, Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, Number Resource Optimization, Telephone Number Portability*, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, 98-170, *Order and Second Order on Reconsideration*, FCC 03-58, para. 3 (rel. March 14, 2003).

from using the PICC equivalency ratios for Centrex customers is applied to Multi-line business customers. However, due to the constraints included in the Commission's *Order*, NBTC averages the obligation associated with End User Common Line (EUCL) charges for Centrex customers. Centrex customers are assessed the full amount of the obligation associated with their SPNP end user surcharges.

NBTC determines the Basic USF recovery rate for business customers using the method detailed below.

Establish the Basic Multi-line Business Rate

Step 1 – Determine total revenue using access lines as of March 2014 for these customers generated from EUCL assessments by multiplying the EUCL rate by the number of lines.

Step 2 – Multiply the result from Step 1 by the contribution factor to obtain the obligation associated with the customer base.

Step 3 – Divide the obligation developed in Step 2 by the number of billable lines (using lines as of March 2014). The line base is adjusted using PICC equivalency ratios as defined in Part 69.153. The result is the Basic MLB rate per line.

Step 4 – Add to the Basic MLB rate, all other USF recovery associated with the customer type. Step 4 is calculated by customer type for Multi-line business, PRI ISDN, and Centrex customers as shown in *Exhibit 14.2*.

The final rates per customer type are detailed on both *Exhibit 14.1* and *Exhibit 14.2*. These final rates preclude any USF recovery necessary from non-recurring interstate end user charges.

Other Non-recurring USF Surcharges

Non-recurring USF surcharges are assessed to interstate end user non-recurring charges, which generate a USF obligation. NBTC calculates Other Non-recurring USF charges by multiplying the non-recurring charge by the contribution factor. These USF recovery charges will only be assessed per occurrence of the interstate end user non-recurring charge. For billing purposes, the USF recovery charge may be added to the existing interstate end user charge, which generates the obligation.

NBTC assesses Lifeline customers the Non-recurring USF charges when they are assessed the non-recurring charge that generates the obligation. NBTC also assesses Interexchange Carriers (ICs) the Presubscribed Interexchange Change (PIC) USF Charge when the IC is assessed the PIC change charge.

Other Recurring Federal Universal Fund Surcharges

NBTC will continue to recover its other recurring (i.e. Special Access and True Internet Protocol to Public Switched Telephone Network (TIPToP Service)) USF obligations through a percentage-based USF recovery charge applied to interstate end user billed revenues. This percentage-based USF recovery charge is set equal to the Commission's contribution factor released via Public Notice.

15. EXHIBITS

This section provides the exhibits and other support documents referenced in prior sections of the D&J.

- Exhibit 14.1 – Universal Service Fee Rate Development 1
- Exhibit 14.2 – Universal Service Fee Rate Development 2

TRANSITION OF PRICE CAP CARRIER ACCESS CHARGES - STEP 3

16. DEVELOPING THE INTERSTATE AND INTRASTATE SWITCHED ACCESS REVENUE REDUCTION

The purpose of this section of the filing is to implement the Step 3 Transition of Price Cap Carrier Access Service⁷ per Part 51.907(d) of the CFR. This includes:

- a) establishing separate originating and terminating rate elements for all End Office Access Service interstate and intrastate per-minute components and fixed charges;⁸
- b) calculating the 2011 Baseline Composite Terminating End Office Access Rate;⁹
- c) calculating the 2014 Target Composite Terminating End Office Access Rate;¹⁰
- d) reducing interstate and intrastate terminating End Office Access Service rates to ensure their respective Composite Terminating End Office Access Rate does not exceed the 2014 Target Composite Terminating End Office Rate;¹¹ and
- e) calculating the eligible recovery for 2014.¹²

The company and state-specific forms are filed with the transmittals for each of the AT&T Companies. The access revenue reduction exhibits by company and state are:

Ameritech Operating Companies (Ameritech) Tariff FCC No. 2

- Ameritech – *Exhibit AIT*
- Illinois – *Exhibit IL*
- Indiana – *Exhibit IN*
- Michigan – *Exhibit MI*
- Ohio – *Exhibit OH*
- Wisconsin – *Exhibit WI*

⁷ Part 51.903(j) defines Transitional Intrastate Access Service as terminating End Office Access Service that was subject to intrastate access rates as of December 31, 2011; terminating Tandem-Switched Transport Access Service that was subject to intrastate access rates as of December 31, 2011; and originating and terminating Dedicated Transport Access Service that was subject to intrastate access rates as of December 31, 2011.

⁸ Part 51.907(d)(1).

⁹ Part 51.907(d)(2)(i).

¹⁰ Part 51.907(d)(2)(ii).

¹¹ Part 51.907(d)(2)(iii).

¹² Part 51.907(d).

BellSouth Telecommunications, LLC (BellSouth) Tariff FCC No. 1

- BellSouth – *Exhibit BST*
- Alabama – *Exhibit AL*
- Georgia – *Exhibit GA*
- Florida – *Exhibit FL*
- Kentucky – *Exhibit KY*
- Louisiana – *Exhibit LA*
- Mississippi – *Exhibit MS*
- North Carolina – *Exhibit NC*
- South Carolina – *Exhibit SC*
- Tennessee – *Exhibit TN*

Nevada Bell Telephone Company (NBTC) Tariff FCC No. 1

- Nevada – *Exhibit NV*

Pacific Bell Telephone Company (PBTC) Tariff FCC No. 1

- California – *Exhibit CA*

The Southern New England Telephone Company (SNET) Tariff FCC No. 39

- SNET Connecticut – *Exhibit CT*

Southwestern Bell Telephone Company (SWBT) Tariff FCC No. 73

- SWBT – *Exhibit SWBT*
- Arkansas – *Exhibit AR*
- Kansas – *Exhibit KS*
- Missouri – *Exhibit MO*
- Oklahoma – *Exhibit OK*
- Texas – *Exhibit TX*

17. ESTABLISHMENT OF ORIGINATING AND TERMINATING RATES

Part 51.907(d)(1) states “[a] Price Cap Carrier shall establish separate originating and terminating rate elements for all per-minute components within interstate and intrastate End Office Access Service. For fixed charges, the Price Cap Carrier shall divide the rate between originating and terminating rate elements based on relative originating and terminating end office switching minutes. If sufficient originating and terminating end office switching minute data is not available, the carrier shall divide such charges equally between originating and terminating elements.”

All of the AT&T ILEC End Office Access Services are comprised of one or more local switching per minute of use (MOU) charges, a shared end office (EO) trunk port per MOU charge, one or two dedicated EO trunk port monthly recurring charges (MRCs) and various optional EO feature MRCs and nonrecurring charges (NRCs). To meet the requirement of Part 51.907(d)(1), AT&T separated the intrastate and interstate local switching per MOU, shared EO trunk port per MOU and dedicated EO trunk port charges into originating and terminating rates in 2013. The filings separating¹³ the per MOU charges and dedicated port charges into originating and terminating were effective as follows:

- Ameritech Tariff FCC No. 2, Transmittal No. 1792, effective May 15, 2013.
- Illinois ILL. C.C. No. 21, Switched Access Service usage effective March 11, 2013 and ports effective May 25, 2013.
- Indiana, Michigan, Ohio and Wisconsin Access Service Tariffs have long cross referenced to Tariff FCC No. 2 for Switched Access Service rates and regulations.
- BellSouth Tariff FCC No. 1, Transmittal No. 60, effective May 15, 2013.
- Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee Access Service Tariffs cross reference to Tariff FCC No. 1 for Switched Access Service rates and regulations effective July 2, 2013.
- NBTC Tariff FCC No 1, Transmittal No. 246, effective May 15, 2013.
- Nevada Tariff P.U.C.N. No. C cross references to Tariff FCC No. 1 for Switched Access Service rates and regulations effective July 2, 2013.
- PBTC Tariff FCC No. 1, Transmittal No. 488, effective May 15, 2013.
- California Schedule CAL.P.U.C. NO. 175-T cross references to Tariff FCC No. 1 for Switched Access Service rates and regulations effective June 10, 2013.
- SNET Tariff FCC No. 39, Transmittal No. 1049, effective May 15, 2013.
- Connecticut Access Service Tariff cross references to Tariff FCC No. 39 for Switched Access Service rates and regulations effective July 2, 2013.
- SWBT Tariff FCC No. 73, Transmittal No. 3373, effective May 15, 2013.
- Arkansas, Kansas and Missouri Access Service Tariffs cross reference to Tariff FCC No. 73 for Switched Access Service rates and structure.
- Oklahoma Access Service Tariff cross references to Tariff FCC No. 73 for Switched Access Service rates only as of July 2, 2013 effective July 2, 2013.

¹³ While the intrastate rate elements were separated into originating and terminating prior to July 2, 2013, intrastate terminating rates were revised effective July 2, 2013 as needed to comply with Part 51.907(c).

- Texas Access Service Tariff began cross referencing to Tariff FCC No. 73 for Carrier Common Line Access Service and Switched Access Services rates and regulations effective August 20, 2012.

The MRCs and NRCs for the EO features will not be tariffed as originating and terminating. Instead, AT&T is proposing a rate of zero for these rate elements in the 2014 Annual Filing, thereby eliminating the need to tariff and bill these features based on directionality. It should be noted, however, that only terminating demand was utilized in determining the eligible recovery as discussed in the following section Fiscal Year 2011 Demand Development.

18. FISCAL YEAR 2011 DEMAND DEVELOPMENT

For all twenty-two ILEC states, AT&T obtained the interstate and intrastate billed quantities for Fiscal Year 2011¹⁴ for rate elements existing in each state access tariff. The interstate and intrastate rates in effect for Fiscal Year 2011 did not have separate rates for originating and terminating. Therefore, unless a rate element is specifically assessed on a particular direction of traffic, such as Message Unit Credit, which is assessed on the originating end of a call, AT&T allocated the demand to terminating by applying a terminating percentage developed from originating and terminating Local Switching MOUs and Tandem Switching MOUs. Although originating and terminating rates for Local Switching and Tandem Switching were not separately identified in the tariffs when the rates were frozen on December 29, 2011, customers' Switched Access bills provide minutes by originating and terminating, thus enabling AT&T to easily develop factors designating the amount of total traffic that is terminating.

Except for the dedicated end office trunk port and the dedicated tandem trunk port rate elements, the Local Switching and Tandem Switching terminating percentages were then applied to those

¹⁴ Part 51.903(e) Fiscal Year 2011 means October 1, 2010 through September 30, 2011.

MRC and NRC rate elements within the Local Switching and Tandem Switching categories, respectively, that have been included in the Switched Access Revenue Reduction.

The demand for the dedicated end office trunk port and dedicated tandem trunk port rate elements have been split between originating and terminating using a Percent Originating Usage (POU) factor of 50 percent in accordance with the currently effective tariffs.¹⁵

To help determine the billed demand quantities for which payment was collected by March 31, 2012,¹⁶ calculations were completed to determine an “uncollected” experience and produce a factor that could be used to determine billed but not collected quantities. This experience was determined by reviewing twelve months of billed Switched Access revenue data in the aggregate for all six AT&T ILECs. These Switched Access revenues were compared to the negative revenue adjustments created by service center adjustments or settlements that reduce revenue (contra revenue). This produced a factor of 3.84 percent. This represents in a revenue format what was billed but not collected. The uncollected factor, again roughly 4 percent, was employed in adjusting billed quantities to estimate the billed quantities which were collected.

The intrastate demand quantities adjusted for these uncollected quantities are used to calculate the intrastate revenue based on intrastate rates and the intrastate revenue based on interstate rates.

¹⁵ POU language became effective May 15, 2013 in AIT Tariff FCC No. 2, BST Tariff FCC No. 1, NBTC Tariff FCC No.1, PBTC Tariff FCC No. 1, SNET Tariff FCC No. 39 and SWBT Tariff FCC No. 73 effective May 15, 2013 and will apply to the intrastate jurisdiction effective July 2, 2013. The POU language also became effective May 17, 2013 in Illinois ILL. C.C. NO. 21.

¹⁶ *USF/ICC Transformation Order*, para. 880 and para. 898.

19. DEVELOPMENT OF THE STEP 3 SWITCHED ACCESS SERVICE REVENUE REDUCTION AMOUNT

The Step 3 Access Reduction is an accumulation of the 2012 and 2013 reduction amounts and the additional amounts identified in response to the rate changes proposed in the 2014 Annual Filing.

2012 and 2013 Intrastate Reduction

As discussed in the 2013 Annual Filing, in accordance with Part 51.907(b)(2)(ii) and 51.907(4), AT&T calculated the total intrastate revenue at intrastate access rates by multiplying the Fiscal Year 2011 intrastate demand by the intrastate rates in effect December 29, 2011. Because the interstate rates were frozen at December 29, 2011 levels, no interstate reduction amount was identified prior to 2014. The results of the intrastate calculations were carried into column M of each state's 2014 Switched Access Revenue Reduction Exhibit, which is labeled as *Exhibit xx*, where xx equals the state abbreviation. In the case of Ameritech, BellSouth and SWBT, which are multi-state regions, the states were summed into a regional 2014 Switched Access Revenue Reduction Exhibit, which is labeled as *Exhibit xx*, where xx equals Ameritech, BellSouth or SWBT.

2014 Intrastate and Interstate Reduction

The 2014 reduction amount is developed by reducing both intrastate and interstate end office rates as required by Part 51.907(d)(2). Multiple calculations are required to obtain the 2014 reduction amount.

First, the interstate 2011 Baseline Terminating End Office Access Rate is determined in accordance with Part 51.907(d)(2)(i) by completing the four calculations listed below.

- 1) Multiplying the Fiscal Year 2011 interstate demand by the interstate rates in effect December 29, 2011 (aka current rates) in column F of each state's 2014 Switched Access Revenue Reduction Exhibit.
- 2) The terminating interstate end office revenue is summed into the cell labeled Terminating End Office Revenue at Current Rate.
- 3) The terminating interstate local switching minutes of use are summed into the cell labeled FY2011 Terminating Local Switching MOUs
- 4) The interstate 2011 Baseline Composite Terminating End Office Rate is calculated by dividing 2) by 3) in the cell labeled Initial Composite Terminating End Office Access Rate.

Second, the 2014 Interstate Target Composite Terminating EO Access Rate is calculated in accordance with Part 51.907(d)(2)(ii), which is two-thirds of the difference between the 2011 Baseline Composite Terminating End Office Access Rate and \$0.0007 per minute. In the case of Ameritech, BellSouth and SWBT, this calculation is completed on the regional form only.

Thirdly, AT&T has elected to "implement a single per minute rate element for terminating End Office Access Service no greater than the 2014 Target Composite Terminating End Office Access Rate" as allowed by Part 51.907(d)(2)(iii).

AT&T has reduced all interstate end office features and ports to zero and proposed the terminating interstate local switching rate element equal the 2014 Target Composite Terminating End Office Rate.¹⁷ The proposed interstate rates and reduced revenue are shown in columns H and I, respectively, of the state 2014 Switched Access Revenue Reduction Exhibits. In the case of Ameritech, BellSouth and SWBT, the regional exhibit sums the results from the state exhibits.

Fourth, as the FCC clarified in paragraph 5 of the *ICC Clarification Order* released March 31, 2014, AT&T must maintain “parity between interstate and intrastate rates, not interstate and intrastate composite rates.” In column J of each state’s exhibit, the intrastate rates are set equal to the proposed interstate rates, and column K calculates the revenue based on the proposed rates. On the exhibits, the 2014 intrastate reduction amount is the difference between column K and column G, which is the FY 2011 intrastate demand multiplied by the July 2, 2013 intrastate rates.

Lastly, the total interstate plus intrastate 2014 reduction amount (aka 2014 Total Difference) is identified in column L of the of each state’s and region’s 2014 Switched Access Revenue Reduction Exhibit.

2014 Accumulated Access Reductions

The sum of the interstate, intrastate and 2013 reductions are utilized in determining the 2014 Access Recovery Charge (ARC) and are presented in column N of each state’s Switched Access

¹⁷ *ICC Clarification Order*, paragraph 17, “We thus clarify that both price cap and rate-of-return carriers may tariff the single composite rate as a terminating local switching access rate, consistent with the ICC transition, as long as all other rate elements associated with terminating end office access service are reduced to zero.⁴³ If its Target Composite Terminating End Office Access Rate is higher than the terminating local switching rate such carrier tariffed the previous year that will not constitute an impermissible rate increase.”

Revenue Reduction Exhibit, as well as the regional forms for Ameritech, BellSouth and SWBT.

20. INTRASTATE AND INTERSTATE RATES

In accordance with Part 51.907(b)(2), the rates utilized in determining the 2012 and 2013 Total Reductions presented in column M and to develop the interstate revenue amounts in columns F and I are the rates that were in effect in the intrastate and interstate access tariffs on December 29, 2011.¹⁸ The intrastate rates utilized to calculate this year's additional reductions, which are the difference between columns G and K, are the rates that became effective July 2, 2013.

21. SERVICES EXCLUDED FROM THE SWITCHED ACCESS REVENUE REDUCTION CALCULATION

The Switched Access Revenue Reduction calculations are based on terminating traffic only for CCL, Local Switching and Tandem rate elements and the total demand for Entrance Facilities and Direct Trunk Transport. Therefore, services that are assessed on the originating end of a call only have been excluded from the Switched Access Revenue Reduction calculation.

This includes, but is not limited to, Message Unit Credit and 500 access service, Carrier Identification Parameter (CIP) and SNET's Prescribed Interexchange Carrier Charge (PICC).

All end user services, such as International Blocking, are excluded from the Switched Access Revenue Reduction calculation.

¹⁸ South Carolina utilizes a price list for Switched Local Channel, Switched Interoffice Channel and Channelization.

Dedicated Network Access Lines (DNALs) are not a circuit switched service. Therefore, despite being located in the Switched Access section of most of the tariffs, DNALs and any associated services are excluded from the Switched Access Revenue Reduction calculation.

As the Commission recognized in paragraph 63 of the *USF/ICC Transformation Order*, packet services are not circuit switched services. Therefore, they are excluded from the Switched Access Revenue Reduction calculations. This includes X.25 and X.75 protocol services and frame relay services.

Telecommunications Relay Services (TRS) / Telecommunications Relay Interconnection Services (TRIS) / Telecommunications Relay Service-Provider Transport (TRS-PT) are specialized services created for a very specific purpose. They are not part of basic Switched Access service and are excluded from the Switched Access Revenue Reduction calculations.

SNET's intrastate commitment plans for Interconnection Charge, Local Switching, Carrier Common Line and Information Surcharge are excluded from the Switched Access Revenue Reduction. These commitment plan rates are significantly higher than the individual rates and have zero intrastate demand.

In footnote 114 of the *USF/ICC Transformation Order*, the Commission states "while we encourage carriers to continue to offer operator services and directory assistance, we do not mandate that ETCs provide operator services or directory assistance." Therefore, all directory assistance and operator services are excluded from the Switched Access Revenue Reduction calculations.

22. EXHIBITS

- Exhibit NV - Nevada Switched Access Revenue Reduction

HOLDING COMPANY ACCESS RECOVERY CHARGE (ARC)

23. ARC DEVELOPMENT AND APPLICATION

AT&T has chosen to calculate the ARC once at the holding company level while each AT&T incumbent local exchange carrier (ILEC) must file all supporting documents separately to comply with the requirements of the *Tariff Review Plan* order. As a result, the required exhibits for this Holding Company ARC section are the same in all six transmittals filed separately by the AT&T ILECs.

Price cap carriers like the ILECs are permitted to recover a limited portion of their Eligible Recovery from their end users through a monthly fixed charge called Access Recovery Charge (ARC). Section 51.915(e)(1) of the FCC's proposed rules defines ARC as:

A charge that is expressed in dollars and cents per line per month may be assessed upon end users that may also be assessed an end user common line charge pursuant to § 69.152 of the chapter, to the extent necessary to allow the Price Cap Carrier to recover some or all of its eligible recovery determined pursuant to paragraph 51.915(d), subject to the caps described in paragraph 51.915(e)(5). A Price Cap Carrier may elect to forgo charging some or all of the Access Recovery Charge.

AT&T, a Price Cap Carrier Holding Company, is allowed to recover eligible recovery attributable to any of the 22 price cap study areas operated by its wholly-owned operating companies through assessment of the ARC on end users in any of those price cap study areas all of which are operating as price cap ILECs. However, distribution of ARC among different types of lines should follow rules outlined in Section 51.915(e)(4) of the *USF/ICC Transformation Order*. Per that rule, AT&T Holding Company may not recover a higher fraction of its total eligible revenue recovery from ARC assessed on Residential and Single Line Business lines than their share of Total Weighted Lines where Multi-Line Business lines gets twice the weight (i.e. Total Weighted Lines = Residential Lines + Single-Line Business Lines+ (2 X Multi-Line Business Lines)).

- For purposes of distribution of ARC among different types of lines, the AT&T ILECs' Residential and Single Line Business lines are lines (other than lines of Lifeline Customers) assessed the residential and single line business end user common line charge and lines assessed the non-primary residential EUCL charge.
- AT&T ILECs' Multi-Line Business Lines are lines assessed the multi-line business end user common line charge.

As shown on *Exhibit ATTTERR13* and summarized on *Exhibit ICC SUM-1*, the total eligible recovery based on the Switched Access Revenue Reductions in Steps 1, 2, and 3 and the CMRS Recip Comp Eligible Recovery¹⁹ is equal to the CALLS Study Area Base Factor multiplied by the sum of the amounts calculated per paragraphs (A) through (E) below:

- (A) The amount of the reduction in intrastate switched access revenues determined pursuant to §51.907(b)(2) and (c) multiplied by the Price Cap Carrier Traffic Demand Factor;
- (B) The reduction in interstate switched access revenues equal to the difference between the Initial Composite Terminating End Office Access Rate and the 2014 Target Composite Terminating End Office Access Rate determined pursuant to §51.907(d) using FY 2011 terminating interstate end office switching minutes, and then multiplied by the Price Cap Carrier Traffic Demand Factor;
- (C) The reduction in revenues equal to the difference between the intrastate 2014 Composite Terminating End Office Access Rate and the 2014 Target Composite Terminating End Office Access Rate determined pursuant to §51.907(d) using FY 2011 terminating intrastate end office switching minutes, and then multiply by the Price Cap Carrier Traffic Demand Factor;
- (D) CMRS Net Reciprocal Compensation Revenues multiplied by the Price Cap Carrier Traffic Demand Factor; and

¹⁹ In the 2012 Annual Filing, the AT&T ILECs elected to forgo their recovery for net reciprocal compensation per the option outlined in Section 51.915(d)(3) of the proposed rules.

(E) An amount equal to True-up Revenues for Access Recovery Charges for the year beginning July 1, 2012.

The eligible recovery amounts from each of the 22 states are aggregated up to the AT&T holding company level and as shown on each state's *Exhibit ARC-NO CAF-1*²⁰ and *Exhibit ARC-NO CAF-2*, distributed among lines of different types using the criteria outlined in Section 51.915(e)(4).²¹

Billing constraints and the availability of granular E-911 charges restricts AT&T's ability to implement exchange level Residential and Single-Line Business ARC. As a result, AT&T will spread the recovery of Eligible Recovery among a subset of end-users.²² For the July 2014 through June 2015 tariff period, AT&T has decided not to charge ARC to residential and single-line business customers in 13²³ of its 22 ILEC study areas. AT&T will recover most of residential and single-line business share of ARC revenues from residential and single-line business customers in the remaining 9²⁴ ILEC study areas. AT&T will charge ARC to multi-line business customers in all 22 ILEC study areas.

The total AT&T ILEC reduction determined pursuant to § 51.907(b)(2) is projected to be \$127.4.

The Net CMRS Reciprocal Compensation Revenue reduction is projected to be \$20.1M. The

²⁰ Each state's form is labeled as Exhibit ARC-NO CAF-1 xx, where xx equals the state abbreviation.

²¹ A Price Cap carrier holding company that does not receive ICC-replacement CAF support may not recover a higher fraction of its total revenue recovery from Access Recovery Charges assessed on Residential and Single Line Business lines than:

- A. The number of Residential and Single-Line Business lines divided by
- B. The sum of the number of Residential and Single-Line Business lines and two times the number of Multi-Line Business lines.

²² We permit carriers to determine at the holding company level how Eligible Recovery will be allocated among their incumbent LECs' ARCs. By providing this flexibility, carriers will be able to spread the recovery of Eligible Recovery among a broader set of customers, minimizing the increase experienced by any one customer. This also will enable carriers to more fully recover Eligible Recovery from end-users with rates below the \$30 Residential Rate Ceiling, limiting the potential impact on the CAF (Paragraph 910).

²³ Alabama, Arkansas, California, Georgia, Kansas, Kentucky, Michigan, Missouri, North Carolina, Oklahoma, Tennessee, Texas and Wisconsin.

²⁴ Connecticut, Florida, Illinois, Indiana, Louisiana, Mississippi, Nevada, Ohio, South Carolina.

amount equal to True-up Revenues for Access Recovery Charge is - \$65K which is calculated by exchange on *Exhibit ARC-TUP-1* and summarized by state on *Exhibit ARC-TUP-2*. AT&T has elected to forgo the recovery for net non-CMRS reciprocal compensation per the option outlined in Section 51.915(d)(3) of the rules. As a result, the total Eligible Recovery Revenue pursuant to 51.915(d)(1)(i) of the rules (after adjusting for CALLS Study Area Base Factor and Price Cap Carriers Traffic Demand Factor) is \$96.7M.

Per Paragraph 911 of the *USF/ICC Transformation Order*, AT&T could have allocated 34.4 percent of the Eligible Recovery (i.e. \$96.7 M) to Residential Lines (that includes Single-Line Business and BRI-ISDN) and 65.6 percent to Multi-Line Business Lines. However, due to residential rate ceiling constraints, the Eligible Recovery allocated to Residential (including Single-Line Business and BRI-ISDN) is only 30.4 percent or \$29.4 M and the Eligible Recovery for Multi-Line Business is 69.6 percent or \$67.3 M.

Given the ARC rates filed with this tariff and projected line count for this tariff period, AT&T's Expected ARC Revenue from Residential Lines will be \$29.4M and from Multi-Line Business Lines \$67.3M.

The AT&T ILECs are not participating in Connect America, however, one additional form in the Rate Ceiling Calcs spreadsheet attached to the *Tariff Review Plan* order is required. *Exhibit ARC-NO-CAF-3* is included in the filing package.

*Exhibits ARCRCTRP-NO CAF-1*²⁵ and *ARCRCTRP-NO CAF-2* provide the required Tariff Rate Comparisons.

24. EXHIBITS

- Exhibit ATTTTER14 - Total Eligible Recovery Step 3
- Exhibit ICC SUM-1 - Eligible ARC/ARC Recovery

Ameritech Operating Companies (Ameritech) Tariff FCC No. 2

- Exhibit ARC-NO CAF-1 IL - Illinois ARC Form
- Exhibit ARC-NO CAF-1 IN - Indiana ARC Form
- Exhibit ARC-NO CAF-1 MI - Michigan ARC Form
- Exhibit ARC-NO CAF-1 OH - Ohio ARC Form
- Exhibit ARC-NO CAF-1 WI - Wisconsin ARC Form

BellSouth Telecommunications, LLC (BellSouth) Tariff FCC No. 1

- Exhibit ARC-NO CAF-1 AL - Alabama ARC Form
- Exhibit ARC-NO CAF-1 FL - Florida ARC Form
- Exhibit ARC-NO CAF-1 GA - Georgia ARC Form
- Exhibit ARC-NO CAF-1 KY - Kentucky ARC Form
- Exhibit ARC-NO CAF-1 LA - Louisiana ARC Form
- Exhibit ARC-NO CAF-1 MS - Mississippi ARC Form
- Exhibit ARC-NO CAF-1 NC - North Carolina ARC Form
- Exhibit ARC-NO CAF-1 SC - South Carolina ARC Form
- Exhibit ARC-NO CAF-1 TN - Tennessee ARC Form

Nevada Bell Telephone Company (NBTC) Tariff FCC No. 1

- Exhibit ARC-NO CAF-1 NV - Nevada ARC Form

Pacific Bell Telephone Company (PBTC) Tariff FCC No. 1

- Exhibit ARC-NO CAF-1 CA - California ARC Form

The Southern New England Telephone Company (SNET) Tariff FCC No. 39

- Exhibit ARC-NO CAF-1 CT - Connecticut ARC Form

Southwestern Bell Telephone Company (SWBT) Tariff FCC No. 73

- Exhibit ARC-NO CAF-1 AR - Arkansas ARC Form
- Exhibit ARC-NO CAF-1 KS - Kansas ARC Form
- Exhibit ARC-NO CAF-1 MO - Missouri ARC Form
- Exhibit ARC-NO CAF-1 OK - Oklahoma ARC Form
- Exhibit ARC-NO CAF-1 TX - Texas ARC Form
- Exhibit ARC-NO CAF-2 - Maximum ARC Revenue Calculation
- Exhibit ARC-NO CAF-3 - Rate Ceiling No CAF

²⁵ Each state's form is labeled as Exhibit ARCRCTRP – NO CAF-1 xx, where xx equals the state abbreviation.

- Exhibit ARC-NO CAF-4 - Footnotes

Ameritech Operating Companies (Ameritech) Tariff FCC No. 2

- Exhibit ARCRCTRP-NO CAF-1 IL - Illinois Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 IN - Indiana Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 MI - Michigan Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 OH - Ohio Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 WI - Wisconsin Tariff Rate Comparison No CAF

BellSouth Telecommunications, LLC (BellSouth) Tariff FCC No. 1

- Exhibit ARCRCTRP-NO CAF-1 AL - Alabama Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 FL - Florida Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 GA - Georgia Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 KY - Kentucky Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 LA - Louisiana Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 MS - Mississippi Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 NC - North Carolina Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 SC - South Carolina Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 TN - Tennessee Tariff Rate Comparison No CAF

Nevada Bell Telephone Company (NBTC) Tariff FCC No. 1

- Exhibit ARCRCTRP-NO CAF-1 NV - Nevada Tariff Rate Comparison No CAF

Pacific Bell Telephone Company (PBTC) Tariff FCC No. 1

- Exhibit ARCRCTRP-NO CAF-1 CA - California Tariff Rate Comparison No CAF

The Southern New England Telephone Company (SNET) Tariff FCC No. 39

- Exhibit ARCRCTRP-NO CAF-1 CT - Connecticut Tariff Rate Comparison No CAF

Southwestern Bell Telephone Company (SWBT) Tariff FCC No. 73

- Exhibit ARCRCTRP-NO CAF-1 AR - Arkansas Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 KS - Kansas Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 MO - Missouri Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 OK - Oklahoma Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-1 TX - Texas Tariff Rate Comparison No CAF
- Exhibit ARCRCTRP-NO CAF-2 - Tariff Rate Comparison No CAF

- Exhibit ARCRCTRP-NO CAF-3 - Footnotes

Exhibit ARC-TUP-1

- True Up Calculation by Exchange

Exhibit ARC-TUP-2

- True Up Summary by State

Exhibit ARC-TUP-3

- Footnotes

AT&T - Nevada Bell Telephone Company
Calculation of Investment Tax Credit (ITC) Exogenous Cost
for the 2014 Annual Filing

(000)

	Company Total (a)	Interstate (b)
Base Year Data		
1 Interstate Allocation Factor		29.74%
Change In Investment Tax Credit Amounts		
2 Base Year PCI ITC Amortization	174	52
3 Base Year PCI t-1 ITC Amortization	181	54
4 Change In ITC Amortization (L2-L3)	<u>(7)</u>	<u>(2)</u>
Calculation of Revenue Requirement Impact		
5 ITC-A Impact on Federal Income Tax (-L4)	N/A	N/A
6 Tax Gross-up Factor [1/(1- Composite Tax Rate)]	N/A	N/A
7 ITC-A Revenue Requirement Impact (L5*L6)	N/A	<u><u>3</u></u>
(Interstate = Sum of Columns c through g)		

AT&T - Nevada Bell Telephone Company
Calculation of Combined Effect of Exogenous Cost
for the 2014 Annual Filing

(000)

	Company	
	Total	Interstate
	(a)	(b)
1 Ecess DIT Exogenous Rev. Req Impact (Exhibit 2)	N/A	0
2 ITC-A Exogenous Revenue Req Impact (Exhibit 2.1)	N/A	3
3 Non-Reg Exogenous Rev Req Impact	N/A	<u>0</u>
4 Combined Effect of Exogenous Costs (L1..L3)	N/A	<u><u>3</u></u>

**AT&T - Nevada Bell Telephone Company
Exogenous Costs Adjusted for Non-Price Cap Services
for the 2014 Annual Filing**

(000)

	Company Total (a)	Interstate (b)
<u>Assignment of Exogenous Costs to NonPrice Cap Services</u>		
1 Exogenous Costs With NonPrice Cap Services (Exhibit 2.2, L4)	N/A	3
2 Ratio To Adjust NonPrice Cap Services (L 7)	N/A	N/A
3 Exogenous Costs Associated With Non Price Cap Services (L1*L2) (Interstate = Sum of Columns c through g)	N/A	<u>1</u>
4 Exogenous Without NonPrice Cap Services (L1-L3) (Interstate = Sum of Columns c through g)	N/A	<u><u>3</u></u>
<u>Distribution of Excluded Services Revenue</u>		
5 2013 Revenues With NonPrice Cap Services	N/A	N/A
6 2013 NonPrice Cap Services Revenue FCC 492 Footnote	N/A	N/A
7 Ratio (L6/L5)	N/A	N/A

**AT&T - NEVADA BELL TELEPHONE COMPANY
TELECOMMUNICATIONS RELAY SERVICE / REGULATORY FEES
EXOGENOUS COST DEVELOPMENT**

Exhibit 2.5

12 Price Cap Interstate End User Revenue

FCC 2013 Price Cap Interstate End User Revenue

	2012 Annual		FCC 12-76	DA 13-1137
	Total	Interstate	7/19/2012	5/17/2013
	End User Revenues	End User Revenues	Reg Fee	TRS
	(499A)	(499A)		
	(A)	(B)	(C) = B * 0.00375	(D) = B * 0.02330
Exogenous Amount	\$ 85,975,990	\$ 18,245,075	\$ 68,419	\$ 425,110
Excluded Revenue	\$ 4,236,443	\$ 4,236,443		
Price Cap Revenue Percentage	95.07%	76.78%		

2012 Mid-Year Rate Changes

	FCC 12-76	FCC 13-110		Annualization
	7/19/2012	8/12/2013		Reversal
	Reg Fee	Reg Fee	Difference	
	(C') = B * 0.00375	(D') = B * 0.00347	(E') = (D') - (C')	(F') = (E') * 12 / 9
Exogenous Amount	\$ 68,419	\$ 63,310	\$ (5,109)	\$ (6,811)

2012 Mid-Year Rate Changes

	DA 13-1137	DA 13-1483		Annualization
	5/17/2013	7/1/2013		Reversal
	TRS	TRS	Difference	
	(C'') = B * 0.0233	(D'') = B * 0.01484	(E'') = (D'') - (C'')	(F'') = (E'') * 12 / 9
Exogenous Amount	\$ 425,110	\$ 270,757	\$ (154,353)	\$ (205,804)

2013 Annual

	Total	Interstate	FCC 13-110	Proposed
	End User Revenues	End User Revenues	8/12/2013	2014
	(499A)	(499A)	Reg Fee	TRS
	(A''')	(B''')	(C''') = B'' * 0.00347	(D''') = B'' * 0.01174
Exogenous Amount	\$ 84,321,956	\$ 18,955,348	\$ 65,775	\$ 222,536
Excluded Revenue	\$ 4,689,065	\$ 4,689,065		
Price Cap Revenue Percentage	94.44%	75.26%		

Telecom Relay Support

	<u>7/13 - 6/14</u>	<u>7/14 - 6/15</u>	
DA 13-1137 - 0.0233 Factor 2012 Revenue - D	\$ 425,110		
DA 13-1483 - 0.01484 = F	\$ (205,804)		
Proposed - 0.01174 Factor 2013 Revenue - D'''		\$ 222,536	
	\$ 219,306	\$ 222,536	\$ 3,230
% Price Cap Allocation	76.78%	75.26%	
Price Cap Only	\$ 168,384	\$ 167,486	\$ (898)
FCC 2012 Price Cap Interstate End User Revenue	14,008,633		
FCC 2013 Price Cap Interstate End User Revenue	14,266,283		
Revenue Change (R)	1.84%		
Price Cap Only with R Adj	\$ 171,481	\$ 167,486	\$ (3,995)

Regulatory Fee Support:

	<u>7/13 - 6/14</u>	<u>7/14 - 6/15</u>	
FCC 12-76 - 0.0037 Factor 2012 Revenue - C	\$ 68,419		
FCC 13-110 - 0.00347 = D' - C'	(6,811)		
FCC 13-110 - 0.00347 Factor 2013 Revenue - C'''		\$ 65,775	
	\$ 61,608	\$ 65,775	\$ 4,168
% Price Cap Allocation	76.78%	75.26%	
Price Cap Only	\$ 47,302	\$ 49,504	\$ 2,202
FCC Price Cap Interstate End User Revenue	\$ 14,008,633		
FCC 1683 Price Cap Interstate End User Revenue	\$ 14,266,283		
Revenue Change (R)	1.84%		
Price Cap Only with R Adj	\$ 48,172	\$ 49,504	\$ 1,332

499A 2013 Annual Interstate End User Revenues

Allocation Basis

Telecom. Relay Support

Regulatory Fee Support:

	<u>Common Line</u>	<u>Special</u>	<u>Price Cap Revenue</u>
	\$ 11,951,380	\$ 2,314,903	\$ 14,266,283
	83.77%	16.23%	
	\$ (3,346)	\$ (648)	\$ (3,995)
	\$ 1,115	\$ 216	\$ 1,332
	\$ (2,231)	\$ (432)	\$ (2,663)

**AT&T - NEVADA BELL TELEPHONE COMPANY
SUMMARY OF EXOGENOUS COSTS AND DISTRIBUTIONS
TO NON-ATS SERVICES**

Exhibit 2.6

LINE	DESCRIPTION	'R' VALUE (A)	DISTRIBUTION (B) = (A/LINE 9A)	EDT EXOG (C)	ITC EXOG (D)	TRS EXOG (E)	REG FEE EXOG (F)	TOTAL
1	INTERSTATE EXOGENOUS COST TO BE DISTRIBUTED (Exhibit 2.4 b)			-	3,000			
2	% OF EDT AND ITC EXOG COST W/EXCLUDED SERVICES EXHIBIT 2.5			0.00%	27.81%			
3	EXOGENOUS COSTS TO BE DISTRUBUTED (L1*(1-L2))			-	2,166	(3,995)	1,332	(497)
4	COMMON LINE EUCL AND PICC 'R' (Sum1 Column A, Row 100)	7,952,191	17.10%	-	370	(3,346)	1,115	(1,861)
5	INTEREXCHANGE BASKET 'R'	-	0.00%	-	-	-	-	-
6	SPECIAL ACCESS BASKET 'R'	38,564,979	82.90%	-	1,795	(648)	216	1,363
7	TOTAL (SUM L4 THRU L8)	46,517,170	100.00%	-	2,166	(3,995)	1,332	(497)

**Effective 10/01/2003 TRS and Reg Fee Exogenous is only spread between the Common Line and Special Access Baskets

**AT&T - NEVADA BELL TELEPHONE COMPANY
COMMON LINE BASKET**

Exhibit 5

Rate Element	Current Rate	Base Period Demand	Base Period Revenue	Proposed Rate	Proposed Revenue
EUCL					
PRIMARY RES EUCL	\$4.53	856,609	\$3,876,612	\$4.52	\$3,875,677
SINGLE LINE BUS EUCL	\$4.53	22,773	\$103,060	\$4.52	\$103,035
LIFELINE EUCL	\$4.53	65,445	\$296,173	\$4.52	\$296,102
NONPRIMARY RES EUCL	\$4.53	82,537	\$373,524	\$4.52	\$373,434
BRI ISDN EUCL	\$4.53	902	\$4,082	\$4.52	\$4,081
MULTILINE BUS EUCL	\$4.53	348,684	\$1,577,981	\$4.52	\$1,577,600
PRI ISDN EUCL	\$4.53	6,411	\$29,013	\$4.52	\$29,006
CENTREX EUCL	\$4.53	321,238	\$1,453,773	\$4.52	\$1,453,422
PICC					
MULTILINE BUS PICC	\$0.00	348,684	\$0	\$0.00	\$0
PRI ISDN PICC	\$0.00	6,411	\$0	\$0.00	\$0
CENTREX SYSTEM <9 LINES	\$0.00	12,586	\$0	\$0.00	\$0
CENTREX PICC <9 LINES	\$0.00	57,210	\$0	\$0.00	\$0
CENTREX PICC >9 LINES	\$0.00	264,028	\$0	\$0.00	\$0
SPECIAL ACCESS SURCHARGE	\$25.00	72	\$1,800	\$25.00	\$1,800
END USER PORTS					
END USER PORT CHARGE BRI ISDN PORT	\$3.90	902	\$3,518	\$3.90	\$3,518
END USER PORT CHARGE PRI ISDN PORT	\$36.29	6,411	\$232,655	\$36.29	\$232,655
CARRIER COMMON LINE					
Terminating CCL Prem.	\$0.00	175,231,560	\$0	\$0.00	\$0
Terminating CCL Non-Prem.	\$0.00	0	\$0	\$0.00	\$0
Originating CCL Prem.	\$0.00	222,357,335	\$0	\$0.00	\$0
Originating CCL Non-Prem.	\$0.00	0	\$0	\$0.00	\$0
USAC Receipts	\$1.63	1,704,599	\$2,771,196	\$1.63	\$2,771,196
TOTAL CMT BASKET			\$10,723,387		\$10,721,526

**AT&T - NEVADA BELL TELEPHONE COMPANY- SPECIAL
CALCULATION OF 'R' VALUE**

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
NV		VG CHAN TERM 2-WIRE	\$21.65	80	\$1,727
NV		VG CHAN TERM 4-WIRE	\$21.65	578	\$12,515
NV		VG WATS CHAN TERM 2-WIRE	\$21.65	231	\$5,001
NV		VG WATS CHAN TERM 4-WIRE	\$21.65	0	\$0
NV		VG CHAN MIL->0 SEG	\$8.90	501	\$4,457
NV		VG CHAN MIL->0 IOM	\$0.44	92,393	\$40,653
NV		VG BRDG - 2-WIRE VOICE - PER PORT	\$2.72	0	\$0
NV		VG BRDG - 4-WIRE VOICE - PER PORT	\$3.42	165	\$564
NV		VG BRDG - 2-WIRE DATA - PER PORT	\$2.72	0	\$0
NV		VG BRDG - 4-WIRE DATA - PER PORT	\$3.42	20	\$68
NV		NV -C- TYPE COND.	\$3.79	7	\$25
NV		VG IMP. ATTENUATION.	\$5.37	91	\$490
NV		VG IMP. ENVELOPE DELAY	\$26.83	20	\$531
NV		VG SEALING CURRENT	\$6.97	68	\$475
NV		VG IMP. RETURN LOSS 2-WIRE	\$8.24	0	\$0
NV		VG IMP. RETURN LOSS 4-WIRE	\$8.20	97	\$794
NV		VG CUST- SPEC. RECEIVED LEVEL	\$4.61	191	\$882
NV		VG DATA CAPABILITY	\$5.67	35	\$200
NV		VG TELEPHOTO CAPABILITY	\$7.40	0	\$0
NV		VG SIG. CAPABILITY	\$9.94	86	\$858
NV		VG EXPEDITE ORDER CHARGE	\$12,025.00	1	\$6,614
NV		VG/ANALOG MISC REVENUES - SPECIAL	\$833.29	1	\$458
NV		VG - SERVICE DATE CHANGE	\$26.50	1	\$15
NV		VG - DESIGN CHANGE CHAGRE	\$60.00	0	\$0
NV		VG - TRIP CHARGE	\$200.00	0	\$0
NV		VG CHAN TERMS 2-WIRE-NRC-1ST	\$200.00	0	\$0
NV		VG CHAN TERMS 4-WIRE-NRC-1ST	\$200.00	2	\$330
NV		VG WATS CHAN TERMS 2-WIRE-NRC-1ST	\$200.00	0	\$0
NV		VG WATS CHAN TERMS 4-WIRE-NRC-1ST	\$200.00	0	\$0
NV		VG IMPROVED. ATTENUATION DISTORTION-NRC	\$180.80	1	\$99
NV		VG IMPROVED ENVELOPE DELAY-NRC	\$287.06	0	\$0
NV		VG DATA CAPABILITY - NRC	\$91.27	1	\$50
NV		VG TELEPHOTO CAPABILITY - NRC	\$377.67	0	\$0
NV		AP(200-3500 HZ)CHAN TERM-MO	\$25.00	0	\$0
NV		AP(100-5000 HZ)CHAN TERM -MO.	\$28.00	0	\$0
NV		AP(50-8000 HZ)CHAN TERM- MO.	\$30.00	0	\$0
NV		AP(50-15000 HZ)CHAN TERM- MO.	\$110.00	0	\$0
NV		AP(200-3500 HZ)CHAN MIL->0 SEG- MO.	\$15.50	0	\$0
NV		AP(200-3500 HZ)CHAN MIL->0-IOM-MO.	\$2.00	0	\$0
NV		AP(100-5000 HZ)CHAN MIL->0 SEG- MO.	\$15.50	0	\$0
NV		AP(100-5000 HZ)CHAN MIL->0 IOM MO.	\$2.00	0	\$0
NV		AP(50-8000 HZ)CHAN MIL->0 SEG- MO.	\$20.00	0	\$0
NV		AP(50-8000 HZ)CHAN MIL->0 IOM- MO.	\$2.00	0	\$0
NV		AP(50-15000 HZ)CHAN MIL->0SEG- MO.	\$32.00	0	\$0
NV		AP(50-15000 HZ)CHAN MIL->0 IOM- MO.	\$3.00	0	\$0
NV		AP GAIN COND. PER SVC - MO.	\$2.00	0	\$0
NV		AP(200-3500 HZ)CHAN TERM(DAILY)	\$4.00	0	\$0
NV		AP(100-5000 HZ)CHAN TERM(DAILY)	\$4.00	0	\$0
NV		AP(50-8000 HZ)CHAN TERM(DAILY)	\$4.00	0	\$0
NV		AP(50-15000 HZ)CHAN TERM(DAILY)	\$12.00	0	\$0
NV		AP(200-3500 HZ)CHAN MIL->0 SEG- (DAILY)	\$2.00	0	\$0
NV		AP(200-3500HZ) CHAN MIL->0 IOM- (DAILY)	\$2.00	0	\$0
NV		AP(100-5000HZ) CHAN MIL->0 SEG-(DAILY)	\$2.00	0	\$0
NV		AP(100-5000HZ) CHAN MIL->0 IOM-(DAILY)	\$2.00	0	\$0
NV		AP(50-8000HZ) CHAN MIL->0 SEG- (DAILY)	\$2.00	0	\$0
NV		AP(50-8000HZ) CHAN MIL->0 IOM- (DAILY)	\$2.00	0	\$0
NV		AP(50-15000HZ) CHAN MIL->0 SEG- (DAILY)	\$3.35	0	\$0
NV		AP(50-15000HZ) CHAN MIL->0 IOM- (DAILY)	\$2.00	0	\$0
NV		AP GAIN COND.- DAILY	\$2.00	0	\$0
NV		AP(200-3500HZ) CHAN TERM (MO)- NRC	\$289.75	0	\$0
NV		AP(100-5000HZ) CHAN TERM (MO)- NRC	\$289.75	0	\$0
NV		AP(50-8000HZ)CHAN TERM (MO)- NRC	\$289.75	0	\$0
NV		AP(50-15000HZ) CHAN TERM (MO)- NRC	\$289.75	0	\$0
NV		AP GAIN CONDITIONING(MO) - NRC	\$73.25	0	\$0
NV		AP(200-3500HZ) CHAN TERM (DAILY)- NRC	\$289.75	0	\$0
NV		AP(100-5000HZ) CHAN TERM (DAILY)- NRC	\$289.75	0	\$0
NV		AP(50-8000HZ)CHAN TERM (DAILY)- NRC	\$289.75	0	\$0
NV		AP(50-15000HZ) CHAN TERM (DAILY)- NRC	\$289.75	0	\$0
NV		AP GAIN COND.-(DAILY) - NRC	\$73.25	0	\$0
NV		AUDIO/VIDEO MISC REVENUES - SPECIAL	\$1.00	0	\$0
NV		AUDIO VIDEO EXPEDITE ORDER CHARGE	\$1.00	0	\$0
NV		AV - SERVICE DATE CHANGE	\$26.50	0	\$0
NV		AV - DESIGN CHANGE CHAGRE	\$60.00	0	\$0
NV		AV - TRIP CHARGE	\$200.00	0	\$0
NV		VIDEO(TV1-2) CHAN TERM (MO)	\$450.00	0	\$0
NV		VIDEO(4TV-5) CHAN TERM (MO)	\$500.00	0	\$0
NV		VIDEO(6TV-5) CHAN TERM (MO)	\$500.00	0	\$0
NV		VIDEO(TV15) CHAN TERM (MO)	\$500.00	0	\$0
NV		VIDEO(TV1-2) CHAN.MIL.(MO)	\$60.00	0	\$0

**AT&T - NEVADA BELL TELEPHONE COMPANY- SPECIAL
CALCULATION OF 'R' VALUE**

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
NV		VIDEO(4TV-5) CHAN. MIL.(MO)	\$60.00	0	\$0
NV		VIDEO(6TV-5) CHAN. MIL.(MO)	\$60.00	0	\$0
NV		VIDEO(TV15) CHAN. MIL.(MO)	\$60.00	0	\$0
NV		VIDEO(TV1-2) CHAN TERM (DAILY)	\$125.00	0	\$0
NV		VIDEO(4TV-5) CHAN TERM (DAILY)	\$125.00	0	\$0
NV		VIDEO(6TV-5) CHAN TERM (DAILY)	\$125.00	0	\$0
NV		VIDEO(TV15) CHAN TERM (DAILY)	\$125.00	0	\$0
NV		VIDEO(TV1-2) CHAN.MIL.(DAILY)	\$35.00	0	\$0
NV		VIDEO(4TV-5) CHAN. MIL.(DAILY)	\$35.00	0	\$0
NV		VIDEO(6TV-5) CHAN. MIL.(DAILY)	\$35.00	0	\$0
NV		VIDEO(TV15) CHAN. MIL.(DAILY)	\$35.00	0	\$0
NV		VIDEO(TV1-2) CHAN TERM (MO)-NRC	\$250.00	0	\$0
NV		VIDEO(4TV-5) CHAN TERM (MO)-NRC	\$250.00	0	\$0
NV		VIDEO(6TV-5) CHAN TERM (MO)-NRC	\$250.00	0	\$0
NV		VIDEO(TV15) CHAN TERM (MO)-NRC	\$250.00	0	\$0
NV		VIDEO(TV1-2) CHAN.MIL.(DAILY)-NRC	\$250.00	0	\$0
NV		VIDEO(4TV-5) CHAN. MIL.(DAILY)-NRC	\$250.00	0	\$0
NV		VIDEO(6TV-5) CHAN. MIL.(DAILY)-NRC	\$250.00	0	\$0
NV		VIDEO(TV15) CHAN. MIL.(DAILY)-NRC	\$250.00	0	\$0
NV		DIGITAL MISC REVENUES - SPECIAL	\$5,593.78	1	\$3,077
NV		DDS EXPEDITE ORDER CHARGE	\$11,592.00	1	\$6,376
NV		DIGITAL - SERVICE DATE CHANGE	\$26.50	85	\$2,245
NV		DIGITAL - DESIGN CHANGE CHARGE	\$60.00	1	\$33
NV		DIGITAL - TRIP CHARGE	\$200.00	0	\$0
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - BASIC TIME - INSTALL TECH	\$40.21	0	\$0
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - BASIC TIME - CTRL OFFICE	\$32.72	0	\$0
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - OVERTIME - INSTALL TECH	\$60.32	0	\$0
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - OVERTIME - CTRL OFFICE M	\$49.08	0	\$0
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - PREMIUM - INSTALL TECH	\$80.42	0	\$0
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - PREMIUM - CTRL OFFICE M.	\$65.43	0	\$0
NV		SPL ADDL MANUAL TESTING - BASIC - INSTALL TECH	\$40.21	0	\$0
NV		SPL ADDL MANUAL TESTING - BASIC - CTRL OFFICE MAIN TECH	\$32.72	0	\$0
NV		SPL ADDL MANUAL TESTING - OVERTIME - INSTALL TECH	\$60.32	0	\$0
NV		SPL ADDL MANUAL TESTING - OVERTIME - CTRL OFFICE MAIN TECH	\$49.08	0	\$0
NV		SPL ADDL MANUAL TESTING - PREMIUM - INSTALL TECH	\$80.42	0	\$0
NV		SPL ADDL MANUAL TESTING - PREMIUM - CTRL OFFICE MAIN TECH	\$65.43	0	\$0
NV		ADDL ENGR - BASIC TIME - EACH HALF HOUR (NRC)	\$44.69	0	\$0
NV		ADDL ENGR - OVERTIME - EACH HALF HOUR (NRC)	\$31.75	0	\$0
NV		ADDL LABOR INSTALLATION/ REPAIR - OVERTIME - EACH HALF HOUR (NRC)	\$250.00	396	\$99,001
NV		ADDL LABOR INSTALLATION/ REPAIR - PREMIUM - EACH HALF HOUR (NRC)	\$300.00	82	\$24,738
NV		ADDL LABOR STANDBY - BASIC - EACH HALF HOUR (NRC)	\$85.00	7	\$574
NV		ADDL LABOR STANDBY - OVERTIME - EACH HALF HOUR (NRC)	\$80.00	2	\$188
NV		ADDL LABOR STANDBY - PREMIUM - EACH HALF HOUR (NRC)	\$90.00	0	\$0
NV		ADDL LABOR TEST & MTCE - BASIC - INSTALL TECH (NRC)	\$115.00	138	\$15,865
NV		ADDL LABOR TEST & MTCE - BASIC - CTRL OFFICE MAIN TECH (NRC)	\$40.00	6	\$257
NV		ADDL LABOR TEST & MTCE - OVERTIME - INSTALL TECH (NRC)	\$80.00	97	\$7,788
NV		ADDL LABOR TEST & MTCE - OVERTIME - CTRL OFFICE MAIN TECH (NRC)	\$60.00	50	\$3,020
NV		ADDL LABOR TEST & MTCE - PREMIUM - INSTALL TECH (NRC)	\$110.00	0	\$0
NV		ADDL LABOR TEST & MTCE - PREMIUM - CTRL OFFICE MAIN TECH (NRC)	\$95.00	0	\$0
NV		GDT(2.4 KBPS) CHAN TERM	\$71.10	0	\$0
NV		GDT(4.8 KBPS) CHAN TERM	\$71.10	7	\$469
NV		GDT(9.6 KBPS) CHAN TERM	\$71.10	20	\$1,408
NV		GDT(56 KBPS) CHAN TERM	\$71.10	1,259	\$89,511
NV		GDT (64 KBPS) CHAN TERM	\$71.10	158	\$11,223
NV		GDT(2.4 KBPS) CHAN MIL->0 SEG	\$13.00	0	\$0
NV		GDT(2.4 KBPS) CHAN MIL->0 IOM	\$0.72	0	\$0
NV		GDT(4.8 KBPS) CHAN MIL->0 SEG	\$13.00	7	\$86
NV		GDT(4.8 KBPS) CHAN MIL->0 IOM	\$0.72	33	\$24
NV		GDT(9.6 KBPS) CHAN MIL->0 SEG	\$13.00	7	\$86
NV		GDT(9.6 KBPS) CHAN MIL->0 IOM	\$0.72	195	\$141
NV		GDT(56 KBPS) CHAN MIL->0 SEG	\$13.00	783	\$10,185
NV		GDT(56 KBPS) CHAN MIL->0 IOM	\$0.72	72,290	\$52,048
NV		GDT(64 KBPS) CHAN MIL->0 SEG	\$13.00	112	\$1,455
NV		GDT(64 KBPS) CHAN MIL->0 IOM	\$0.72	6,473	\$4,661
NV		GDT - BRDG-PER PORT	\$16.51	0	\$0
NV		GDT(2.4 KBPS) CHAN TERM-NRC	\$250.00	0	\$0
NV		GDT(4.8 KBPS) CHAN TERM-NRC	\$250.00	0	\$0
NV		GDT(9.6 KBPS) CHAN TERM-NRC	\$250.00	0	\$0
NV		GDT(56 KBPS) CHAN TERM-NRC	\$250.00	10	\$2,613
NV		GDT (64 KBPS) CHAN TERM-NRC	\$250.00	1	\$275
NV		Frac DS1 CHAN TERM - MTM	\$125.00	0	\$0
NV		Frac DS1 CHAN TERM - 3 YR	\$115.00	0	\$0
NV		Frac DS1 CHAN TERM - 5 YR	\$105.00	0	\$0
NV		Frac DS1 CHAN TERM - MTM - 1ST NRC	\$900.00	0	\$0
NV		Frac DS1 CHAN TERM - 3 YR - 1ST NRC	\$900.00	0	\$0
NV		Frac DS1 CHAN TERM - 5 YR - 1ST NRC	\$900.00	0	\$0
NV		Frac DS1 CHAN TERM - MTM - ADDL NRC	\$900.00	0	\$0
NV		Frac DS1 CHAN TERM - 3 YR - ADDL NRC	\$900.00	0	\$0
NV		Frac DS1 CHAN TERM - 5 YR - ADDL NRC	\$900.00	0	\$0

**AT&T - NEVADA BELL TELEPHONE COMPANY- SPECIAL
CALCULATION OF 'R' VALUE**

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
NV		Frac DS1 CHAN TERM - MTM - > 0 SEG	\$50.00	0	\$0
NV		Frac DS1 CHAN TERM - 3 YR - > 0 SEG	\$35.00	0	\$0
NV		Frac DS1 CHAN TERM - 5 YR - > 0 SEG	\$30.00	0	\$0
NV		Frac DS1 CHAN TERM - MTM - > 0 IOM	\$9.00	0	\$0
NV		Frac DS1 CHAN TERM - 3 YR - > 0 IOM	\$8.25	0	\$0
NV		Frac DS1 CHAN TERM - 5 YR - > 0 IOM	\$8.00	0	\$0
NV		DS1 CHAN TERM	\$124.55	9,701	\$1,208,225
NV		DS1 CHAN MIL->0 SEG	\$52.50	3,780	\$198,472
NV		DS1 CHAN MIL-> IOM	\$9.00	170,084	\$1,530,752
NV		DS1 MUX - DS1 TO VG/DIG	\$170.00	562	\$95,527
NV		DS1 MUX - DS1 TO DSO	\$170.00	0	\$0
NV		DS0 MUX - DS0 TO 20 - 2.4 KBPS SVC	\$175.00	0	\$0
NV		DS0 MUX - DS0 TO 10 - 4.8 KBPS SVC	\$175.84	0	\$0
NV		DS0 MUX - DS0 TO 5 - 9.6 KBPS SVC	\$125.00	0	\$0
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-FIXED	\$52.50	7	\$347
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-IOM	\$9.00	3,828	\$34,452
NV		DS1 EXPEDITE ORDER CHARGE - SPECIAL	\$790,794.00	0	\$276,778
NV		DS1 MISC REVENUE	\$9,099,609.05	0	\$3,184,863
NV		DS1 CHAN TERM - NRC	\$450.00	41	\$18,315
NV		DS1 CHAN TERM ROLLOVER - NRC	\$450.00	50	\$22,275
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-FIRST	\$300.00	0	\$0
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-ADDL	\$300.00	0	\$0
NV		DS1 TPP - CHAN TERM TPP 1YR	\$122.50	211	\$25,813
NV		DS1 TPP - CHAN TERM TPP 2YR	\$120.00	3	\$346
NV		DS1 TPP - CHAN TERM TPP 3YR	\$115.00	8,058	\$926,642
NV		DS1 TPP - CHAN TERM TPP 5YR	\$105.00	10,862	\$1,140,552
NV		DS1 TPP - CHAN TERM TPP 7YR	\$100.00	6,939	\$693,888
NV		DS1 - TPP - CHAN TERM - NRC	\$900.00	64	\$57,456
NV		DS1 TPP - CHAN MILE - FIXED TPP 1YR	\$51.00	128	\$6,524
NV		DS1 TPP - CHAN MILE - FIXED TPP 2YR	\$45.00	0	\$0
NV		DS1 TPP - CHAN MILE - FIXED TPP 3YR	\$40.00	3,720	\$148,810
NV		DS1 TPP - CHAN MILE - FIXED TPP 5YR	\$35.00	2,956	\$103,463
NV		DS1 TPP - CHAN MILE - FIXED TPP 7YR	\$32.50	3,517	\$114,293
NV		DS1 TPP - CHAN MILE - PER MILE TPP 1YR	\$9.00	4,228	\$38,052
NV		DS1 TPP - CHAN MILE - PER MILE TPP 2YR	\$9.00	0	\$0
NV		DS1 TPP - CHAN MILE - PER MILE TPP 3YR	\$8.70	206,668	\$1,798,016
NV		DS1 TPP - CHAN MILE - PER MILE TPP 5YR	\$8.40	140,525	\$1,180,412
NV		DS1 TPP - CHAN MILE - PER MILE TPP 7YR	\$8.25	68,408	\$564,362
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 1YR	\$180.00	0	\$0
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 2YR	\$170.00	0	\$0
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 3YR	\$170.00	5	\$898
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 5YR	\$160.00	192	\$30,671
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 7YR	\$150.00	147	\$21,997
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 1YR	\$51.00	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 2YR	\$45.00	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 3YR	\$40.00	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 5YR	\$35.00	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 7YR	\$32.50	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 1YR	\$9.25	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 2YR	\$9.00	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 3YR	\$8.75	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 5YR	\$8.50	0	\$0
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 7YR	\$8.25	26,519	\$218,782
NV		DS1 - TPP - COLLOCATION TRANSPORT - NRC	\$900.00	0	\$0
NV		DS3 CHAN TERM-MTM	\$2,125.00	618	\$1,312,442
NV		DS3 CHAN TERM-MER	\$2,125.00	0	\$0
NV		DS3 CHAN TERM-1YR	\$1,450.00	62	\$90,437
NV		DS3 CHAN TERM-3YR	\$900.00	113	\$101,866
NV		DS3 CHAN TERM-5YR	\$800.00	476	\$380,557
NV		DS3 CHAN MIL >0 SEG-MTM	\$347.50	526	\$182,887
NV		DS3 CHAN MIL >0 SEG-MER	\$347.50	0	\$0
NV		DS3 CHAN MIL >0 SEG-1 YR	\$342.50	0	\$0
NV		DS3 CHAN MIL >0 SEG-3 YR	\$337.50	206	\$69,647
NV		DS3 CHAN MIL >0 SEG-5 YR	\$332.50	0	\$0
NV		DS3 CHAN MIL >0 IOM-MTM	\$39.00	18,126	\$706,919
NV		DS3 CHAN MIL >0 IOM-MER	\$39.00	0	\$0
NV		DS3 CHAN MIL >0 IOM-1 YR	\$38.00	44	\$1,657
NV		DS3 CHAN MIL >0 IOM-3 YR	\$36.50	0	\$0
NV		DS3 CHAN MIL >0 IOM-5 YR	\$34.00	559	\$19,001
NV		DS3 MUX - DS3 TO DS1-MTM	\$425.00	1,389	\$590,191
NV		DS3 MUX - DS3 TO DS1-MER	\$425.00	0	\$0
NV		DS3 MUX - DS3 TO DS1-1 YR	\$420.00	1,070	\$449,340
NV		DS3 MUX - DS3 TO DS1-3 YR	\$410.00	6,930	\$2,841,375
NV		DS3 MUX - DS3 TO DS1-5 YR	\$400.00	41,190	\$16,475,865
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MTM	\$347.50	4	\$1,501
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MER	\$347.50	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-1 YR	\$342.50	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-3 YR	\$337.50	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-5 YR	\$332.50	0	\$0

**AT&T - NEVADA BELL TELEPHONE COMPANY- SPECIAL
CALCULATION OF 'R' VALUE**

ST	ZN	DESCRIPTION	PCI(t-1) RATE	BASE PERIOD DEMAND	'R'
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MTM	\$39.00	1,535	\$59,853
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MER	\$39.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-1 YR	\$38.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-3 YR	\$36.50	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-5 YR	\$34.00	0	\$0
NV		DS3 CHAN TERM -MTM- NRC	\$1,500.00	0	\$405
NV		DS3 CHAN TERM -1YR- NRC	\$1,000.00	3	\$2,700
NV		DS3 CHAN TERM -3YR- NRC	\$1,000.00	1	\$540
NV		DS3 CHAN TERM -5YR- NRC	\$1,000.00	3	\$2,700
NV		DS3 CHAN TERM ROLLOVER	\$900.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-MO	\$1,500.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-MO	\$1,500.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-1 YR	\$1,000.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-1 YR	\$1,000.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-3 YR	\$1,000.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-3 YR	\$1,000.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-5 YR	\$1,000.00	0	\$0
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-5 YR	\$1,000.00	0	\$0
NV		DS3 - MISC REVENUES	\$4,368,553.54	0	\$1,179,509
NV		DS3 - EXPEDITE ORDER CHARGE - SPECIAL	\$149,823.00	0	\$40,452

**AT&T - NEVADA BELL TELEPHONE COMPANY
CALCULATION OF PRICE CAP INDICES (SPECIAL ACCESS)**

Exhibit 6.1

ST	ZN	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	API WEIGHT	API	SBI WEIGHT	SBI
NV		VG CHAN TERM 2-WIRE	\$21.65	80	\$1,727	0.00%	0.00%	2.25%	2.25%
NV		VG CHAN TERM 4-WIRE	\$21.65	578	\$12,515	0.02%	0.02%	16.29%	16.29%
NV		VG WATS CHAN TERM 2-WIRE	\$21.65	231	\$5,001	0.01%	0.01%	6.51%	6.51%
NV		VG WATS CHAN TERM 4-WIRE	\$21.65	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG CHAN MIL->0 SEG	\$8.90	501	\$4,457	0.01%	0.01%	5.80%	5.80%
NV		VG CHAN MIL->0 IOM	\$0.44	92,393	\$40,653	0.06%	0.06%	52.93%	52.93%
NV		VG BRDG - 2-WIRE VOICE - PER PORT	\$2.72	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG BRDG - 4-WIRE VOICE - PER PORT	\$3.42	165	\$564	0.00%	0.00%	0.73%	0.73%
NV		VG BRDG - 2-WIRE DATA - PER PORT	\$2.72	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG BRDG - 4-WIRE DATA - PER PORT	\$3.42	20	\$68	0.00%	0.00%	0.09%	0.09%
NV		NV -C- TYPE COND.	\$3.79	7	\$25	0.00%	0.00%	0.03%	0.03%
NV		VG IMP. ATTENUATION.	\$5.37	91	\$490	0.00%	0.00%	0.64%	0.64%
NV		VG IMP. ENVELOPE DELAY	\$26.83	20	\$531	0.00%	0.00%	0.69%	0.69%
NV		VG SEALING CURRENT	\$6.97	68	\$475	0.00%	0.00%	0.62%	0.62%
NV		VG IMP. RETURN LOSS 2-WIRE	\$8.24	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG IMP. RETURN LOSS 4-WIRE	\$8.20	97	\$794	0.00%	0.00%	1.03%	1.03%
NV		VG CUST- SPEC. RECEIVED LEVEL	\$4.61	191	\$882	0.00%	0.00%	1.15%	1.15%
NV		VG DATA CAPABILITY	\$5.67	35	\$200	0.00%	0.00%	0.26%	0.26%
NV		VG TELEPHOTO CAPABILITY	\$7.40	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG SIG. CAPABILITY	\$9.94	86	\$858	0.00%	0.00%	1.12%	1.12%
NV		VG EXPEDITE ORDER CHARGE	\$12,025.00	1	\$6,614	0.01%	0.01%	8.61%	8.61%
NV		VG/ANALOG MISC REVENUES - SPECIAL	\$833.29	1	\$458	0.00%	0.00%	0.60%	0.60%
NV		VG - SERVICE DATE CHANGE	\$26.50	1	\$15	0.00%	0.00%	0.02%	0.02%
NV		VG - DESIGN CHANGE CHAGRE	\$60.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG - TRIP CHARGE	\$200.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG CHAN TERMS 2-WIRE-NRC-1ST	\$200.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG CHAN TERMS 4-WIRE-NRC-1ST	\$200.00	2	\$330	0.00%	0.00%	0.43%	0.43%
NV		VG WATS CHAN TERMS 2-WIRE-NRC-1ST	\$200.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG WATS CHAN TERMS 4-WIRE-NRC-1ST	\$200.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG IMPROVED. ATTENUATION DISTORTION-NRC	\$180.80	1	\$99	0.00%	0.00%	0.13%	0.13%
NV		VG IMPROVED ENVELOPE DELAY-NRC	\$287.06	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VG DATA CAPABILITY - NRC	\$91.27	1	\$50	0.00%	0.00%	0.07%	0.07%
NV		VG TELEPHOTO CAPABILITY - NRC	\$377.67	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500 HZ)CHAN TERM-MO	\$25.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(100-5000 HZ)CHAN TERM -MO.	\$28.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000 HZ)CHAN TERM- MO.	\$30.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000 HZ)CHAN TERM- MO.	\$110.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500 HZ)CHAN MIL->0 SEG- MO.	\$15.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500 HZ)CHAN MIL->0-IOM-MO.	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(100-5000 HZ)CHAN MIL->0 SEG- MO.	\$15.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(100-5000 HZ)CHAN MIL->0 IOM MO.	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000 HZ)CHAN MIL->0 SEG- MO.	\$20.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000 HZ)CHAN MIL->0 IOM- MO.	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000 HZ)CHAN MIL->0SEG- MO.	\$32.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000 HZ)CHAN MIL->0 IOM- MO.	\$3.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP GAIN COND. PER SVC - MO.	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500 HZ)CHAN TERM(DAILY)	\$4.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(100-5000 HZ)CHAN TERM(DAILY)	\$4.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000 HZ)CHAN TERM(DAILY)	\$4.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000 HZ)CHAN TERM(DAILY)	\$12.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500 HZ)CHAN MIL->0 SEG- (DAILY)	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500HZ) CHAN MIL->0 IOM- (DAILY)	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%

Transmittal No. 263

June 16, 2014

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**AT&T - NEVADA BELL TELEPHONE COMPANY
CALCULATION OF PRICE CAP INDICES (SPECIAL ACCESS)**

ST	ZN	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	API WEIGHT	API	SBI WEIGHT	SBI
NV		AP(100-5000HZ) CHAN MIL->0 SEG-(DAILY)	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(100-5000HZ) CHAN MIL->0 IOM-(DAILY)	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000HZ) CHAN MIL->0 SEG- (DAILY)	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000HZ) CHAN MIL->0 IOM- (DAILY)	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000HZ) CHAN MIL->0 SEG- (DAILY)	\$3.35	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000HZ) CHAN MIL->0 IOM- (DAILY)	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP GAIN COND.- DAILY	\$2.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500HZ) CHAN TERM (MO)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(100-5000HZ) CHAN TERM (MO)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000HZ)CHAN TERM (MO)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000HZ) CHAN TERM (MO)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP GAIN CONDITIONING(MO) - NRC	\$73.25	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(200-3500HZ) CHAN TERM (DAILY)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(100-5000HZ) CHAN TERM (DAILY)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-8000HZ)CHAN TERM (DAILY)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP(50-15000HZ) CHAN TERM (DAILY)- NRC	\$289.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AP GAIN COND.-(DAILY) - NRC	\$73.25	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AUDIO/VIDEO MISC REVENUES - SPECIAL	\$1.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AUDIO VIDEO EXPEDITE ORDER CHARGE	\$1.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AV - SERVICE DATE CHANGE	\$26.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AV - DESIGN CHANGE CHAGRE	\$60.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		AV - TRIP CHARGE	\$200.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV1-2) CHAN TERM (MO)	\$450.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(4TV-5) CHAN TERM (MO)	\$500.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(6TV-5) CHAN TERM (MO)	\$500.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV15) CHAN TERM (MO)	\$500.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV1-2) CHAN.MIL.(MO)	\$60.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(4TV-5) CHAN. MIL.(MO)	\$60.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(6TV-5) CHAN. MIL.(MO)	\$60.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV15) CHAN. MIL.(MO)	\$60.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV1-2) CHAN TERM (DAILY)	\$125.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(4TV-5) CHAN TERM (DAILY)	\$125.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(6TV-5) CHAN TERM (DAILY)	\$125.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV15) CHAN TERM (DAILY)	\$125.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV1-2) CHAN.MIL.(DAILY)	\$35.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(4TV-5) CHAN. MIL.(DAILY)	\$35.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(6TV-5) CHAN. MIL.(DAILY)	\$35.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV15) CHAN. MIL.(DAILY)	\$35.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV1-2) CHAN TERM (MO)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(4TV-5) CHAN TERM (MO)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(6TV-5) CHAN TERM (MO)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV15) CHAN TERM (MO)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV1-2) CHAN.MIL.(DAILY)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(4TV-5) CHAN. MIL.(DAILY)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(6TV-5) CHAN. MIL.(DAILY)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		VIDEO(TV15) CHAN. MIL.(DAILY)-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DIGITAL MISC REVENUES - SPECIAL	\$5,593.78	1	\$3,077	0.00%	0.00%	0.01%	0.01%
NV		DDS EXPEDITE ORDER CHARGE	\$11,592.00	1	\$6,376	0.01%	0.01%	0.02%	0.02%
NV		DIGITAL - SERVICE DATE CHANGE	\$26.50	85	\$2,245	0.00%	0.00%	0.01%	0.01%
NV		DIGITAL - DESIGN CHANGE CHARGE	\$60.00	1	\$33	0.00%	0.00%	0.00%	0.00%
NV		DIGITAL - TRIP CHARGE	\$200.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - BASIC TIME - INSTALL TECH	\$40.21	0	\$0	0.00%	0.00%	0.00%	0.00%

**AT&T - NEVADA BELL TELEPHONE COMPANY
CALCULATION OF PRICE CAP INDICES (SPECIAL ACCESS)**

ST	ZN	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	API WEIGHT	API	SBI WEIGHT	SBI
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - BASIC TIME - CTRL OFFICE MAIN TECH	\$32.72	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - OVERTIME - INSTALL TECH	\$60.32	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - OVERTIME - CTRL OFFICE MAIN TECH	\$49.08	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - PREMIUM - INSTALL TECH	\$80.42	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL COOPERATIVE ACCEPTANCE TESTING - PREMIUM - CTRL OFFICE MAIN TECH	\$65.43	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL MANUAL TESTING - BASIC - INSTALL TECH	\$40.21	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL MANUAL TESTING - BASIC - CTRL OFFICE MAIN TECH	\$32.72	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL MANUAL TESTING - OVERTIME - INSTALL TECH	\$60.32	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL MANUAL TESTING - OVERTIME - CTRL OFFICE MAIN TECH	\$49.08	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL MANUAL TESTING - PREMIUM - INSTALL TECH	\$80.42	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		SPL ADDL MANUAL TESTING - PREMIUM - CTRL OFFICE MAIN TECH	\$65.43	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		ADDL ENGR - BASIC TIME - EACH HALF HOUR (NRC)	\$44.69	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		ADDL ENGR - OVERTIME - EACH HALF HOUR (NRC)	\$31.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		ADDL LABOR INSTALLATION/ REPAIR - OVERTIME - EACH HALF HOUR (NRC)	\$250.00	396	\$99,001	0.15%	0.15%	0.26%	0.26%
NV		ADDL LABOR INSTALLATION/ REPAIR - PREMIUM - EACH HALF HOUR (NRC)	\$300.00	82	\$24,738	0.04%	0.04%	0.06%	0.06%
NV		ADDL LABOR STANDBY - BASIC - EACH HALF HOUR (NRC)	\$85.00	7	\$574	0.00%	0.00%	0.00%	0.00%
NV		ADDL LABOR STANDBY - OVERTIME - EACH HALF HOUR (NRC)	\$80.00	2	\$188	0.00%	0.00%	0.00%	0.00%
NV		ADDL LABOR STANDBY - PREMIUM - EACH HALF HOUR (NRC)	\$90.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		ADDL LABOR TEST & MTCE - BASIC - INSTALL TECH (NRC)	\$115.00	138	\$15,865	0.02%	0.02%	0.04%	0.04%
NV		ADDL LABOR TEST & MTCE - BASIC - CTRL OFFICE MAIN TECH (NRC)	\$40.00	6	\$257	0.00%	0.00%	0.00%	0.00%
NV		ADDL LABOR TEST & MTCE - OVERTIME - INSTALL TECH (NRC)	\$80.00	97	\$7,788	0.01%	0.01%	0.02%	0.02%
NV		ADDL LABOR TEST & MTCE - OVERTIME - CTRL OFFICE MAIN TECH (NRC)	\$60.00	50	\$3,020	0.00%	0.00%	0.01%	0.01%
NV		ADDL LABOR TEST & MTCE - PREMIUM - INSTALL TECH (NRC)	\$110.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		ADDL LABOR TEST & MTCE - PREMIUM - CTRL OFFICE MAIN TECH (NRC)	\$95.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(2.4 KBPS) CHAN TERM	\$71.10	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(4.8 KBPS) CHAN TERM	\$71.10	7	\$469	0.00%	0.00%	0.00%	0.00%
NV		GDT(9.6 KBPS) CHAN TERM	\$71.10	20	\$1,408	0.00%	0.00%	0.00%	0.00%
NV		GDT(56 KBPS) CHAN TERM	\$71.10	1,259	\$89,511	0.13%	0.13%	0.23%	0.23%
NV		GDT (64 KBPS) CHAN TERM	\$71.10	158	\$11,223	0.02%	0.02%	0.03%	0.03%
NV		GDT(2.4 KBPS) CHAN MIL->0 SEG	\$13.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(2.4 KBPS) CHAN MIL->0 IOM	\$0.72	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(4.8 KBPS) CHAN MIL->0 SEG	\$13.00	7	\$86	0.00%	0.00%	0.00%	0.00%
NV		GDT(4.8 KBPS) CHAN MIL->0 IOM	\$0.72	33	\$24	0.00%	0.00%	0.00%	0.00%
NV		GDT(9.6 KBPS) CHAN MIL->0 SEG	\$13.00	7	\$86	0.00%	0.00%	0.00%	0.00%
NV		GDT(9.6 KBPS) CHAN MIL->0 IOM	\$0.72	195	\$141	0.00%	0.00%	0.00%	0.00%
NV		GDT(56 KBPS) CHAN MIL->0 SEG	\$13.00	783	\$10,185	0.02%	0.02%	0.03%	0.03%
NV		GDT(56 KBPS) CHAN MIL->0 IOM	\$0.72	72,290	\$52,048	0.08%	0.08%	0.14%	0.14%
NV		GDT(64 KBPS) CHAN MIL->0 SEG	\$13.00	112	\$1,455	0.00%	0.00%	0.00%	0.00%
NV		GDT(64 KBPS) CHAN MIL->0 IOM	\$0.72	6,473	\$4,661	0.01%	0.01%	0.01%	0.01%
NV		GDT - BRDG-PER PORT	\$16.51	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(2.4 KBPS) CHAN TERM-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(4.8 KBPS) CHAN TERM-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(9.6 KBPS) CHAN TERM-NRC	\$250.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		GDT(56 KBPS) CHAN TERM-NRC	\$250.00	10	\$2,613	0.00%	0.00%	0.01%	0.01%
NV		GDT (64 KBPS) CHAN TERM-NRC	\$250.00	1	\$275	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - MTM	\$125.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 3 YR	\$115.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 5 YR	\$105.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - MTM - 1ST NRC	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 3 YR - 1ST NRC	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 5 YR - 1ST NRC	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - MTM - ADDL NRC	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%

AT&T - NEVADA BELL TELEPHONE COMPANY
 CALCULATION OF PRICE CAP INDICES (SPECIAL ACCESS)

ST	ZN	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	API WEIGHT	API	SBI WEIGHT	SBI
NV		Frac DS1 CHAN TERM - 3 YR - ADDL NRC	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 5 YR - ADDL NRC	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - MTM - > 0 SEG	\$50.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 3 YR - > 0 SEG	\$35.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 5 YR - > 0 SEG	\$30.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - MTM - > 0 IOM	\$9.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 3 YR - > 0 IOM	\$8.25	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		Frac DS1 CHAN TERM - 5 YR - > 0 IOM	\$8.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 CHAN TERM	\$124.55	9,701	\$1,208,225	1.80%	1.80%	3.14%	3.14%
NV		DS1 CHAN MIL->0 SEG	\$52.50	3,780	\$198,472	0.30%	0.30%	0.52%	0.52%
NV		DS1 CHAN MIL-> IOM	\$9.00	170,084	\$1,530,752	2.28%	2.28%	3.98%	3.98%
NV		DS1 MUX - DS1 TO VG/DIG	\$170.00	562	\$95,527	0.14%	0.14%	0.25%	0.25%
NV		DS1 MUX - DS1 TO DS0	\$170.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS0 MUX - DS0 TO 20 - 2.4 KBPS SVC	\$175.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS0 MUX - DS0 TO 10 - 4.8 KBPS SVC	\$175.84	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS0 MUX - DS0 TO 5 - 9.6 KBPS SVC	\$125.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-FIXED	\$52.50	7	\$347	0.00%	0.00%	0.00%	0.00%
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-IOM	\$9.00	3,828	\$34,452	0.05%	0.05%	0.09%	0.09%
NV		DS1 EXPEDITE ORDER CHARGE - SPECIAL	\$790,794.00	0	\$276,778	0.65%	0.65%	0.72%	0.72%
NV		DS1 MISC REVENUE	\$9,099,609.05	0	\$3,184,863	7.47%	7.47%	8.27%	8.27%
NV		DS1 CHAN TERM - NRC	\$450.00	41	\$18,315	0.03%	0.03%	0.05%	0.05%
NV		DS1 CHAN TERM ROLLOVER - NRC	\$450.00	50	\$22,275	0.03%	0.03%	0.06%	0.06%
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-FIRST	\$300.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-ADDL	\$300.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 TPP - CHAN TERM TPP 1YR	\$122.50	211	\$25,813	0.04%	0.04%	0.07%	0.07%
NV		DS1 TPP - CHAN TERM TPP 2YR	\$120.00	3	\$346	0.00%	0.00%	0.00%	0.00%
NV		DS1 TPP - CHAN TERM TPP 3YR	\$115.00	8,058	\$926,642	1.58%	1.58%	2.41%	2.41%
NV		DS1 TPP - CHAN TERM TPP 5YR	\$105.00	10,862	\$1,140,552	1.95%	1.95%	2.96%	2.96%
NV		DS1 TPP - CHAN TERM TPP 7YR	\$100.00	6,939	\$693,888	1.19%	1.19%	1.80%	1.80%
NV		DS1 - TPP - CHAN TERM - NRC	\$900.00	64	\$57,456	0.10%	0.10%	0.15%	0.15%
NV		DS1 TPP - CHAN MILE - FIXED TPP 1YR	\$51.00	128	\$6,524	0.01%	0.01%	0.02%	0.02%
NV		DS1 TPP - CHAN MILE - FIXED TPP 2YR	\$45.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 TPP - CHAN MILE - FIXED TPP 3YR	\$40.00	3,720	\$148,810	0.25%	0.25%	0.39%	0.39%
NV		DS1 TPP - CHAN MILE - FIXED TPP 5YR	\$35.00	2,956	\$103,463	0.18%	0.18%	0.27%	0.27%
NV		DS1 TPP - CHAN MILE - FIXED TPP 7YR	\$32.50	3,517	\$114,293	0.20%	0.20%	0.30%	0.30%
NV		DS1 TPP - CHAN MILE - PER MILE TPP 1YR	\$9.00	4,228	\$38,052	0.07%	0.07%	0.10%	0.10%
NV		DS1 TPP - CHAN MILE - PER MILE TPP 2YR	\$9.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 TPP - CHAN MILE - PER MILE TPP 3YR	\$8.70	206,668	\$1,798,016	3.08%	3.08%	4.67%	4.67%
NV		DS1 TPP - CHAN MILE - PER MILE TPP 5YR	\$8.40	140,525	\$1,180,412	2.02%	2.02%	3.07%	3.07%
NV		DS1 TPP - CHAN MILE - PER MILE TPP 7YR	\$8.25	68,408	\$564,362	0.97%	0.97%	1.47%	1.47%
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 1YR	\$180.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 2YR	\$170.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 3YR	\$170.00	5	\$898	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 5YR	\$160.00	192	\$30,671	0.05%	0.05%	0.08%	0.08%
NV		DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 7YR	\$150.00	147	\$21,997	0.04%	0.04%	0.06%	0.06%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 1YR	\$51.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 2YR	\$45.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 3YR	\$40.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 5YR	\$35.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 7YR	\$32.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 1YR	\$9.25	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 2YR	\$9.00	0	\$0	0.00%	0.00%	0.00%	0.00%

**AT&T - NEVADA BELL TELEPHONE COMPANY
CALCULATION OF PRICE CAP INDICES (SPECIAL ACCESS)**

Exhibit 6.1

ST	ZN	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	API WEIGHT	API	SBI WEIGHT	SBI
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 3YR	\$8.75	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 5YR	\$8.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 7YR	\$8.25	26,519	\$218,782	0.37%	0.37%	0.57%	0.57%
NV		DS1 - TPP - COLLOCATION TRANSPORT - NRC	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN TERM-MTM	\$2,125.00	618	\$1,312,442	3.99%	3.99%	3.41%	3.41%
NV		DS3 CHAN TERM-MER	\$2,125.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN TERM-1YR	\$1,450.00	62	\$90,437	0.27%	0.27%	0.23%	0.23%
NV		DS3 CHAN TERM-3YR	\$900.00	113	\$101,866	0.31%	0.31%	0.26%	0.26%
NV		DS3 CHAN TERM-5YR	\$800.00	476	\$380,557	1.16%	1.16%	0.99%	0.99%
NV		DS3 CHAN MIL >0 SEG-MTM	\$347.50	526	\$182,887	0.56%	0.56%	0.48%	0.48%
NV		DS3 CHAN MIL >0 SEG-MER	\$347.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN MIL >0 SEG-1 YR	\$342.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN MIL >0 SEG-3 YR	\$337.50	206	\$69,647	0.21%	0.21%	0.18%	0.18%
NV		DS3 CHAN MIL >0 SEG-5 YR	\$332.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN MIL >0 IOM-MTM	\$39.00	18,126	\$706,919	2.15%	2.15%	1.84%	1.84%
NV		DS3 CHAN MIL >0 IOM-MER	\$39.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN MIL >0 IOM-1 YR	\$38.00	44	\$1,657	0.01%	0.01%	0.00%	0.00%
NV		DS3 CHAN MIL >0 IOM-3 YR	\$36.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN MIL >0 IOM-5 YR	\$34.00	559	\$19,001	0.06%	0.06%	0.05%	0.05%
NV		DS3 MUX - DS3 TO DS1-MTM	\$425.00	1,389	\$590,191	1.79%	1.79%	1.53%	1.53%
NV		DS3 MUX - DS3 TO DS1-MER	\$425.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 MUX - DS3 TO DS1-1 YR	\$420.00	1,070	\$449,340	1.37%	1.37%	1.17%	1.17%
NV		DS3 MUX - DS3 TO DS1-3 YR	\$410.00	6,930	\$2,841,375	8.64%	8.64%	7.38%	7.38%
NV		DS3 MUX - DS3 TO DS1-5 YR	\$400.00	41,190	\$16,475,865	50.10%	50.10%	42.81%	42.81%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MTM	\$347.50	4	\$1,501	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MER	\$347.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-1 YR	\$342.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-3 YR	\$337.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-5 YR	\$332.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MTM	\$39.00	1,535	\$59,853	0.18%	0.18%	0.16%	0.16%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MER	\$39.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-1 YR	\$38.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-3 YR	\$36.50	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-5 YR	\$34.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN TERM -MTM- NRC	\$1,500.00	0	\$405	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN TERM -1YR- NRC	\$1,000.00	3	\$2,700	0.01%	0.01%	0.01%	0.01%
NV		DS3 CHAN TERM -3YR- NRC	\$1,000.00	1	\$540	0.00%	0.00%	0.00%	0.00%
NV		DS3 CHAN TERM -5YR- NRC	\$1,000.00	3	\$2,700	0.01%	0.01%	0.01%	0.01%
NV		DS3 CHAN TERM ROLLOVER	\$900.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-MO	\$1,500.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-MO	\$1,500.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-1 YR	\$1,000.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-1 YR	\$1,000.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-3 YR	\$1,000.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-3 YR	\$1,000.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-5 YR	\$1,000.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-5 YR	\$1,000.00	0	\$0	0.00%	0.00%	0.00%	0.00%
NV		DS3 - MISC REVENUES	\$4,368,553.54	0	\$1,179,509	3.59%	3.59%	3.06%	3.06%
NV		DS3 - EXPEDITE ORDER CHARGE - SPECIAL	\$149,823.00	0	\$40,452	0.12%	0.12%	0.11%	0.11%

**AT&T - NEVADA BELL TELEPHONE COMPANY
CALCULATION OF DS1/DS3 SUB INDICES (SPECIAL ACCESS)**

Exhibit 6.2

ST	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	SBI	SBI	ZONE	ZONE
					SUB-INDEX WEIGHT	SUB-INDEX SBI	SUB-INDEX WEIGHT	SUB-INDEX SBI
NV	Frac DS1 CHAN TERM - MTM	\$125.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 3 YR	\$115.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 5 YR	\$105.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - MTM - 1ST NRC	\$900.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 3 YR - 1ST NRC	\$900.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 5 YR - 1ST NRC	\$900.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - MTM - ADDL NRC	\$900.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 3 YR - ADDL NRC	\$900.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 5 YR - ADDL NRC	\$900.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - MTM - > 0 SEG	\$50.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 3 YR - > 0 SEG	\$35.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 5 YR - > 0 SEG	\$30.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - MTM - > 0 IOM	\$9.00	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 3 YR - > 0 IOM	\$8.25	0	\$0	0.00%	0.00%		
NV	Frac DS1 CHAN TERM - 5 YR - > 0 IOM	\$8.00	0	\$0	0.00%	0.00%		
NV	DS1 CHAN TERM	\$124.55	9,701	\$1,208,225	8.86%	8.86%		
NV	DS1 CHAN MIL->0 SEG	\$52.50	3,780	\$198,472	1.45%	1.45%		
NV	DS1 CHAN MIL-> IOM	\$9.00	170,084	\$1,530,752	11.22%	11.22%		
NV	DS1 MUX - DS1 TO VG/DIG	\$170.00	562	\$95,527	0.70%	0.70%		
NV	DS1 MUX - DS1 TO DS0	\$170.00	0	\$0	0.00%	0.00%		
NV	DS0 MUX - DS0 TO 20 - 2.4 KBPS SVC	\$175.00	0	\$0	0.00%	0.00%		
NV	DS0 MUX - DS0 TO 10 - 4.8 KBPS SVC	\$175.84	0	\$0	0.00%	0.00%		
NV	DS0 MUX - DS0 TO 5 - 9.6 KBPS SVC	\$125.00	0	\$0	0.00%	0.00%		
NV	DS1-COLLOCATION TRANSPORT (1.544 MBPS)-FIXED	\$52.50	7	\$347	0.00%	0.00%		
NV	DS1-COLLOCATION TRANSPORT (1.544 MBPS)-IOM	\$9.00	3,828	\$34,452	0.25%	0.25%		
NV	DS1 EXPEDITE ORDER CHARGE - SPECIAL	\$790,794.00	0	\$276,778	2.03%	2.03%		
NV	DS1 MISC REVENUE	\$9,099,609.05	0	\$3,184,863	23.35%	23.35%		
NV	DS1 CHAN TERM - NRC	\$450.00	41	\$18,315	0.13%	0.13%		
NV	DS1 CHAN TERM ROLLOVER - NRC	\$450.00	50	\$22,275	0.16%	0.16%		
NV	DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-FIRST	\$300.00	0	\$0	0.00%	0.00%		
NV	DS1-COLLOCATION TRANSPORT (1.544 MBPS)-NRC-ADDL	\$300.00	0	\$0	0.00%	0.00%		
NV	DS1 TPP - CHAN TERM TPP 1YR	\$122.50	211	\$25,813	0.19%	0.19%		
NV	DS1 TPP - CHAN TERM TPP 2YR	\$120.00	3	\$346	0.00%	0.00%		
NV	DS1 TPP - CHAN TERM TPP 3YR	\$115.00	8,058	\$926,642	6.79%	6.79%		
NV	DS1 TPP - CHAN TERM TPP 5YR	\$105.00	10,862	\$1,140,552	8.36%	8.36%		
NV	DS1 TPP - CHAN TERM TPP 7YR	\$100.00	6,939	\$693,888	5.09%	5.09%		
NV	DS1 - TPP - CHAN TERM - NRC	\$900.00	64	\$57,456	0.42%	0.42%		
NV	DS1 TPP - CHAN MILE - FIXED TPP 1YR	\$51.00	128	\$6,524	0.05%	0.05%		
NV	DS1 TPP - CHAN MILE - FIXED TPP 2YR	\$45.00	0	\$0	0.00%	0.00%		
NV	DS1 TPP - CHAN MILE - FIXED TPP 3YR	\$40.00	3,720	\$148,810	1.09%	1.09%		
NV	DS1 TPP - CHAN MILE - FIXED TPP 5YR	\$35.00	2,956	\$103,463	0.76%	0.76%		
NV	DS1 TPP - CHAN MILE - FIXED TPP 7YR	\$32.50	3,517	\$114,293	0.84%	0.84%		
NV	DS1 TPP - CHAN MILE - PER MILE TPP 1YR	\$9.00	4,228	\$38,052	0.28%	0.28%		
NV	DS1 TPP - CHAN MILE - PER MILE TPP 2YR	\$9.00	0	\$0	0.00%	0.00%		
NV	DS1 TPP - CHAN MILE - PER MILE TPP 3YR	\$8.70	206,668	\$1,798,016	13.18%	13.18%		
NV	DS1 TPP - CHAN MILE - PER MILE TPP 5YR	\$8.40	140,525	\$1,180,412	8.65%	8.65%		
NV	DS1 TPP - CHAN MILE - PER MILE TPP 7YR	\$8.25	68,408	\$564,362	4.14%	4.14%		
NV	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 1YR	\$180.00	0	\$0	0.00%	0.00%		
NV	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 2YR	\$170.00	0	\$0	0.00%	0.00%		
NV	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 3YR	\$170.00	5	\$898	0.01%	0.01%		
NV	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 5YR	\$160.00	192	\$30,671	0.22%	0.22%		
NV	DS1 - TPP - CO MUX - DS1-DSO VOICE/DIGI - TPP 7YR	\$150.00	147	\$21,997	0.16%	0.16%		

**AT&T - NEVADA BELL TELEPHONE COMPANY
CALCULATION OF DS1/DS3 SUB INDICES (SPECIAL ACCESS)**

Exhibit 6.2

ST	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	SBI	ZONE	ZONE
					SUB-INDEX WEIGHT	SUB-INDEX SBI	SUB-INDEX WEIGHT
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 1YR	\$51.00	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 2YR	\$45.00	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 3YR	\$40.00	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 5YR	\$35.00	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - FIXED - TPP 7YR	\$32.50	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 1YR	\$9.25	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 2YR	\$9.00	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 3YR	\$8.75	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 5YR	\$8.50	0	\$0	0.00%	0.00%	
NV	DS1 - TPP - COLLOCATION TRANS - CHAN MILE - PER MILE - TPP 7YR	\$8.25	26,519	\$218,782	1.60%	1.60%	
NV	DS1 - TPP - COLLOCATION TRANSPORT - NRC	\$900.00	0	\$0	0.00%	0.00%	
NV	DS3 CHAN TERM-MTM	\$2,125.00	618	\$1,312,442	5.35%	5.35%	
NV	DS3 CHAN TERM-MER	\$2,125.00	0	\$0	0.00%	0.00%	
NV	DS3 CHAN TERM-1YR	\$1,450.00	62	\$90,437	0.37%	0.37%	
NV	DS3 CHAN TERM-3YR	\$900.00	113	\$101,866	0.42%	0.42%	
NV	DS3 CHAN TERM-5YR	\$800.00	476	\$380,557	1.55%	1.55%	
NV	DS3 CHAN MIL >0 SEG-MTM	\$347.50	526	\$182,887	0.75%	0.75%	
NV	DS3 CHAN MIL >0 SEG-MER	\$347.50	0	\$0	0.00%	0.00%	
NV	DS3 CHAN MIL >0 SEG-1 YR	\$342.50	0	\$0	0.00%	0.00%	
NV	DS3 CHAN MIL >0 SEG-3 YR	\$337.50	206	\$69,647	0.28%	0.28%	
NV	DS3 CHAN MIL >0 SEG-5 YR	\$332.50	0	\$0	0.00%	0.00%	
NV	DS3 CHAN MIL >0 IOM-MTM	\$39.00	18,126	\$706,919	2.88%	2.88%	
NV	DS3 CHAN MIL >0 IOM-MER	\$39.00	0	\$0	0.00%	0.00%	
NV	DS3 CHAN MIL >0 IOM-1 YR	\$38.00	44	\$1,657	0.01%	0.01%	
NV	DS3 CHAN MIL >0 IOM-3 YR	\$36.50	0	\$0	0.00%	0.00%	
NV	DS3 CHAN MIL >0 IOM-5 YR	\$34.00	559	\$19,001	0.08%	0.08%	
NV	DS3 MUX - DS3 TO DS1-MTM	\$425.00	1,389	\$590,191	2.41%	2.41%	
NV	DS3 MUX - DS3 TO DS1-MER	\$425.00	0	\$0	0.00%	0.00%	
NV	DS3 MUX - DS3 TO DS1-1 YR	\$420.00	1,070	\$449,340	1.83%	1.83%	
NV	DS3 MUX - DS3 TO DS1-3 YR	\$410.00	6,930	\$2,841,375	11.59%	11.59%	
NV	DS3 MUX - DS3 TO DS1-5 YR	\$400.00	41,190	\$16,475,865	67.22%	67.22%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MTM	\$347.50	4	\$1,501	0.01%	0.01%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-MER	\$347.50	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-1 YR	\$342.50	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-3 YR	\$337.50	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-FIXED-5 YR	\$332.50	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MTM	\$39.00	1,535	\$59,853	0.24%	0.24%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-MER	\$39.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-1 YR	\$38.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-3 YR	\$36.50	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-IOM-5 YR	\$34.00	0	\$0	0.00%	0.00%	
NV	DS3 CHAN TERM -MTM- NRC	\$1,500.00	0	\$405	0.00%	0.00%	
NV	DS3 CHAN TERM -1YR- NRC	\$1,000.00	3	\$2,700	0.01%	0.01%	
NV	DS3 CHAN TERM -3YR- NRC	\$1,000.00	1	\$540	0.00%	0.00%	
NV	DS3 CHAN TERM -5YR- NRC	\$1,000.00	3	\$2,700	0.01%	0.01%	
NV	DS3 CHAN TERM ROLLOVER	\$900.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-MO	\$1,500.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-MO	\$1,500.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-1 YR	\$1,000.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-1 YR	\$1,000.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-3 YR	\$1,000.00	0	\$0	0.00%	0.00%	
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-3 YR	\$1,000.00	0	\$0	0.00%	0.00%	

**AT&T - NEVADA BELL TELEPHONE COMPANY
CALCULATION OF DS1/DS3 SUB INDICES (SPECIAL ACCESS)**

Exhibit 6.2

ST	DESCRIPTION	CURRENT RATE	BASE PERIOD DEMAND	BASE PERIOD REVENUE	SBI	SBI	ZONE	ZONE
					SUB-INDEX WEIGHT	SUB-INDEX SBI	SUB-INDEX WEIGHT	SUB-INDEX SBI
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-FIRST-5 YR	\$1,000.00	0	\$0	0.00%	0.00%		
NV	DS3-COLLOCATION TRANSPORT (45 MBPS)-NRC-ADDL-5 YR	\$1,000.00	0	\$0	0.00%	0.00%		
NV	DS3 - MISC REVENUES	\$4,368,553.54	0	\$1,179,509	4.81%	4.81%		
NV	DS3 - EXPEDITE ORDER CHARGE - SPECIAL	\$149,823.00	0	\$40,452	0.17%	0.17%		

**AT&T - NEVADA BELL TELEPHONE COMPANY
LIST OF TARIFFED SERVICES EXCLUDED FROM PRICE CAPS**

Tariff Section	Category	Service	MRC / NRC / Usage	Previously in Price Caps	Authority to Exclude or Remove From Price Caps
4.7	End User Charges	Federal End User Charges	MRC	No	<i>CALLS Order</i>
6.8.2	Special Construction/ICB	Call Transfer ICB	MRC	No	<i>LEC Price Cap Order</i>
6.8.2	Special Construction/ICB	Answer Supervision ICB	MRC	No	<i>LEC Price Cap Order</i>
7.7.6	Packet Services	Public Packet Switching Network (PPSN) ICB	MRC	No	<i>LEC Price Cap Order</i>
7.11.5	Special Construction/ICB	Hi Cap ICBs	NRC / MRC	No	<i>LEC Price Cap Order</i>
10.8.2	Government Services	Voice Grade Special Access ICBs	NRC / MRC	No	<i>LEC Price Cap Order</i>
10.8.2	Government Services	Wideband Digital Special Access ICBs	NRC / MRC	No	<i>LEC Price Cap Order</i>
10.8.2	Government Services	Special Routing Access Service (SRAS)	NRC / MRC	No	<i>LEC Price Cap Order</i>
10.8.2	Government Services	Telecommunications Service Priority (TSP) System	NRC / MRC	No	<i>LEC Price Cap Order</i>
10.8.2	Government Services	Government Emergency Telecommunications Services (GETS)	NRC / MRC	No	<i>LEC Price Cap Order</i>
10.8.2	Government Services	SBC Federal Access Solutions Transport (FAST)	MRC	No	<i>LEC Price Cap Order</i>
11.2	Special Construction/ICB	Special Facilities Routing of Access Services	NRC / MRC	No	<i>LEC Price Cap Order</i>
12.3	Special Construction/ICB	Specialized Services ICBs	NRC / MRC	No	<i>LEC Price Cap Order</i>
13.3.3	End User Charges	Presubscription	NRC	No	<i>LEC Price Cap Order</i>
13.3.4	Miscellaneous/Other	Jack Installation Services	NRC	No	<i>LEC Price Cap Order</i>
13.3.7	Miscellaneous/Other	Controller Arrangement ICB	MRC	No	<i>LEC Price Cap Order</i>
13.3.9	End User Charges	900 Call Blocking	NRC / MRC	No	<i>LEC Price Cap Order</i>
18	Miscellaneous/Other	Expanded Interconnection / Collocation	NRC / MRC	No	Expanded Interconnection with Local Telephone Company Facilities and Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board, CC Docket No. 91-141, Transport Phase I and CC Docket No. 8-286, Second Report and Order and Third Notice of Proposed Rulemaking released September 2, 1993.
19.5	Miscellaneous/Other	Basic SPNP Service	MRC	No	<i>In the Matter of Telephone Number Portability, Third Report and Order, FCC 98-82, released May 12, 1998.</i>
21	Miscellaneous/Other	Optical Carrier Network (OCN)	NRC / MRC	No	<i>In the Matter of Petition of AT&T Inc for Forbearance Under 47 U.S.C & 160(c) from Title II and Computer Inquiry Rules with Respect to its Broadband Services, etc., Memorandum Opinion and Order, FCC 07-180, released October 12, 2007.</i>
22	Miscellaneous/Other	Pricing Flexibility	NRC / MRC	Yes	<i>FCC 99-206, Fifth Report and Order and Further Notice of Proposed Rulemaking (Pricing Flexibility Order)</i>
23	Miscellaneous/Other	Pricing Flexibility Contract Offerings	NRC / MRC	No	<i>FCC 99-206, Fifth Report and Order and Further Notice of Proposed Rulemaking (Pricing Flexibility Order)</i>
24	Miscellaneous/Other	TipTop	NRC / MRC	No	Annual waivers from FCC.

IND-1
 Filing Date: 06/16/2014
 Filing Entity: PTNV
 Transmittal Number: 263
 PTNV 2014 AF - (PTNVAN14.xls)
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Price Cap Tariff Review Plan
 Indices

	PROPOSED PCI (A)	PROPOSED API (B)	PROPOSED SBI (C)	PROPOSED SBI LIMIT (D)	EXISTING PCI (E)	EXISTING API (F)	EXISTING SBI (G)	EXISTING SBI LIMIT (H)
600 Interexchange Basket	0	0	N/A	N/A	0	0	0	0
Special Access Basket								
720 VG/WATS, Met, Tgh - Special	N/A	N/A	June Filing	June Filing	N/A	N/A	Trans # 252	Trans # 252
721 VG Spec Density Zone 1	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
722 VG Spec Density Zone 2	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
723 VG Spec Density Zone 3	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
724 VG Spec Density Zone 4	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
725 VG Spec Density Zone 5	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
726 VG Spec Density Zone 6	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
727 VG Spec Density Zone 7	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
730 Audio & Video	N/A	N/A	June Filing	June Filing	N/A	N/A	Trans # 252	Trans # 252
731 Audio/Video Density Zone 1	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
732 Audio/Video Density Zone 2	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
733 Audio/Video Density Zone 3	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
734 Audio/Video Density Zone 4	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
735 Audio/Video Density Zone 5	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
736 Audio/Video Density Zone 6	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
737 Audio/Video Density Zone 7	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
740 High Cap & DDS - Special	N/A	N/A	June Filing	June Filing	N/A	N/A	Trans # 252	Trans # 252
750 DS-1 SubCat - Special	N/A	N/A	June Filing	June Filing	N/A	N/A	Trans # 252	Trans # 252
751 DS1 Spec Density Zone 1	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
752 DS1 Spec Density Zone 2	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
753 DS1 Spec Density Zone 3	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
754 DS1 Spec Density Zone 4	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
755 DS1 Spec Density Zone 5	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
756 DS1 Spec Density Zone 6	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
757 DS1 Spec Density Zone 7	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
760 DS-3 SubCat - Special	N/A	N/A	June Filing	June Filing	N/A	N/A	Trans # 252	Trans # 252
761 DS3 Spec Density Zone 1	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
762 DS3 Spec Density Zone 2	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
763 DS3 Spec Density Zone 3	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
764 DS3 Spec Density Zone 4	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
765 DS3 Spec Density Zone 5	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
766 DS3 Spec Density Zone 6	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
767 DS3 Spec Density Zone 7	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
770 DDS&Other Sp Density Zone 1	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
771 DDS&Other Sp Density Zone 2	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
772 DDS&Other Sp Density Zone 3	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
773 DDS&Other Sp Density Zone 4	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
774 DDS&Other Sp Density Zone 5	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
775 DDS&Other Sp Density Zone 6	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
776 DDS&Other Sp Density Zone 7	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
790 Wideband	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
791 WB Density Zone 1	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
792 WB Density Zone 2	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
793 WB Density Zone 3	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
794 WB Density Zone 4	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
795 WB Density Zone 5	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
796 WB Density Zone 6	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
797 WB Density Zone 7	N/A	N/A	0.0000	0.0000	N/A	N/A	0.0000	0.0000
899 Total Special Access	June Filing	June Filing	N/A	N/A	Trans # 252	Trans # 252	N/A	N/A

AT&T NEVADA BELL TELEPHONE COMPANY
RATE COMPARISON

Exhibit 12

State	Rate Element	Current Rate	Proposed Rate
	EUCL		
NV	PRIMARY RES EUCL	\$4.53	\$4.52
NV	SINGLE LINE BUS EUCL	\$4.53	\$4.52
NV	LIFELINE EUCL	\$4.53	\$4.52
NV	NONPRIMARY RES EUCL	\$4.53	\$4.52
NV	BRI ISDN EUCL	\$4.53	\$4.52
NV	MULTILINE BUS EUCL	\$4.53	\$4.52
NV	PRI ISDN EUCL	\$4.53	\$4.52
NV	CENTREX EUCL	\$4.53	\$4.52

Nevada Bell Telephone Company (NBTC)
Nevada Universal Service Fee (USF) Rate Development

3rd Quarter 2014 Contribution Factor	Source <i>DA 14-812</i>	(A)	(B) <i>0.157</i>	(C=A*B)
Basic USF Recovery Charge				
<i>Residential / Single-Line Business</i>				
		Rate		USF Charge
RES Access Recovery Charge (ARC)		0.83		
End User Common Line (EUCL) Rate		4.52		
ARC & EUCL Rate Combined		\$ 5.35		\$ 0.84
<i>BRI ISDN</i>				
End User Common Line/ARC Rate		\$ 5.35		USF Charge
BRI ISDN Port		\$ 3.90		
Total Basic Interstate End User Revenue		\$ 9.25		\$ 1.45
<i>Multi-line Business</i>				
<i>PBX</i>	Exhibit 14.2			\$ 1.36
<i>PRI ISDN</i>	Exhibit 14.2			\$ 1.36
<i>CENTREX</i>	Exhibit 14.2			\$ 12.49
	Exhibit 14.2			\$ 0.15
Other USF Recovery Charges				
PIC Manual Change Charge		\$ 3.89		\$ 0.61
PIC Mechanized Change Charge		\$ 1.60		\$ 0.25

Nevada Bell Telephone Company (NBTC)
Nevada Universal Service Fee (USF) Rate Development

3rd Quarter 2014 Contribution Factor		Source DA 14-812	(A)	(B) 0.157	(C=A*B) USF Charge
Basic USF Recovery Charge for MLB, PRI, & Centrex					
<i>Multi-line Business, PRI ISDN, CENTREX Lines as of March 2014</i>					
L1	MLB Lines		28,104		
L2	Centrex lines with less than 9 lines		4,621		
L3	Centrex lines with greater than 9 lines		21,327		
L4	PRI ISDN		575		
	BUS Access Recovery Charge (ARC)		\$0.64		
	End User Common Line (EUCL) Rate	\$	4.52		
L5	ARC & EUCL Rate Combined		\$5.16		\$5.16
MLB, PRI ISDN, Centrex Revenue					
L6	MLB	L5*L1	\$ 145,141		
L7	PRI ISDN	L5*L4*5	\$ 14,848		
L8	Centrex	(L5)*(L2+L3)	\$ 134,007		
L9	MLB, PRI ISDN, Centrex Revenue	L6:L8	\$ 293,996		
L10	MLB, PRI ISDN, Centrex Obligation	L9*USF Factor	\$ 46,157		
L11	PICC Equivalent Centrex Systems Line Counts <i>(As stated in FCC 03-58 released March 14, 2003)</i>			513	
L12	2013 Billable Lines	L1+(L3/9)+(L4*5)+L11		33,862	
Recovery Cross Check Verification					
L13	Basic MLB Rate	(L10/L12)			\$ 1.36
L14	Basic Centrex Rate	L13/9			\$ 0.15
L15	Basic PRI ISDN Rate (excluding Port recovery)	L13*5			\$ 6.80
Recovery Cross Check Verification					
L16	Basic MLB USF Recovery	L1*L13	\$ 38,221		
L17	Basic Centrex USF Recovery	(L3*L14)+(L11*L13)	\$ 3,897		
L18	Basic PRI ISDN USF Recovery	(L5*L15)	\$ 3,910		
L19	Total MLB, PRI ISDN, Centrex Basic USF Recovery (L19 < L10)		\$ 46,029		OK
Additives to the Basic MLB Rate					
PRI ISDN			Rate		
L20	PRI ISDN Port Charge		\$ 36.29		\$ 5.69
Final Basic MLB, PRI ISDN, & Centrex USF Rates Summary					
L21	MLB	L13			\$ 1.36
L22	PBX	L13			\$ 1.36
L23	PRI ISDN	L15+L21			\$ 12.49
L24	Centrex	L14			\$ 0.15