

CenturyLink Operating Companies

Transmittal No. 75

Description and Justification

The CenturyLink Operating Companies (CLOCs) hereby submit the following information in support of the accompanying revisions to CenturyLink Operating Companies Tariff F.C.C. Nos. 1, 2, 3, 6, 7, 8, 9 and 11 as required by Sections 61.38 and 61.41 through 61.49 of the Federal Communications Commission's Rules and Regulations.

This filing adjusts CenturyLink's federal universal service fund (USF) contribution factor for 4th quarter 2015 to 16.7% consistent with the requirements of the Commission's USF Order¹ and adds new Special Construction cases in Section 14 of Tariff F.C.C. No 9. Accompanying detail in Exhibit 3 follows.

1.0 Universal Service Fund Contribution Factor - Fourth Quarter 2015

For all companies, excluding those in CLOC Tariff F.C.C. No. 9 and 11, a surcharge equal to the fourth quarter 2015 USF contribution factor of 0.167 is applied to end users being billed local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex), switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges). The percentage surcharge is reflected as a separate line item, clearly identified on the customer's bill. The detailed calculations for Tariff F.C.C. No. 9 and 11 are defined below.

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

CenturyLink adjusts their federal universal service fund (USF) end user charges to reflect its full contribution obligation, which is based on interstate end user revenues used by the Universal Service Administration Company (USAC) to calculate CenturyLink's fourth quarter 2015 assessment.

Consistent with the requirements of the Commission's *USF Interim Methodology Orders*,² CenturyLink recovers its federal universal service contributions through per line monthly charges assessed to end users subscribing to local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex). Contributions for end users being billed switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges) are recovered by applying a surcharge equal to the fourth quarter 2015 USF contribution factor of 0.167 to the total of the end user customer's interstate access charges. Both the per line charge and percentage surcharge are reflected as a separate line item, clearly identified on the customer's bill.

As detailed on Exhibit 1, Page 1, the Federal USF end user charges for primary residential, non-primary residential, ISDN-BRI and single-line business are calculated by applying the fourth quarter 2015 contribution factor of 0.167 to the sum of the charges representing the interstate portion of the customer's bill (i.e., the customer's end user common line or subscriber line charges).

Page 2 of Exhibit 1 details the calculation of the Federal USF end user charges for Centrex, ISDN-PRI and multi-line business customers. The *USF Interim Methodology Orders* allow the Federal USF end user charges for Centrex customers to be recovered using an "equivalency ratio." Initially, the

¹ *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Public Notice (DA 15-1016) released September 14, 2015.

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

Federal USF charges for Centrex, ISDN-PRI and multi-line business customers are calculated by applying the 0.167 fourth quarter 2015 contribution factor to the sum of the charges representing the interstate portion of the customer's bill in the same manner as outlined above. For multi-line business and ISDN-PRI, the Federal USF charges are calculated by first determining the difference, on a per line basis, between assessing Centrex lines based on the equivalency ratio and applying the remaining USF recovery across multi-line business and ISDN-PRI lines on an averaged basis. Once the difference is determined, a portion (\$0.50) is allocated back to Centrex, and the remainder is added to the initial multi-line business Federal USF charge to produce the Federal USF end user charge for multi-line business customers. The Federal USF end user charge for ISDN-PRI customers is calculated by multiplying the multi-line business charge by 5. The Federal USF end user charge for Payphone Service Providers is calculated by applying the 0.167 fourth quarter 2015 contribution factor to the multi-line business subscriber line charge.

Calculations for CenturyLink Operating Companies Tariff F.C.C. No. 11

Consistent with the requirements of the Commission's *USF Interim Methodology Orders*,³ CenturyLink recovers its federal universal service contributions through per line monthly charges assessed to end users subscribing to local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex). Contributions for end users being billed switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges) are recovered by applying a surcharge equal to the fourth quarter 2015 USF contribution factor of 0.167 to the total of the end user customer's interstate access charges. Both the per line charge and percentage surcharge are reflected as a separate line item, clearly identified on the customer's bill.

³ *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order and Second Further Notice of Proposed Rulemaking (FCC 02-329), released December 13, 2002; Order and

As detailed on Exhibit 2, “CenturyLink QC Federal Universal Service Fund Charge Factor Development,” the Multiline Business charge factor for each study area is calculated by dividing the Multiline Business lines subject to FCC end user charges by the total number of lines subject to PICC charges pursuant to 47 C.F.R. 69.153. This ratio is multiplied by the fourth quarter 2015 USF Factor to determine the appropriate Multiline Business USF Charge Factor. This Multiline Business USF Charge Factor is then divided by nine to arrive at the Centrex USF Charge Factor.

3.0 Conclusion

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

CenturyLink FCC #9 - 9/16/15 Federal USF End User Surcharge Rates
 (4th Qtr 2015 USF Contribution Factor 16.7% - DA 15-1016)
 Transmittal No. 75

	Subscriber Line Charge - SLC Rates						Federal End User USF Surcharge						
	Residential Primary	Residential Non-Primary	ISDN BRI	Single Line Business	Multi-Line Business & ISDN-PRI & Centrex	Proposed 4th Qtr 2015 USF Contribution Factor	Residential Primary	Residential Non-Primary	ISDN BRI	Single Line Business	Payphone	Multi-Line Business * & ISDN-PRI	Centrex *
	TL #72	TL #72	TL #72	TL #72	TL #72		TL #75	TL #75	TL #75	TL #75	TL #75	TL #75	TL #75
	<u>7/1/2015</u>	<u>7/1/2015</u>	<u>7/1/2015</u>	<u>7/1/2015</u>	<u>7/1/2015</u>	<u>Factor</u>	<u>10/1/2015</u>	<u>10/1/2015</u>	<u>10/1/2015</u>	<u>10/1/2015</u>	<u>10/1/2015</u>	<u>10/1/2015</u>	<u>10/1/2015</u>
(A)	(B)	(C)	(D)	(E)	(F)	(G)=A*F	(H)=B*F	(I)=C*F	(J)=D*F	(K)=E*F	(L)=Col H Page 2	(L)=Col I Page 2	
Florida	\$ 6.15	\$ 6.15	\$ 6.15	\$ 6.15	\$ 6.88	16.7%	\$ 1.03	\$ 1.03	\$ 1.03	\$ 1.03	\$ 1.15	\$ 1.32	\$ 0.50
Indiana#	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 9.20	16.7%	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.54	\$ 1.63	\$ 0.50
Kansas	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	16.7%	\$ 1.09	\$ 1.17	\$ 1.17	\$ 1.09	\$ 1.54	\$ 1.55	\$ 0.50
Minnesota	\$ 5.96	\$ 5.96	\$ 5.96	\$ 5.96	\$ 9.13	16.7%	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.52	\$ 1.60	\$ 0.50
Missouri#	\$ 6.43	\$ 6.43	\$ 6.43	\$ 6.43	\$ 9.17	16.7%	\$ 1.07	\$ 1.07	\$ 1.07	\$ 1.07	\$ 1.53	\$ 1.85	\$ 0.50
Nebraska	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 3.69	16.7%	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.47	\$ 0.62	\$ 0.64	\$ 0.50
Nevada	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.60	\$ 3.76	16.7%	\$ 0.60	\$ 0.60	\$ 0.60	\$ 0.60	\$ 0.63	\$ 0.66	\$ 0.50
New Jersey	\$ 5.32	\$ 5.32	\$ 5.32	\$ 5.32	\$ 7.36	16.7%	\$ 0.89	\$ 0.89	\$ 0.89	\$ 0.89	\$ 1.23	\$ 1.28	\$ 0.50
North Carolina	\$ 5.42	\$ 5.42	\$ 5.42	\$ 5.42	\$ 5.61	16.7%	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.91	\$ 0.94	\$ 1.03	\$ 0.50
Ohio	\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30	\$ 6.21	16.7%	\$ 0.89	\$ 0.89	\$ 0.89	\$ 0.89	\$ 1.04	\$ 1.10	\$ 0.50
Oregon	\$ 5.95	\$ 5.95	\$ 5.95	\$ 5.95	\$ 9.20	16.7%	\$ 0.99	\$ 0.99	\$ 0.99	\$ 0.99	\$ 1.54	\$ 1.60	\$ 0.50
Pennsylvania	\$ 4.32	\$ 4.32	\$ 4.32	\$ 4.32	\$ 7.48	16.7%	\$ 0.72	\$ 0.72	\$ 0.72	\$ 0.72	\$ 1.25	\$ 1.31	\$ 0.50
South Carolina	\$ 5.21	\$ 5.21	\$ 5.21	\$ 5.21	\$ 5.33	16.7%	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.87	\$ 0.89	\$ 0.92	\$ 0.50
Tennessee	\$ 4.73	\$ 4.73	\$ 4.73	\$ 4.73	\$ 4.85	16.7%	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.79	\$ 0.81	\$ 0.92	\$ 0.50
Texas	\$ 6.20	\$ 6.20	\$ 6.20	\$ 6.20	\$ 9.20	16.7%	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.04	\$ 1.54	\$ 1.57	\$ 0.50
Virginia	\$ 3.99	\$ 3.99	\$ 3.99	\$ 3.99	\$ 4.17	16.7%	\$ 0.67	\$ 0.67	\$ 0.67	\$ 0.67	\$ 0.70	\$ 0.71	\$ 0.50
Washington	\$ 6.06	\$ 6.06	\$ 6.06	\$ 6.06	\$ 9.00	16.7%	\$ 1.01	\$ 1.01	\$ 1.01	\$ 1.01	\$ 1.50	\$ 2.48	\$ 0.50
Wyoming	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	16.7%	\$ 1.09	\$ 1.17	\$ 1.17	\$ 1.09	\$ 1.54	\$ 1.60	\$ 0.50

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

CenturyLink FCC #9 - 9/16/15 Federal USF End User Surcharge Rates
 (4th Qtr 2015 USF Contribution Factor 16.7% - DA 15-1016)
 Transmittal No. 75

	August 2015 Access Lines				Total Multi-Line Bus & ISDN PRI & Centrex Lines (E)=A-B+C+D	Multi-Line Bus, ISDN-PRI & Centrex SLC Rate TL #72 7/1/2015 (F)	Proposed 4th Qtr 2015 USF Contribution Factor (G)	Initial USF Charge Calculation (H)=F*G	Proposed 10/1/2015 * MultiLine Business & ISDN-PRI USF Charge I=if((E*H-D*0.50)/(A-B+C)< \$0.50,H,(E*H-D*0.50)/(A-B+C))	Proposed 10/1/2015 * Centrex USF Charge J=Min(\$0.50,H)	Allowable MultiLine Bus & Centrex & ISDN-PRI Revenue K=E*H	PriceOut MultiLine Bus & Centrex & ISDN-PRI Revenue L=(A-B+C)*I+D*J
	MultiLine Business (A)	Payphone (B)	ISDN PRI (5 Times) (C)	Centrex (D)								
Florida	155,570	248	14,414	43,589	213,325	\$ 6.88	16.7%	\$ 1.15	\$ 1.32	\$ 0.50	\$ 245,102	\$ 245,102
Indiana#	20,018	40	1,700	1,920	23,598	\$ 9.20	16.7%	\$ 1.54	\$ 1.63	\$ 0.50	\$ 36,256	\$ 36,256
Kansas	10,680	5	461	136	11,272	\$ 9.20	16.7%	\$ 1.54	\$ 1.55	\$ 0.50	\$ 17,318	\$ 17,318
Minnesota	14,849	10	1,646	1,220	17,705	\$ 9.13	16.7%	\$ 1.52	\$ 1.60	\$ 0.50	\$ 26,995	\$ 26,995
Missouri#	23,701	23	2,116	7,910	33,704	\$ 9.17	16.7%	\$ 1.53	\$ 1.85	\$ 0.50	\$ 51,614	\$ 51,614
Nebraska	1,900	2	120	381	2,399	\$ 3.69	16.7%	\$ 0.62	\$ 0.64	\$ 0.50	\$ 1,478	\$ 1,478
Nevada	72,034	380	7,652	21,152	100,458	\$ 3.76	16.7%	\$ 0.63	\$ 0.66	\$ 0.50	\$ 63,080	\$ 63,080
New Jersey	23,237	59	845	1,666	25,689	\$ 7.36	16.7%	\$ 1.23	\$ 1.28	\$ 0.50	\$ 31,575	\$ 31,575
North Carolina	117,995	124	9,781	27,047	154,699	\$ 5.61	16.7%	\$ 0.94	\$ 1.03	\$ 0.50	\$ 144,933	\$ 144,933
Ohio	39,867	57	4,565	5,104	49,479	\$ 6.21	16.7%	\$ 1.04	\$ 1.10	\$ 0.50	\$ 51,313	\$ 51,313
Oregon	7,046	18	490	491	8,009	\$ 9.20	16.7%	\$ 1.54	\$ 1.60	\$ 0.50	\$ 12,305	\$ 12,305
Pennsylvania	29,456	41	2,770	2,509	34,694	\$ 7.48	16.7%	\$ 1.25	\$ 1.31	\$ 0.50	\$ 43,338	\$ 43,338
South Carolina	8,660	2	750	756	10,164	\$ 5.33	16.7%	\$ 0.89	\$ 0.92	\$ 0.50	\$ 9,047	\$ 9,047
Tennessee	15,267	19	2,549	6,039	23,836	\$ 4.85	16.7%	\$ 0.81	\$ 0.92	\$ 0.50	\$ 19,306	\$ 19,306
Texas	41,142	28	2,809	1,523	45,446	\$ 9.20	16.7%	\$ 1.54	\$ 1.57	\$ 0.50	\$ 69,823	\$ 69,823
Virginia	37,747	68	3,206	2,849	43,734	\$ 4.17	16.7%	\$ 0.70	\$ 0.71	\$ 0.50	\$ 30,456	\$ 30,456
Washington	7,897	15	655	8,300	16,837	\$ 9.00	16.7%	\$ 1.50	\$ 2.48	\$ 0.50	\$ 25,306	\$ 25,306
Wyoming	1,181	1	45	78	1,303	\$ 9.20	16.7%	\$ 1.54	\$ 1.60	\$ 0.50	\$ 2,002	\$ 2,002
	628,247	1,140	56,574	132,670	816,351						\$ 881,247	\$ 881,247

Federal Universal Service Fund Charge Factor Development
NO PAYPHONE LINES INCLUDED IN MLB LINE COUNTS

State (Note 1)	MLB Lines Subject to FCC End User Charges--Col. 1	MLB Lines Excluding Centrex Col. 2	Centrex Groups < 9 Lines Col. 3	Full Centrex Groups Col. 4	Total PICC Lines Col. 5 = (Cols. 2+3+4)	MLB Lines to PICC Lines Ratio Col. 6 = (Col. 1 / Col. 5)	FCC FUSF Contribution Factor Col. 7	Multi-line Bus. Charge Factor Col. 8 = Col. 7 x Col. 6	Centrex Charge Factor Col. 9 = Col. 8/9
Arizona	240,623	237,627	450	224	238,301	1.009745	0.167000	0.168627	0.018736
Colorado	239,012	234,953	467	315	235,735	1.013903	0.167000	0.169322	0.018814
Idaho (Boise & Spokane LATA)	64,256	60,669	658	210	61,537	1.044185	0.167000	0.174379	0.019375
Montana	36,555	36,117	62	30	36,209	1.009568	0.167000	0.168598	0.018733
New Mexico	87,494	84,897	531	127	85,555	1.022658	0.167000	0.170784	0.018976
Utah	102,899	83,067	671	1,995	85,733	1.200233	0.167000	0.200439	0.022271
Wyoming	38,053	37,196	199	39	37,434	1.016545	0.167000	0.169763	0.018863
Iowa	110,873	109,532	330	50	109,912	1.008743	0.167000	0.168460	0.018718
Minnesota	138,858	110,564	2,262	2,571	115,397	1.203311	0.167000	0.200953	0.022328
Nebraska	42,968	33,611	864	808	35,283	1.217818	0.167000	0.203376	0.022597
North Dakota	15,152	14,245	173	59	14,477	1.046602	0.167000	0.174783	0.019420
South Dakota	29,427	15,700	1,132	1,277	18,109	1.625023	0.167000	0.271379	0.030153
Oregon	97,622	93,188	483	335	94,006	1.038461	0.167000	0.173423	0.019269
Washington	203,192	178,764	1,367	2,250	182,381	1.114105	0.167000	0.186056	0.020673

Note 1: Lines are from August 2015

Note 2: Lines in columns 2 - 5 are determined pursuant to 47 CFR 69.153

Note 3: MLB Lines do not include Payphone Lines

Transmittal No. 75
CLOC F.C.C. Tariff No. 9
Special Construction
Exhibit 3

Interstate Access Rate Development

ICB #: 2014-WO-9JXT2F

VzW

1521 Laing Street, Osage City, KS

Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	25,587
3. Total Investment Cost (Line 1 + Line 2)		25,587
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		25,587

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 8,529	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	1,987	7.77%
10. Federal and State Tax	2,609	10.20%
11. Total Annual Cost (Line 6 thru Line 10)	13,125	51.29%
12. Total Monthly Cost (Line 11 / 12)	1,094	

C. Non-Recurring Cost

13. Non-Recurring Cost	28,430
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 28,430.20
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 32,126.00

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2014-WO-9MHLCU
AT&T
21631 County Road 25, Plainview, MN
Network Elements (1) Site for (1) DS1 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	8,302
3. Total Investment Cost (Line 1 + Line 2)		8,302
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		8,302

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 2,767	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	645	7.77%
10. Federal and State Tax	899	10.82%
11. Total Annual Cost (Line 6 thru Line 10)	4,311	51.92%
12. Total Monthly Cost (Line 11 / 12)	359	

C. Non-Recurring Cost

13. Non-Recurring Cost	9,225
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 9,224.92
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 10,424.00

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2015-NC-9U2NSV
AT&T
4225 ODC Road 1020, Pomona, MO
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	6,100
3. Total Investment Cost (Line 1 + Line 2)		6,100
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		6,100

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 2,033	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	474	7.77%
10. Federal and State Tax	605	9.92%
11. Total Annual Cost (Line 6 thru Line 10)	3,112	51.02%
12. Total Monthly Cost (Line 11 / 12)	259	

C. Non-Recurring Cost

13. Non-Recurring Cost	6,778
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 6,777.79
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 8,133.00

Direct Cost/ Rate
0.8334

Interstate Access Rate Development

ICB #: 2014-MA-9MPNL3

VzW

804 N Fairview Road, Rocky Mount, NC

Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	32,000
3. Total Investment Cost (Line 1 + Line 2)		32,000
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		32,000

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 10,667	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	2,485	7.77%
10. Federal and State Tax	3,243	10.13%
11. Total Annual Cost (Line 6 thru Line 10)	16,395	51.23%
12. Total Monthly Cost (Line 11 / 12)	1,366	

C. Non-Recurring Cost

13. Non-Recurring Cost	35,556
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 35,555.57
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 40,178.00

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2014-NC-9KYF29
AT&T
134 Lawrence Street, Wauseon, OH
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	19,842
3. Total Investment Cost (Line 1 + Line 2)		19,842
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		19,842

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 6,614	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	1,541	7.77%
10. Federal and State Tax	2,081	10.49%
11. Total Annual Cost (Line 6 thru Line 10)	10,236	51.59%
12. Total Monthly Cost (Line 11 / 12)	853	

C. Non-Recurring Cost

13. Non-Recurring Cost	22,047
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 22,047.18
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 24,913.00

Direct Cost/ Rate
0.8850

Interstate Access Rate Development

ICB #: 2013-NC-9CPG8E

VzB

360 Evans City Road, Butler, PA

Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	8,104
3. Total Investment Cost (Line 1 + Line 2)		8,104
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		8,104

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 2,701	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	629	7.77%
10. Federal and State Tax	881	10.87%
11. Total Annual Cost (Line 6 thru Line 10)	4,212	51.97%
12. Total Monthly Cost (Line 11 / 12)	351	

C. Non-Recurring Cost

13. Non-Recurring Cost	9,004
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 9,004.22
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 10,175.00

Direct Cost/ Rate
0.8849

Interstate Access Rate Development

ICB #: 2014-NC-9P7FN4
VzB
100 Witco Lane, Petrolia, PA
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	23,053
3. Total Investment Cost (Line 1 + Line 2)		23,053
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		23,053

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 7,684	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	1,790	7.77%
10. Federal and State Tax	2,507	10.87%
11. Total Annual Cost (Line 6 thru Line 10)	11,982	51.97%
12. Total Monthly Cost (Line 11 / 12)	998	

C. Non-Recurring Cost

13. Non-Recurring Cost	25,614
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 25,614.50
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 28,994.00

Direct Cost/ Rate
0.8834

Interstate Access Rate Development

ICB #: 2014-MA-9NFP5T
VzW
251 Don May Drive, Johnson City, TN
Network Elements (1) Site for (1) DS3 Connection

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment		0
2. Outside Plant Investment	\$	37,514
3. Total Investment Cost (Line 1 + Line 2)		37,514
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)		37,514

B. Annual & Monthly Cost

		<u>% Total Investment</u>
6. Depreciation	\$ 12,505	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	2,913	7.77%
10. Federal and State Tax	3,745	9.98%
11. Total Annual Cost (Line 6 thru Line 10)	19,163	51.08%
12. Total Monthly Cost (Line 11 / 12)	1,597	

C. Non-Recurring Cost

13. Non-Recurring Cost	41,682
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D. Pricing

15.	Proposed Nonrecurring Charge	\$ 41,682.22
16.	Monthly Direct Cost	PRICE FLOOR
17.	PROPOSED NONRECURRING RATE:	\$ 47,101.00

Direct Cost/ Rate
0.8850