



DESCRIPTION AND JUSTIFICATION

CONSOLIDATED COMMUNICATIONS COMPANIES

INTERSTATE ACCESS SERVICES

TARIFF FCC No. 4

(Consolidated Communications of California Company)

ANNUAL 2016 ACCESS CHARGE TARIFF FILING

TRANSMITTAL No. 66

June 16, 2016

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SECTION 1

INTRODUCTION AND SUMMARY

Introduction

The Consolidated Communications Companies, hereby provide a Description and Justification for its limited Tariff Review Plan revisions to F.C.C. Tariff No. 4 (Consolidated Communications of California Company, f/k/a SureWest Telephone). This information is being filed in accordance with the Commission's 2016 TRP Notices released March 16, 2016 and April 13, 2016 (DA 16-274 and DA 16-399 respectively) and fulfills the requirements established in Sections 61.41 through 61.49 of the Commission rules.

Description of SureWest Telephone Operations

Consolidated Communications of California (CCCA, formerly SWTC) provides local service, toll, private line services, access services, DSL, CLASS services, and other modern telecommunications services to its customers. Effective July 2, 2013, SWTC is a price cap company pursuant to FCC Order DA 13-1253¹ that fall under Sections 61.41 through 61.49 of the Commission's Rules and relevant Commission Orders.² They provide local service, toll, private line services, access services, DSL, CLASS services, and other modern telecommunications services to their customers.

Consolidated Communications of California is a Roseville, CA based telecommunications company founded in 1914 by William Doyle as the Roseville Telephone Company; SureWest Telephone became the official name in 2003. SureWest Telephone changed its name to Consolidated Communications of California Company on January 1st, 2016. As an Incumbent Local Exchange Carrier (ILEC) operating solely in California, Consolidated Communications of California serving territory represents 83 square contiguous miles and includes the communities of Roseville, Citrus Heights, Granite Bay, Rocklin, and Antelope, all located in the greater Sacramento, California region. There, Consolidated Communications of California ILEC provides basic telephone services serving approximately 33,000 local access lines as of April 30, 2014. With the purchase of WINfirst in 2002 by SureWest Telephone's holding company, SureWest Communications, service was extended and continues to grow in the greater Sacramento region by the Consolidated Communications affiliate, Consolidated Communications Enterprise Services, a Competitive Local Exchange Carrier (CLEC) serving the communities of Sacramento, Carmichael, Elk Grove, and Lincoln. Consolidated Communications Enterprise Services (CLEC) services provided are telephone, Voice over IP, DSL (15 Mbit/s/1 Mbit/s, 10 Mbit/s/768 kbit/s, 6 Mbit/s/768

¹ See, Order, SureWest Telephone Petition for Conversion from Rate-of-Return to Price Cap Regulation and for Limited Waiver Relief (DA 13-1253, WC Docket No. 13-71)

² See, Order, July 2016 Annual Access Charge Tariff Filings, released March 16, 2016, DA 16-274 ("2016 Filing Order"); and Tariff Review Plans, Material to be filed in support of 2016 Annual filings, DA 16-399, released April 13, 2016 ("2016 TRP Order").

kbit/s, 3 Mbit/s/768 kbit/s, 1 Mbit/s/128 kbit/s), FTTH for competitive local exchange carrier areas up to 50 Mbit/s data both ways, IPTV in HD for copper customers with a bonded DSL modem, and IPTV in HD for FTTH customers. In 2008, SureWest Communications acquired Everest Communications in Kansas and Missouri. Consolidated Communications Enterprise Services now operates in California, Kansas, and Missouri.

On July 2, 2012, SureWest Communications was acquired by Consolidated Communications Holding, Inc. and SureWest Telephone became a subsidiary of a Price Cap Holding Company and subsequently renamed Consolidated Communications of California Company.

SECTION 2 OVERVIEW OF FILING PACKAGE

Tariff Support Material

This support material is submitted pursuant to Part 61.49 of the Federal Communications Commission (Commission) Rules and Regulations and the Order issued in WC Docket No. 16-71, July, 2016 Annual Access Charge Tariff Filings released March 16, 2016, and Tariff Review Plans issued in WC Docket No. 16-71, Material to be Filed in Support of 2016 Annual Access Tariff Filings, released April 13, 2016.

In addition to the description and justification contained in this volume, the following information is submitted to provide specific support data at the proposed tariff level of detail for the Consolidated local operating companies.

Description and Justification

- Exhibit 1 – Consolidated Local Operating Companies and Study Area Designators
- Exhibit 2 – PCI Development
- Exhibit 3 – Price Cap Revenue Impact Analysis

Files:

- Tariff Review Plan (Excel file SWTCAN16.xls)***
- Rate Detail (Excel file SWTCA16a.xls)***
- Eligible Recovery Spreadsheet (Excel file CCTCER16.xls)***
- Eligible Recovery Summary File (Excel file CCTCERSUM16.xls)***

Confidential Files:

- Access Reduction Spreadsheet (Excel file SWTCAR16.xls)***
- Recip Comp Spreadsheet (Excel file CCTCRC16.xls)***
- ARC Spreadsheet (Excel file CCTCARC16.xls)***
- ARC True Up Form (Excel file CCTCARCTRUE16.xls)***
- Tariff Rate Comparison (Excel file CCTCTRC16.xls)***

SECTION 3 TARIFF SUPPORT

PCI Development

In Accordance with the Commission's Rules, the PCI for each service basket were calculated as shown in Exhibit 2, RDEV-1, Page 1 of 3. A GDP-PI factor of 1.099% was used in calculating the PCI and is based on the percentage change in the Gross Domestic Product Price Index (GDP-PI) between the quarter ending December 31, 2015 and the corresponding quarter of the 2014 GDP-PI.

As directed by the Commission,³ a workpaper identifying the transmittal or letter filing date where the last index changes were implemented for the price cap categories has been included in Exhibit 2, RDEV-1, Page 3. Also, pursuant to FCC 12-154,⁴ Consolidated has excluded ICLS receipts from its CMT PCI calculations.

The prospective PCI values for the Special Access Basket are calculated using formula found in 61.45(b) of the Commission's rules. Calculation of PCI values is shown in Exhibit 2, RDEV-1, Page 1 of 3.

Determination of Exogenous Changes

In Accordance with the Commission's Rules, Consolidated developed certain exogenous changes for inclusion in the price cap formula. These changes include: (1) North American Number Plan Administration; (2) Regulatory Fees; and (3) Telecommunications Relay Service Fees.

Exogenous cost changes were individually developed for each of the items outlined above, and in the aggregate for all changes. Consolidated used base year 2014 (time of its last tariff filing) to estimate exogenous costs embedded in rates. Consolidated has also normalized the exogenous amounts to reflect any shift in revenue growth. The result is that no exogenous adjustment is made if the support rate has not changed. In other words, the rate per line remains unchanged if the factor is unchanged. A brief description of each change follows and a summary of the exogenous changes is shown in Exhibit 2, RDEV-1.

³ 2016 TRP Notice, *Supra.*, Paragraph 14.

⁴ See, Order, SureWest Telephone Petition for Conversion from Rate-of-Return to Price Cap Regulation and for Limited Waiver Relief (DA 13-1253, WC Docket No. 13-71) para 19

North American Numbering Plan Administration

On June 27, 2001, the Federal Communications Commission release an order approving the compensation plan for the North American Numbering Plan Administration (NANPA) for fiscal year 2001.⁵ The Commission reviewed and accepted the North American Numbering Plan Administrator submission and ordered that a contribution factor of 0.0000387.⁶ This factor is used as an estimate for application to end user revenues of each telecommunications carrier in the United States to fund the program for the 2015 fiscal year (July 2015 to June 2016). The impact of the NANPA support has been included as an exogenous cost in this filing as shown in Exhibit 2, RDEV-1.

Regulatory Fees

Earlier Commission decisions⁷ allow local exchange companies to reflect the impact of regulatory fees as an exogenous cost in annual price cap filings. The impact of regulatory fee changes for the July 2016 – June 2017 fiscal year was calculated using a factor of .00370 as prescribed in the Commission's *Regulatory Fee Order*,⁸ and has been used as an estimate and included as an exogenous cost in this filing and is shown in Exhibit 2, RDEV-1.

Telecommunications Relay Service

The Americans with Disabilities Act (ADA) required that all common carriers providing interstate voice telecommunications provide Telecommunications Relay Service (TRS) to customers effective July 26, 1993. In its *Third Report and Order* in CC Docket No. 90-571,⁹ the Commission required that all common carriers providing interstate telecommunications services contribute to an interstate shared fund to support the TRS function. The impact of the TRS exogenous cost for this filing is calculated using the .01862 as estimated in the May 9, 2016 FCC submission by Rolka Loube Saltzer Assoc. (RLSA)¹⁰ and is displayed on Exhibit 2, RDEV-1.

⁵ *In the Matter of Administration of the North American Number Plan*, CC Docket No. 92-237 and *North American Number Plan Cost Recovery Contribution Factor and Fund Size*, NDS File No. L-00-72, Order (DA 01-1524), released June 7, 2001 (NANP Order)

⁶ *In the Matter of Administration of the North American Numbering Plan*, Proposed North American Numbering Plan Administration Fund Size Estimate and Contribution Factor for July 2015 through June 2016, Public Notice DA 15-670, CC Docket No. 92-237, released June 8, 2015.

⁷ *Price Cap Treatment of Regulatory Fees Imposed by Section 9 of the Communications Act*, 9 FCC 6060 (1994), erratum (November 2, 1994).

⁸ *In the Matter of Assessment and Collection of Regulatory Fees for Fiscal Year 2016*, Notice of Proposed Rulemaking, (filed May 19, 2016) FCC Order 16-61, MD Docket 16-166 (*Regulatory Fee Order*).

⁹ *In the Matter of Telecommunications Relay Services and the Americans with Disabilities Act of 1990*, Third Report and Order, CC Docket No. 90-571, released July 20, 1993 (*Third Report and Order*).

¹⁰ *Rolka Loube Associates submits payment formulas and funding requirement for the interstate telecommunications relay services fund for the 2016 - 17 fund year*, FCC Public Notice, (filed May 9, 2016, DA 16-518, CG Docket 03-123 (*TRS Order*)).

Rate Detail and other Exhibits

Rate Detail files will be submitted as part of the Consolidated TRP submission to display demand quantities, current rates, proposed rates, and the associated quantities for the specific baskets. For CMT, proposed SLC rates are set at current capped levels pursuant to Consolidated's price cap order¹¹ and PCCC and CCL rates continue to be zero. For non-CMT baskets, PCI, SBI, and sub-index calculations are shown.

Consolidated also includes a revenue impact analysis in Exhibit 3, RDET1 to display overall impacts of any rate changes in the filing.

Additional Forms were added as a result of the November 18, 2011, release of the *USF/ICC Transformation Order*,¹² and are attached as exhibits to the filing as follows:

ARC Spreadsheet (CONFIDENTIAL) – The ARC Spreadsheet demonstrates the calculations necessary to arrive at an ARC rate for filing carriers. This is a new spreadsheet in the TRP created to comply with section 51.915(e) of the Commission's rules.¹³

ARC True Up Spreadsheet (CONFIDENTIAL) – The ARC True up reconciles the 2014 projected ARCs to actual counts as an adjustment to Eligible Recovery.

Access Reduction Spreadsheet (CONFIDENTIAL) – The Access Reduction spreadsheet identifies the rates that are required to be reduced pursuant to section 51.907(b)-(g) of the Commission's rules and calculates the amount of the reductions. The spreadsheets also show the calculation of a price cap ILEC's eligible recovery pursuant to section 51.915(d) of the Commission's rules. This is a new spreadsheet in the TRP created to comply with sections 51.907(b)-(g) and 51.915(d) of the Commission's rules.¹⁴

The Access Reduction Spreadsheet establishes the rates in effect as of December 29, 2011, for both its intrastate and interstate components (see columns A and B). To determine "billed" and "collected" revenue, Consolidated used the following review and analyses:

Billed / Collected Revenue

SureWest uses an Access Billing System licensed through Communications Data Group (CDG) for billing their Switched Access services.

¹¹ See, Order, Joint Petition of Price Cap Holding Companies for Conversion of Average Schedule Affiliates to Price Cap Regulation and for Limited Waiver Relief (FCC 12-154, WC Docket No. 12-63) para 31.

¹² See *USF/ICC Transformation Order*, 26 FCC Rcd at 17934-35, para. 801 (although many of the switched access rate elements are subject to the transition adopted, other rates are not being specifically reduced at this time.) See also *id.* At 18109-115, paras. 1297-1314 (seeking comment on the appropriate transition for rate elements not specifically addressed in the Order).

¹³ 47 C.F.R. §51.915(e)

¹⁴ *Id.* At §§ 51.907(b)-(g), 51.915(d).

To determine the FY2011 earned revenue, SureWest downloaded monthly billing details for the billing period of 11/1/2010 through 10/1/2011, which represents the data period of 10/1/2010 through 9/30/2011. Using the monthly reports, SureWest performed several data filters to extrapolate demand and revenue by carrier, jurisdiction, direction, and access billing element. SureWest filtered out any prior period billing from these data exports. The filtered data was then copied into the fiscal year summary.

To determine the actual collected revenue as of March 31, 2012, SureWest evaluated the Carrier Aging Report as of April 1, 2012. Using this report SureWest was able to identify any carrier with unpaid balances as of that date. From there, SureWest reviewed the actual carrier bills to determine any portion of the unpaid balance that was specific to the fiscal year earned revenue, by carrier, by jurisdiction, and by access rate element. SureWest excluded all Late Payment Charges (LPC) in this analysis. After adjusting to exclude LPC and revenue earned outside of the fiscal year period, only a small balance remained on the aging reports. SureWest determined the portion of the aged balance that was specific to terminating access by using a factor developed from the actual billed data for the period representing the unpaid amount. This resulted in making an adjustment for two carriers totaling \$178 applicable to the fiscal year Intrastate, terminating switched access earned revenue.

Reciprocal Compensation Spreadsheet (CONFIDENTIAL) – The Reciprocal Compensation spreadsheet demonstrates the calculations necessary to comply with section 51.705 of the Commission’s rules and calculates the eligible recovery for reciprocal compensation rate reductions pursuant to section 51.915(d). This is a new spreadsheet in the TRP created to comply with section 51.705 and 51.915(d) of the Commission’s rules.¹⁵

Eligible Recovery Spreadsheet - The Eligible recovery sheet is created to summarize eligible recovery outputs by operating company from the access reduction, reciprocal compensation, and TRP exogenous forms.

Summary Eligible Recovery Sheet – This sheet is created for FCC tracking of eligible revenue and lines over the 2 year period of the order.

Tariff Rate Comparison (CONFIDENTIAL) – The Tariff Rate Comparison sheet is created to show the implementation of ARC rates in exchanges in relation to the FCC revenue benchmark restrictions in the ICC Transformation Order.

¹⁵ *Id.* At §§ 51.705, 51.915(d).

Exhibit 1

Consolidated Communications Operating Companies and Study Area Designators

**Consolidated Communications Operating Companies
And Study Areas**

Operating Company

COSA

Consolidated Communications of California Company

SWTC

Exhibit 2

PCI Development

Filing Date: 06/16/2016
Filing Entity: Consolidated Communications of California Company
Transmittal Number: 66
July 1, 2016 Access Charge TRP Filing (SWTCAN16.xls)

	Common Line (A)	Interexchange (D)	Special (E)
1. Revenues (R)	3,119,860	0	11,813,538
2. Exogenous Changes (Z)	12,346	0	7,243
a. EDFIT / ITC / Access Cost Changes	0	0	0
b. Telecom. Relay Service Changes	10,457	0	6,135
c. Lower Formula Adjustment (LFAM)	0	0	0
d. Regulatory Fee Support Changes	1,889	0	1,108
e. North Americal Numbering Plan Admin.	0	0	0
3. Z/R = (Ln 2 / Ln 1)	0.003957	0.000000	0.000613
4. W = ((Ln 1 + Ln 2) / R)	1.003957	0.000000	1.000613
5. GDP-PI Chain Weighted (4 Qtr 2012)	110.2870	110.2870	110.2870
6. GDP-PI Chain Weighted (4 Qtr 2011)	109.0810	109.0810	109.0810
7. Percent Change in GDP-PI (I) ((Ln 5 - Ln 6) / Ln 6) * 100	1.0999%	1.0999%	1.0999%
8. Productivity (X)	N/A	3.0000%	1.099900%
9. GDP-PI - X (Ln 8 - Ln 7)	N/A	-1.9001%	0.0000%
10. Growth Rate of CCL MOU/Line (g)	-2.0771%	N/A	N/A
11. Existing PCI	0.0000	0.0000	100.0000
12. Targeted Revenue Differential TRP Form TGT- 1 r1100	N/A	N/A	N/A
13. Prop. PCI (NonExog Only: Annual Filing col.b&c: Ln 11; col.e: Ln 11 * (1+ Ln 9) SBI Upper Limit calculations only)	N/A	0.0000	100.0000
14. Proposed PCI col.b&c: Ln 11 * (1+ Ln 3 + Ln 12 / Ln 1) col.d&e: Ln 11 * (1+ Ln 3 + Ln 4 * Ln 9)	N/A	0.0000	100.0613

Filing Date: 06/16/2016
Filing Entity: Consolidated Communications of California Company
Transmittal Number: 66

July 1, 2016 Annual Price Cap Filing (CCTXAN16.XLS)
Exogenous Cost Changes Detail

2014 Annual		2015 Annual		2016 Annual	
Total	Interstate	FCC 15-59	DA 15-612	DA 15-670	
End User Revenues	5/21/2015	5/21/2015	5/20/2015	6/8/2015	
(A)	(B)	(C)	(D)	(E)	
28,753,193	11,760,305	38,691	192,201	1,113	
100.00%	100.00%				

2015 Annual		2016 Annual		2017 Annual	
Total	Interstate	FCC 16-61	DA 16-518	DA 16-570	
End User Revenues	5/19/2016	5/19/2016	5/19/2016	5/19/2016	
(A)	(B)	(C)	(D)	(E)	
24,623,072	7,309,141	27,044	136,096	953	
100.00%	100.00%				

Telecommunications Relay Service Support:					
DA 15-612 - 0.01635 Factor 2014 Revenue - D					
DA 14-946 - 0.0 = F					
DA 16-518 - 0.01662 Factor 2015 Revenue - D					
% Price Cap Allocation					
Price Cap Exogenous Amount	192,281	136,096			
FCC 2014 Price Cap Interstate End User Revenue	100.00%	100.00%			
FCC 2015 Price Cap Interstate End User Revenue	192,281	136,096			
Revenue Change (R)	7,309,141	136,096			
Price Cap Only with R Adj	-37.65%	136,096	16,592		

North American Numbering Plan Administration:					
DA 15-670 - 0.0000387 Factor 2014 Revenue - E					
DA 14-792 - 0.0000 = F					
DA 15-670 - 0.0000387 Factor 2015 Revenue - E					
% Price Cap Allocation					
Price Cap Exogenous Amount	1,113	953			
FCC 2014 Total End User Revenue	100.00%	100.00%			
FCC 2015 Total End User Revenue	1,113	953			
Revenue Change (R)	28,753,193	24,623,072			
Price Cap Only with R Adj	-14.36%	953	953		

Regulatory Fee Support:					
FCC 15-59 - 0.00329 Factor 2014 Revenue - C					
FCC 14-129 - 0.000 = F					
FCC 16-61 - 0.00370 Factor 2015 Revenue - C					
% Price Cap Allocation					
Price Cap Exogenous Amount	38,691	27,044			
FCC 2014 Price Cap Interstate End User Revenue	100.00%	100.00%			
FCC 2015 Price Cap Interstate End User Revenue	38,691	27,044			
Revenue Change (R)	11,760,305	7,309,141			
Price Cap Only with R Adj	-37.85%	24,047	27,044	2,997	

499A 2015 Interstate End User Revenues					
Allocation Basis					
Telecom Relay Support					
MANPA					
Regulatory Fee Support:					
Common Line	4,606,627	2,702,514	7,309,141		
Special	63.03%	36.97%	16.592		
	10,457	6,135	2,997		
	1,889	1,108	19,988		
	12,346	7,243			

IND-1

Filing Date: 06/16/2016

Filing Entity: Consolidated Communications of California Company

Transmittal Number: 66

July 1, 2016 Access Charge TRP Filing (SWTCAN16.xls)

Price Cap Tariff Review Plan
Indices

	EXISTING PCI (E)	EXISTING API (F)	EXISTING SBI (G)	EXISTING SBI LIMIT (H)	7/01/2016 PCI (I)	7/01/2016 SBI (J)
<u>Common Line Basket</u>						
100 Total Common Line	N/A	N/A	N/A	N/A	N/A	N/A
<u>Interexchange Basket</u>						
600 Total Interexchange	Trans.No. 36	Trans.No. 36	N/A	N/A	Trans.No. 36	N/A
<u>Special Access Basket</u>						
720 VG/WATS, Met, Tgh - Special	N/A	N/A	Trans.No. 36	Trans.No. 36	N/A	Trans.No. 36
721 VG Spec Density Zone 1	N/A	N/A	N/A	N/A	N/A	N/A
722 VG Spec Density Zone 2	N/A	N/A	N/A	N/A	N/A	N/A
723 VG Spec Density Zone 3	N/A	N/A	N/A	N/A	N/A	N/A
724 VG Spec Density Zone 4	N/A	N/A	N/A	N/A	N/A	N/A
725 VG Spec Density Zone 5	N/A	N/A	N/A	N/A	N/A	N/A
726 VG Spec Density Zone 6	N/A	N/A	N/A	N/A	N/A	N/A
727 VG Spec Density Zone 7	N/A	N/A	N/A	N/A	N/A	N/A
730 Audio & Video	N/A	N/A	Trans.No. 36	Trans.No. 36	N/A	Trans.No. 36
731 Audio/Video Density Zone 1	N/A	N/A	N/A	N/A	N/A	N/A
732 Audio/Video Density Zone 2	N/A	N/A	N/A	N/A	N/A	N/A
733 Audio/Video Density Zone 3	N/A	N/A	N/A	N/A	N/A	N/A
734 Audio/Video Density Zone 4	N/A	N/A	N/A	N/A	N/A	N/A
735 Audio/Video Density Zone 5	N/A	N/A	N/A	N/A	N/A	N/A
736 Audio/Video Density Zone 6	N/A	N/A	N/A	N/A	N/A	N/A
737 Audio/Video Density Zone 7	N/A	N/A	N/A	N/A	N/A	N/A
740 High Cap & DDS - Special	N/A	N/A	Trans.No. 36	Trans.No. 36	N/A	Trans.No. 66
750 DS-1 SubCat - Special	N/A	N/A	Trans.No. 36	Trans.No. 36	N/A	Trans.No. 66
751 DS1 Spec Density Zone 1	N/A	N/A	N/A	N/A	N/A	N/A
752 DS1 Spec Density Zone 2	N/A	N/A	N/A	N/A	N/A	N/A
753 DS1 Spec Density Zone 3	N/A	N/A	N/A	N/A	N/A	N/A
754 DS1 Spec Density Zone 4	N/A	N/A	N/A	N/A	N/A	N/A
755 DS1 Spec Density Zone 5	N/A	N/A	N/A	N/A	N/A	N/A
756 DS1 Spec Density Zone 6	N/A	N/A	N/A	N/A	N/A	N/A
757 DS1 Spec Density Zone 7	N/A	N/A	N/A	N/A	N/A	N/A
760 DS-3 SubCat - Special	N/A	N/A	Trans.No. 36	Trans.No. 36	N/A	Trans.No. 36
761 DS3 Spec Density Zone 1	N/A	N/A	N/A	N/A	N/A	N/A
762 DS3 Spec Density Zone 2	N/A	N/A	N/A	N/A	N/A	N/A
763 DS3 Spec Density Zone 3	N/A	N/A	N/A	N/A	N/A	N/A
764 DS3 Spec Density Zone 4	N/A	N/A	N/A	N/A	N/A	N/A
765 DS3 Spec Density Zone 5	N/A	N/A	N/A	N/A	N/A	N/A
766 DS3 Spec Density Zone 6	N/A	N/A	N/A	N/A	N/A	N/A
767 DS3 Spec Density Zone 7	N/A	N/A	N/A	N/A	N/A	N/A
770 DDS&Other Sp Density Zone 1	N/A	N/A	N/A	N/A	N/A	N/A
771 DDS&Other Sp Density Zone 2	N/A	N/A	N/A	N/A	N/A	N/A
772 DDS&Other Sp Density Zone 3	N/A	N/A	N/A	N/A	N/A	N/A
773 DDS&Other Sp Density Zone 4	N/A	N/A	N/A	N/A	N/A	N/A
774 DDS&Other Sp Density Zone 5	N/A	N/A	N/A	N/A	N/A	N/A
775 DDS&Other Sp Density Zone 6	N/A	N/A	N/A	N/A	N/A	N/A
776 DDS&Other Sp Density Zone 7	N/A	N/A	N/A	N/A	N/A	N/A
790 Wideband	N/A	N/A	Trans.No. 36	Trans.No. 36	N/A	Trans.No. 36
791 WB Density Zone 1	N/A	N/A	N/A	N/A	N/A	N/A
792 WB Density Zone 2	N/A	N/A	N/A	N/A	N/A	N/A
793 WB Density Zone 3	N/A	N/A	N/A	N/A	N/A	N/A
794 WB Density Zone 4	N/A	N/A	N/A	N/A	N/A	N/A
795 WB Density Zone 5	N/A	N/A	N/A	N/A	N/A	N/A
796 WB Density Zone 6	N/A	N/A	N/A	N/A	N/A	N/A
797 WB Density Zone 7	N/A	N/A	N/A	N/A	N/A	N/A
899 Total Special Access	Trans.No. 36	Trans.No. 36	N/A	N/A	Trans.No. 36	N/A

Exhibit 3

Revenue Impact

TRP

July 1, 2016 Access Charge TRP Filing (SWTCAN16.xls)
IMPACT ANALYSIS FOR INDUSTRY

Basket Description	Demand Times	Demand Times	Difference (C) = (B) - (A)	% Difference (D) = (C)/(A)
	Current Rate (A)	Proposed Rate (B)		
Common Line Basket				
End User Common Line	\$3,119,860	\$3,119,860	\$0	0.00%
Common Line per MOU	\$0	\$0	\$0	0.00%
PICC Common Line	\$0	\$0	\$0	0.00%
Other Common Line	\$0	\$0	\$0	0.00%
Total Common Line	\$3,119,860	\$3,119,860	\$0	0.00%
Special Access Basket				
VoiceGrade/WATS - NonDZ	\$532	\$532	\$0	0.00%
Audio & Video - NonDZ	\$0	\$0	\$0	0.00%
Total High Cap/DDS	\$11,582,735	\$11,589,978	\$7,243	0.06%
Total High Cap - DS1 - Special	\$7,093,860	\$7,101,102	\$7,243	0.10%
High Cap - DS1 - SP - DZ1	\$0	\$0	\$0	0.00%
High Cap - DS1 - SP - DZ2	\$0	\$0	\$0	0.00%
High Cap - DS1 - SP - DZ3	\$0	\$0	\$0	0.00%
High Cap - DS1 - SP - NonDZ	\$7,093,860	\$7,101,102	\$7,243	0.10%
Total High Cap - DS3 - Special	\$3,815,665	\$3,815,665	\$0	0.00%
High Cap - DS3 - SP - DZ1	\$0	\$0	\$0	0.00%
High Cap - DS3 - SP - DZ2	\$0	\$0	\$0	0.00%
High Cap - DS3 - SP - DZ3	\$0	\$0	\$0	0.00%
High Cap - DS3 - SP - Non DZ	\$3,815,665	\$3,815,665	\$0	0.00%
High Cap - Digital Data NonDZ	\$673,211	\$673,211	\$0	0.00%
Wideband - Non-Zone	\$230,270	\$230,270	\$0	0.00%
Total Special Access Basket	\$11,813,538	\$11,820,780	\$7,243	0.06%
Grand Total	\$14,933,398	\$14,940,641	\$7,243	0.05%