

	Total Company (A)	Part 64 Adjustments (B)	Other Adjustments (C)	Subject to Separations (D)	Total Interstate (E)	Billing & Collection (F)
Revenues						
100 Network Access	n/a	n/a	n/a	n/a	n/a	n/a
110 Uncollectibles	n/a	n/a	n/a	n/a	n/a	n/a
120 Common Line Support	n/a	n/a	n/a	n/a	n/a	n/a
130 Long Term	n/a	n/a	n/a	n/a	n/a	n/a
140 Transitional	n/a	n/a	n/a	n/a	n/a	n/a
150 Miscellaneous	n/a	n/a	n/a	n/a	n/a	n/a
160 Net Revenues	----	----	----	----	----	----
Expenses						
170 Plant Specific	n/a	n/a	n/a	n/a	42,709	0
171 Network Support	0	0	0	0	0	0
172 General Support	4,673	0	0	4,673	2,603	0
173 Central Office	34,310	0	0	34,310	12,266	0
174 Operator Systems	0	0	0	0	0	0
175 COE Switching	15,718	0	0	15,718	5,619	0
176 COE Transmission	18,592	0	0	18,592	6,647	0
177 IOT	0	0	0	0	0	0
178 Cable & Wire Facilities	48,977	0	0	48,977	27,840	0
180 Plant Non-Sp. Less Dep/Amor	n/a	n/a	n/a	n/a	10,117	0
190 Depreciation / Amortization	185,137	0	0	185,137	95,096	0
200 Customer Operations	n/a	n/a	n/a	n/a	10,801	2,182
201 Marketing	408	0	0	408	8	0
202 Local Business Office	7,683	0	0	7,683	790	352
203 Revenue Accounting	21,538	0	0	21,538	8,374	201
204 Other Billing & Collection	5,461	0	0	5,461	1,629	1,629
210 Access	n/a	n/a	n/a	n/a	6,463	n/a
220 Corporate Operations	n/a	n/a	n/a	n/a	53,802	1,845
230 AFUDC	n/a	n/a	n/a	n/a	n/a	n/a
240 Other Exp. & Adjustments	n/a	n/a	n/a	n/a	0	0
250 Taxes Other than FIT	n/a	n/a	n/a	n/a	1,802	0
260 Total Exp and Other Taxes	n/a	n/a	n/a	n/a	214,327	4,027
FIT Adjustments						
270 Adjustment for FIT	0	0	0	0	0	0
280 Amortized ITC	0	0	0	0	0	0
290 Federal Income Taxes	n/a	n/a	n/a	n/a	0	n/a
300 Total Expenses & Taxes	n/a	n/a	n/a	n/a	214,327	n/a
Telephone Plant in Service						
310 General Support	457,155	0	0	457,155	244,198	0
320 Central Office Equip-Switch	0	0	0	0	0	0
321 Operator Systems	0	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0	0
323 Local Switching Cat. 3	0	0	0	0	0	0
324 Equal Access	0	0	0	0	0	0
330 Central Office Equip-Trans	433,863	0	0	433,863	171,338	0
331 Subscriber Lines	301,761	0	0	301,761	75,079	0
332 Exchange Circuit	3,703	0	0	3,703	49,108	0
333 Interexchange Circuit	128,399	0	0	128,399	47,151	0
334 Host Remote	0	0	0	0	0	0
340 Cable & Wire	2,471,343	0	0	2,471,343	391,481	0
341 Subscriber Lines	2,357,064	0	0	2,357,064	334,332	0
342 Exchange	16,243	0	0	16,243	16,243	0
343 Interexchange	98,036	0	0	98,036	40,906	0
344 Host Remote	0	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	0	0	0	0
360 Amortizable Assets	0	0	0	0	0	0
370 Total Plant In Service	3,362,361	0	0	3,362,361	807,017	0
Adjustments to TPIS						
380 Depr / Amor Reserve	1,934,694	0	0	1,934,694	1,023,854	0
390 Accum Deferred Income Tax	137,158	0	0	137,158	73,380	0
400 Other Rate Base Adjust.	n/a	n/a	n/a	n/a	6,057	0
Return Data						
410 Average Rate Base	n/a	n/a	n/a	n/a	(284,160)	n/a
420 Return	n/a	n/a	n/a	n/a	n/a	n/a
430 Rate of Return	n/a	n/a	n/a	n/a	n/a	n/a

	Interstate Inter- exchange (G)	ROR Regulated I/S Access (H)	Pay Phone (I)	Inside Wire (J)	BFP (K)	Total Common Line (L)	Total Switched Traffic Sensitive (M)	Special Access (N)
Revenues								
100 Network Access	n/a	0	0	0	0	0	0	0
110 Uncollectibles	n/a	0	0	0	0	0	0	0
120 Common Line Support	n/a	0	0	0	0	0	n/a	n/a
130 Long Term	n/a	0	0	0	0	0	n/a	n/a
140 Transitional	n/a	0	0	0	0	0	n/a	n/a
150 Miscellaneous	n/a	0	0	0	0	0	0	0
160 Net Revenues	n/a	0	0	0	0	0	0	0
Expenses								
170 Plant Specific	0	42,709	0	0	10,215	10,215	6,153	3,591
171 Network Support	0	0	0	0	0	0	0	0
172 General Support	0	2,603	0	0	676	676	27	186
173 Central Office	0	12,266	0	0	2,913	2,913	6,004	2,395
174 Operator Systems	0	0	0	0	0	0	0	0
175 COE Switching	0	5,619	0	0	0	0	5,619	0
176 COE Transmission	0	6,647	0	0	2,913	2,913	385	2,395
177 IOT	0	0	0	0	0	0	0	0
178 Cable & Wire Facilities	0	27,840	0	0	6,626	6,626	122	1,010
180 Plant Non-Sp. Less Dep/Amor	0	10,117	0	0	7,412	7,412	37	261
190 Depreciation / Amortization	0	95,096	0	0	26,073	26,073	1,339	9,021
200 Customer Operations	0	8,619	0	0	726	726	110	763
201 Marketing	0	8	0	0	2	2	0	1
202 Local Business Office	0	438	0	0	437	437	0	0
203 Revenue Accounting	0	8,173	0	0	287	287	109	762
204 Other Billing & Collection	0	0	0	0	0	0	0	0
210 Access	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
220 Corporate Operations	0	51,957	0	0	15,519	15,519	5,328	3,903
230 AFUDC	n/a	0	0	0	0	0	0	0
240 Other Exp. & Adjustments	0	0	0	0	0	0	0	0
250 Taxes Other than FIT	0	1,802	0	0	1,479	1,479	(72)	395
260 Total Exp and Other Taxes	0	210,300	0	0	61,424	61,424	12,895	17,934
FIT Adjustments								
270 Adjustment for FIT	0	0	0	0	0	0	0	0
280 Amortized ITC	0	0	0	0	0	0	0	0
290 Federal Income Taxes	n/a	4,967	0	0	3,307	3,307	694	966
300 Total Expenses & Taxes	n/a	215,267	0	0	64,731	64,731	13,589	18,900
Telephone Plant in Service								
310 General Support	0	244,198	0	0	63,432	63,432	2,497	17,464
320 Central Office Equip-Switch	0	0	0	0	0	0	0	0
321 Operator Systems	0	0	0	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0	0	0	0
323 Local Switching Cat. 3	0	0	0	0	0	0	0	0
324 Equal Access	0	0	0	0	0	0	0	0
330 Central Office Equip-Trans	0	171,338	0	0	75,079	75,079	9,935	61,749
331 Subscriber Lines	0	75,079	0	0	75,079	75,079	0	0
332 Exchange Circuit	0	49,108	0	0	0	0	0	24,533
333 Interexchange Circuit	0	47,151	0	0	0	0	9,935	37,216
334 Host Remote	0	0	0	0	0	0	0	0
340 Cable & Wire	0	391,481	0	0	334,332	334,332	6,180	50,969
341 Subscriber Lines	0	334,332	0	0	334,332	334,332	0	0
342 Exchange	0	16,243	0	0	0	0	0	16,243
343 Interexchange	0	40,906	0	0	0	0	6,180	34,726
344 Host Remote	0	0	0	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	0	0	0	0	0	0
360 Amortizable Assets	0	0	0	0	0	0	0	0
370 Total Plant In Service	0	807,017	0	0	472,843	472,843	18,612	130,182
Adjustments to TPIS								
380 Depr / Amor Reserve	0	1,023,854	0	0	269,420	269,420	11,396	78,833
390 Accum Deferred Income Tax	0	73,380	0	0	19,020	19,020	739	5,181
400 Other Rate Base Adjust.	0	6,057	0	0	1,573	1,573	62	433
Return Data								
410 Average Rate Base	n/a	(284,160)	0	0	185,976	185,976	6,539	46,601
420 Return	n/a	(215,267)	0	0	(64,731)	(64,731)	(13,589)	(18,900)
430 Rate of Return	11.00%	75.76%	0.00%	0.00%	-34.81%	-34.81%	-207.81%	-40.56%

COS-2
Filing Date: 6/16/2016
Filing Entity: Ace Telephone Company of Michigan, Inc. - Drent
Transmittal Number: 2
COSA: 310692

Rate-of-Return TRP
7/16- 6/17
Versus 2015 Actual

Page 1 of 3

	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/16- 6/17						
Revenue Requirement						
100 Depreciation/Amortization	0	0	0	0	0	0
105 Expense Less Dep & Amor	0	0	0	0	0	n/a
110 Taxes Less FIT	0	0	0	0	n/a	n/a
115 Return	0	0	0	n/a	n/a	n/a
120 FIT	0	0	0	n/a	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
130 Revenue Requirement	0	0	0	n/a	n/a	n/a
135 Access Service Revenue	0	0	0	n/a	n/a	n/a
	----	----	----	----	----	----
Rate Base						
140 Telephone Plant in Service	0	0	0	0	0	0
145 Rate Base Adjustments	0	0	0	0	0	n/a
150 Depreciation Reserves	0	0	0	0	0	0
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	0	0	0	0	0	n/a
Actual, 1/15- 12/15						
Revenue Requirement						
200 Depreciation/Amortization	26,073	1,339	9,021	0	95,096	185,137
205 Expense Less Dep & Amor	33,872	11,628	8,518	4,027	117,429	n/a
210 Taxes Less FIT	1,479	(72)	395	0	n/a	n/a
215 Return	(64,731)	(13,589)	(18,900)	n/a	n/a	n/a
220 FIT	3,307	694	966	n/a	n/a	n/a
225 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
230 Revenue Requirement	0	0	0	n/a	n/a	n/a
235 Access Service Revenue	0	0	0	n/a	n/a	n/a
	----	----	----	----	----	----
Rate Base						
240 Telephone Plant in Service	472,843	18,612	130,182	0	807,017	3,362,361
245 Rate Base Adjustments	1,573	62	433	0	6,057	n/a
250 Depreciation Reserves	269,420	11,396	78,833	0	1,023,854	1,934,694
255 Accum Deferred Income Tax	19,020	739	5,181	0	73,380	137,158
260 Average Rate Base	185,976	6,539	46,601	0	239,116	n/a

COS-2
Filing Date: 6/16/2016 Rate-of-Return TRP
Filing Entity: Ace Telephone Company of Michigan, Inc. - Drent 7/16- 6/17
Transmittal Number: 2 Versus 2015 Actual
COSA: 310692

	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/15 - 6/16						
Revenue Requirement						
100 Depreciation/Amortization	0	0	0	0	0	0
105 Expense Less Dep & Amor	0	0	0	0	0	n/a
110 Taxes Less FIT	0	0	0	0	n/a	n/a
115 Return	0	0	0	0	n/a	n/a
120 FIT	0	0	0	0	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	0	n/a	n/a
130 Revenue Requirement	0	0	0	0	n/a	n/a
135 Access Service Revenue	0	0	0	0	n/a	n/a
	----	----	----	----	----	----
Rate Base						
140 Telephone Plant in Service	0	0	0	0	0	0
145 Rate Base Adjustments	0	0	0	0	0	n/a
150 Depreciation Reserves	0	0	0	0	0	0
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	0	0	0	0	0	n/a
Actual, 1/14 - 12/14						
Revenue Requirement						
200 Depreciation/Amortization	0	0	0	0	0	0
205 Expense Less Dep & Amor	0	0	0	0	0	n/a
210 Taxes Less FIT	0	0	0	0	0	n/a
215 Return	0	0	0	0	0	n/a
220 FIT	0	0	0	0	0	n/a
225 Uncol., IDC & Other Adj.	0	0	0	0	0	n/a
230 Revenue Requirement	0	0	0	0	0	n/a
235 Access Service Revenue	0	0	0	0	n/a	n/a
	----	----	----	----	----	----
Rate Base						
240 Telephone Plant in Service	0	0	0	0	0	0
245 Rate Base Adjustments	0	0	0	0	0	n/a
250 Depreciation Reserves	0	0	0	0	0	0
255 Accum Deferred Income Tax	0	0	0	0	0	0
260 Average Rate Base	0	0	0	0	0	n/a

COS-2
Filing Date: 6/16/2016 Rate-of-Return TRP
Filing Entity: Ace Telephone Company of Michigan, Inc. - Drent 7/16- 6/17
Transmittal Number: 2 Versus 2015 Actual
COSA: 310692

	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/14 - 6/15						
Revenue Requirement						
100 Depreciation/Amortization	0	0	0	0	0	0
105 Expense Less Dep & Amor	0	0	0	0	0	n/a
110 Taxes Less FIT	0	0	0	0	n/a	n/a
115 Return	0	0	0	0	n/a	n/a
120 FIT	0	0	0	0	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	0	n/a	n/a
130 Revenue Requirement	0	0	0	0	n/a	n/a
135 Access Service Revenue	0	0	0	0	n/a	n/a
	----	----	----	----	----	----
Rate Base						
140 Telephone Plant in Service	0	0	0	0	0	0
145 Rate Base Adjustments	0	0	0	0	0	n/a
150 Depreciation Reserves	0	0	0	0	0	0
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	0	0	0	0	0	n/a
	----	----	----	----	----	----
	----	----	----	----	----	----
Actual, 1/13- 12/13						
Revenue Requirement						
200 Depreciation/Amortization	0	0	0	0	0	0
205 Expense Less Dep & Amor	0	0	0	0	0	n/a
210 Taxes Less FIT	0	0	0	0	0	n/a
215 Return	0	0	0	0	0	n/a
220 FIT	0	0	0	0	0	n/a
225 Uncol., IDC & Other Adj.	0	0	0	0	0	n/a
230 Revenue Requirement	0	0	0	0	0	n/a
235 Access Service Revenue	0	0	0	n/a	n/a	n/a
	----	----	----	----	----	----
Rate Base						
240 Telephone Plant in Service	0	0	0	0	0	0
245 Rate Base Adjustments	0	0	0	0	0	n/a
250 Depreciation Reserves	0	0	0	0	0	0
255 Accum Deferred Income Tax	0	0	0	0	0	0
260 Average Rate Base	0	0	0	0	0	n/a

MAG-1

Filing Date: 6/16/2016
Filing Entity: Ace Telephone Company of Michigan, Inc. - Drenthe
Transmittal Number : 2
COSA: 310692

Access Element	Interstate Revenue Requirement Prior to Adjustments (A) Note 1	Frozen Line Port Transfer (B) Note 2	Universal Service Fund Contribution (C) Note 3	Interstate Revenue Requirement Subject to TIC Re-allocation (D) Cols. (A)+(B)+(C)	Frozen TIC Re-allocation (E) Note 4	Interstate Revenue Requirement Subject to Rate Making (F) Cols. (D)+(E)
Carrier Common Line	\$93,915	\$1,512	\$0	\$95,427	\$5,928	\$101,355
Special Access	<u>\$20,709</u>			<u>\$20,709</u>	<u>\$422</u>	\$21,131

Note 1: Source of Revenue Requirements in Column (A)

Carrier Common Line **TRP COS-1(P) Line 100, Column (L)**

Special Access **TRP COS-1(P) Line 100, Column U**

Note 2: Enter an amount equal to the amounts on the most recently filed Form MAG-1.

Note 3: Projected Amount per Account 6540

Note 4: Enter amounts equal to the amounts on the most recently filed Form MAG-1.

RTE-2
Filing Date: 6/16/2016
Filing Entity: Ace Telephone Company of Michigan, Inc. - I
Transmittal Number: 2
COSA 310692

Rate-of-Return
Revenue Price-outs
Using 2015 Demand

Page 1 of 1

	Revenue at 7/1/2015 Rates (A)	Revenue at Current Rate (B)	Change in Revenue, Cols. B-A (C)	Revenue at 7/1/2016 Rates (D)	Change in Revenue, Cols.(B)-(D) (E)
Switched Access					
100 Multi-line Business	0	0	0	0	0
	----	----	----	----	----
110 Residential & Single Line Bus.	0	0	0	0	0
	----	----	----	----	----
120 Common Line	0	0	0	0	0
	----	----	----	----	----
130 Special Access	28,906	28,906	0	21,131	(7,775)
	----	----	----	----	----

Notes: If company belongs to the NECA common line pool, then revenue = 0.

DMD-2

Filing Date: 6/16/2016

Filing Entity: Ace Telephone Company of Michigan, Inc. - Demand

Transmittal Number 2

COSA 310692

Page 1 of 1

Rate-of-Return TRP

Special Access

	1/15-12/15 Channel Terminations (A)	1/15-12/15 Number of Circuits (B)	1/15-12/15 Interoffice Miles (C)	7/16 - 7/17 Channel Terminations (D)	7/16 - 7/17 Number of Circuits (E)	7/16 - 7/17 Interoffice Miles (F)
100 Metallic	0	0	0	0	0	0
110 Telegraph	0	0	0	0	0	0
120 VG less WATS	0	0	0	0	0	0
130 WATS	0	0	0	0	0	0
140 full-time Audio	0	0	0	0	0	0
150 High Capacity	24	24	172.8	0	0	0