

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.

FORECASTED REVENUE REQUIREMENT*
TEST PERIOD JULY 1, 2021 THROUGH JUNE 30, 2022
(Data in \$000)

NECA's COMMON LINE POOL PARTICIPANTS

PAY TELEPHONE	\$0
INSIDE WIRE	\$0
BASE FACTOR PORTION	\$531,181
CONSUMER BROADBAND-ONLY LOOP (CBOL)	\$704,027
UNIVERSAL SERVICE CONTRIBUTIONS (CL)	\$46,891
TOTAL COMMON LINE	\$1,282,099

NECA's TRAFFIC SENSITIVE POOL PARTICIPANTS

TOTAL SWITCHED ACCESS**	\$211,366
SPECIAL ACCESS	\$294,038

* Revenue Requirements Include NECA Expenses

** See Note on Volume 1 Exhibit 2 for details on the calculation of SW RRQ

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
RATE OF RETURN
HISTORICAL COST ANALYSIS SUMMARY (\$000)

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----- COMMON LINE -----					
HISTORICAL DATA PERIOD 2020	PAY PHONE (I)	INSIDE WIRE (J)	BFP (K)	CBOL (L)	TOTAL COMMON LINE WITH CBOL (M)
<u>REVENUES</u>					
100 Network Access	N/A	N/A	N/A	N/A	329,463
110 Uncollectibles	N/A	N/A	N/A	N/A	0
120 Common Line Support	N/A	N/A	N/A	N/A	0
130 CAF BLS Voice (NOTE 1)	N/A	N/A	N/A	N/A	450,955
135 CAF BLS Broadband-only (NOTE 1)	N/A	N/A	N/A	N/A	323,815
140 Transitional	N/A	N/A	N/A	N/A	0
150 Miscellaneous	N/A	N/A	N/A	N/A	0
160 Net Revenues	N/A	N/A	N/A	N/A	1,104,233
<u>EXPENSES</u>					
170 Plant Specific	0	0	88,329	91,569	179,899
171 Network Support	0	0	1,899	1,177	3,076
172 General Support	0	0	20,916	21,031	41,948
173 Central Office	0	0	23,588	25,770	49,358
174 Operator Systems	0	0	0	0	0
175 COE Switching	0	0	0	0	0
176 COE Transmission	0	0	23,588	25,770	49,358
177 IOT	-	-	4	-	4
178 Cable & Wire Facilities	0	0	41,922	43,591	85,513
180 Plant Non Specific excl Depr & Amort	0	0	34,169	35,932	70,102
190 Depreciation/Amortization	0	0	113,078	125,874	238,952
200 Customer Operations	0	0	25,453	8,015	33,468
201 Marketing	0	0	5,124	4,094	9,218
202 Local Business Office	0	0	15,888	146	16,034
203 Revenue Accounting	0	0	1,221	2,978	4,199
204 Other Billing and Collections	0	0	1,221	0	1,221
210 Access	N/A	N/A	N/A	N/A	N/A
215 Universal Service Contributions (NOTE 2)	N/A	N/A	N/A	N/A	38,760
220 Corporate Operations	0	0	62,803	52,100	114,903
230 AFUDC	0	0	808	827	1,636
240 Other Expenses and Adjustments	0	0	(186)	391	205
250 Taxes Other than FIT	0	0	13,753	14,077	27,830
260 Total Expenses and Other Taxes	0	0	336,591	327,132	702,483
<u>NECA ADJUSTMENTS</u>					
261 NECA Administrative Expenses	0	0	17,202	15,658	32,860
262 Average Schedule Settlements	0	0	53,373	42,192	95,565
263 Adjustment for Line Port/TIC	0	0	51,403	3,042	54,444
264 Total NECA Adjustments	0	0	121,977	60,892	182,870
<u>FIT ADJUSTMENTS</u>					
270 Adjustments for FIT	0	0	8,269	12,654	20,923
280 Amortized ITC	0	0	1,625	1,753	3,378
290 Federal Income Taxes	0	0	5,642	5,207	10,849
300 TOTAL EXPENSES AND TAXES	0	0	464,210	393,231	896,201
<u>TELEPHONE PLANT IN SERVICE</u>					
310 General Support	0	0	286,517	284,949	571,466
320 Central Office Equipment - Switch	0	0	0	0	0
321 Operator Systems	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0
323 Local Switching Cat 3	0	0	0	0	0
324 Equal Access	0	0	0	0	0
330 Central Office Equipment - Trans	0	0	388,967	359,148	748,115
331 Subscriber Line	0	0	388,967	0	388,967
332 Exchange Circuit	0	0	0	359,148	359,148
333 Interexchange Circuit	0	0	0	0	0
334 Host Remote	0	0	0	0	0
340 Cable and Wire	0	0	1,997,242	2,096,206	4,093,448
341 Subscriber Line	0	0	1,997,242	2,096,206	4,093,448
342 Exchange	0	0	0	0	0
343 Interexchange Circuit	0	0	0	0	0
344 Host Remote	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	367	0	367
360 Amortizable Assets	0	0	3,956	3,860	7,816
370 Total Plant in Service	0	0	2,677,049	2,744,163	5,421,212
<u>ADJUSTMENTS TO TPIS</u>					
380 Depreciation/Amortization Reserve	0	0	1,729,389	1,625,583	3,354,972
390 Accum. Deferred Income Tax	0	0	48,349	49,533	97,882
400 Other Rate Base Adjustments	0	0	82,680	82,625	165,305
<u>RETURN DATA</u>					
410 Average Rate Base	0	0	981,991	1,151,671	2,133,662
420 Return	0	0	95,744	112,288	208,032
430 Rate of Return	9.75%	9.75%	9.75%	9.75%	9.75%

NOTE 1: CAF BLS reflects amounts prior to budget control

NOTE 2: Universal service include amounts for both Cost and Average Schedule companies.

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
RATE OF RETURN
HISTORICAL COST ANALYSIS SUMMARY (\$000)

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	HISTORICAL DATA PERIOD 2020	TOTAL SWITCH TRFFC SNSTV *	SPECIAL ACCESS BEFORE COSTS MOVED TO CBOL	CBOL (Costs removed from Special Access)	SPECIAL ACCESS AFTER COSTS MOVED TO CBOL
		(N)	(O)	(P)	(Q)
REVENUES					
100	Network Access		519,208	210,966	308,242
110	Uncollectibles		0	0	0
120	Local Switching Support		N/A	N/A	N/A
130	N/A		N/A	N/A	N/A
135	N/A		N/A	N/A	N/A
140	N/A		N/A	N/A	N/A
150	Miscellaneous		N/A	N/A	N/A
160	Net Revenues		519,208	210,966	308,242
EXPENSES					
170	Plant Specific		115,023	41,988	73,035
171	Network Support		1,834	673	1,161
172	General Support		19,926	8,434	11,492
173	Central Office		64,815	14,563	50,252
174	Operator Systems		0	0	0
175	COE Switching		0	0	0
176	COE Transmission		64,815	14,563	50,252
177	IOT		0	0	0
178	Cable & Wire Facilities		28,448	18,318	10,130
180	Plant Non Spec excl Depr & Amort		30,115	13,983	16,132
190	Depreciation/Amortization		131,997	59,451	72,546
200	Customer Operations		11,697	3,678	8,019
201	Marketing		3,370	1,486	1,884
202	Local Business Office		2,562	129	2,434
203	Revenue Accounting		4,418	1,657	2,761
204	Other Billing and Collections		0	0	0
210	Access		N/A	N/A	N/A
220	Corporate Operations		65,626	24,887	40,739
230	AFUDC		960	506	455
240	Other Expenses and Adjustments		435	287	148
250	Taxes Other than FIT		14,214	7,287	6,926
260	Total Expenses and Other Taxes		368,145	151,056	217,089
NECA ADJUSTMENTS					
261	NECA Administrative Expenses		10,588	N/A	10,588
262	Average Schedule Settlements		33,389	N/A	33,389
263	Adjustment for Line Port/TIC		7,286	1,755	5,531
264	Total NECA Adjustments		51,262	1,755	49,507
FIT ADJUSTMENTS					
270	Adjustments for FIT		10,701	5,488	5,213
280	Amortized ITC		1,853	758	1,095
290	Federal Income Taxes		4,979	2,281	2,698
300	TOTAL EXPENSES AND TAXES		424,386	155,092	269,294
TELEPHONE PLANT IN SERVICE					
310	General Support		266,935	122,563	144,372
320	Central Office Equipment - Switch		0	0	0
321	Operator Systems		0	0	0
322	Tandem Switching		0	0	0
323	Local Switching Cat 3		0	0	0
324	Equal Access		0	0	0
330	Central Office Equipment - Trans		818,250	160,862	657,388
331	Subscriber Lines		217,104	0	217,104
332	Exchange Circuit		598,550	160,862	437,688
333	Interexchange Circuit		2,596	0	2,596
334	Host Remote		0	0	0
340	Cable and Wire		1,473,578	955,388	518,191
341	Subscriber Lines		13,213	0	13,213
342	Exchange		1,231,905	955,388	276,517
343	Interexchange Circuit		228,460	0	228,460
344	Host Remote		0	0	0
350	Info Orig/Term Equipment		0	0	0
360	Amortizable Assets		3,853	1,490	2,363
370	Total Plant in Service		2,562,616	1,240,303	1,322,314
ADJUSTMENTS TO TPIS					
380	Depreciation/Amortization Reserve		1,616,831	685,276	931,555
390	Accum. Deferred Income Tax		55,385	22,462	32,923
400	Other Rate Base Adjustments		82,134	40,503	41,631
RETURN DATA					
410	Average Rate Base		972,534	573,068	399,467
420	Return		94,822	55,874	38,948
430	Rate of Return		9.75%	9.75%	9.75%

* Switched Access detail is no longer relevant pursuant to the freezing of Switched Access revenue requirement at the Test Period 2011/2012 level consistent with the provisions of the USF/ICC Transformation Order.

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
RATE OF RETURN
PROSPECTIVE COST ANALYSIS SUMMARY (\$000)

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----- COMMON LINE -----					
TEST YEAR FORECAST 7/1/21 THROUGH 6/30/22	PAY PHONE (I)	INSIDE WIRE (J)	BFP (K)	CBOL (L)	TOTAL COMMON LINE WITH CBOL (M)
<u>REVENUES</u>					
100 Network Access	N/A	N/A	N/A	N/A	415,167
110 Uncollectibles	N/A	N/A	N/A	N/A	0
120 Common Line Support	N/A	N/A	N/A	N/A	0
130 CAF BLS Voice (NOTE 1)	N/A	N/A	N/A	N/A	430,143
135 CAF BLS Broadband-only (NOTE 1)	N/A	N/A	N/A	N/A	436,789
140 Transitional	N/A	N/A	N/A	N/A	0
150 Miscellaneous	N/A	N/A	N/A	N/A	0
160 Net Revenues	N/A	N/A	N/A	N/A	1,282,099
<u>EXPENSES</u>					
170 Plant Specific	0	0	83,634	129,940	213,574
171 Network Support	0	0	1,827	1,772	3,599
172 General Support	0	0	19,750	29,677	49,427
173 Central Office	0	0	23,180	35,968	59,147
174 Operator Systems	0	0	0	0	0
175 COE Switching	0	0	0	0	0
176 COE Transmission	0	0	23,180	35,968	59,147
177 IOT	0	0	4	0	4
178 Cable & Wire Facilities	0	0	38,873	62,524	101,398
180 Plant Non Specific excl Depr & Amort	0	0	32,216	49,450	81,666
190 Depreciation/Amortization	0	0	104,435	174,391	278,825
200 Customer Operations	0	0	24,863	10,262	35,125
201 Marketing	0	0	4,373	5,404	9,776
202 Local Business Office	0	0	16,032	323	16,355
203 Revenue Accounting	0	0	1,239	3,623	4,862
204 Other Billing and Collections	0	0	1,239	0	1,239
210 Access	N/A	N/A	N/A	N/A	N/A
215 Universal Service Contributions (NOTE 2)	N/A	N/A	N/A	N/A	46,891
220 Corporate Operations	0	0	59,567	71,836	131,403
230 AFUDC	0	0	713	1,204	1,916
240 Other Expenses and Adjustments	0	0	(184)	529	346
250 Taxes Other than FIT	0	0	12,995	19,863	32,858
260 Total Expenses and Other Taxes	0	0	316,814	455,067	818,772
<u>NECA ADJUSTMENTS</u>					
261 NECA Administrative Expenses	0	0	16,856	22,340	39,196
262 Average Schedule Settlements	0	0	52,889	60,279	113,167
263 Adjustment for Line Port/TIC	0	0	51,403	3,456	54,858
264 Total NECA Adjustments	0	0	121,147	86,075	207,222
<u>FIT ADJUSTMENTS</u>					
270 Adjustments for FIT	0	0	7,266	16,251	23,516
280 Amortized ITC	0	0	1,464	2,301	3,765
290 Federal Income Taxes	0	0	5,504	7,101	12,605
300 TOTAL EXPENSES AND TAXES	0	0	443,464	548,243	1,038,598
<u>TELEPHONE PLANT IN SERVICE</u>					
310 General Support	0	0	275,553	411,497	687,049
320 Central Office Equipment - Switch	0	0	0	0	0
321 Operator Systems	0	0	0	0	0
322 Tandem Switching	0	0	0	0	0
323 Local Switching Cat 3	0	0	0	0	0
324 Equal Access	0	0	0	0	0
330 Central Office Equipment - Trans	0	0	389,236	514,189	903,425
331 Subscriber Line	0	0	389,236	0	389,236
332 Exchange Circuit	0	0	0	514,189	514,189
333 Interexchange Circuit	0	0	0	0	0
334 Host Remote	0	0	0	0	0
340 Cable and Wire	0	0	1,900,660	3,063,479	4,964,139
341 Subscriber Line	0	0	1,900,660	3,063,479	4,964,139
342 Exchange	0	0	0	0	0
343 Interexchange Circuit	0	0	0	0	0
344 Host Remote	0	0	0	0	0
350 Info Orig/Term Equipment	0	0	350	0	350
360 Amortizable Assets	0	0	3,520	4,716	8,236
370 Total Plant in Service	0	0	2,569,319	3,993,880	6,563,200
<u>ADJUSTMENTS TO TPIS</u>					
380 Depreciation/Amortization Reserve	0	0	1,691,701	2,431,436	4,123,137
390 Accum. Deferred Income Tax	0	0	43,556	63,393	106,949
400 Other Rate Base Adjustments	0	0	65,596	98,735	164,331
<u>RETURN DATA</u>					
410 Average Rate Base	0	0	899,659	1,597,786	2,497,445
420 Return	0	0	87,717	155,784	243,501
430 Rate of Return	9.75%	9.75%	9.75%	9.75%	9.75%

NOTE 1: CAF BLS reflects amounts prior to budget control

NOTE 2: Universal service include amounts for both Cost and Average Schedule companies.

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
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TEST YEAR FORECAST 7/1/21 THROUGH 6/30/22	TOTAL SWITCH TRFFC SNSTV *	SPECIAL ACCESS BEFORE COSTS MOVED TO CBOL	CBOL (Costs removed from Special Access)	SPECIAL ACCESS AFTER COSTS MOVED TO CBOL
	(N)	(O)	(P)	(Q)
REVENUES				
100 Network Access		598,761	304,723	294,038
110 Uncollectibles		0	0	0
120 Local Switching Support		N/A	N/A	N/A
130 N/A		N/A	N/A	N/A
135 N/A		N/A	N/A	N/A
140 N/A		N/A	N/A	N/A
150 Miscellaneous		N/A	N/A	N/A
160 Net Revenues		598,761	304,723	294,038
EXPENSES				
170 Plant Specific		133,338	62,339	70,999
171 Network Support		2,130	1,035	1,095
172 General Support		23,989	12,890	11,099
173 Central Office		70,855	21,725	49,130
174 Operator Systems		0	0	0
175 COE Switching		0	0	0
176 COE Transmission		70,855	21,725	49,130
177 IOT		0	0	0
178 Cable & Wire Facilities		36,363	26,688	9,676
180 Plant Non Spec excl Depr & Amort		35,773	20,361	15,411
190 Depreciation/Amortization		154,971	85,805	69,166
200 Customer Operations		12,444	4,943	7,500
201 Marketing		3,843	2,148	1,695
202 Local Business Office		2,695	248	2,446
203 Revenue Accounting		4,558	2,065	2,492
204 Other Billing and Collections		0	0	0
210 Access		N/A	N/A	N/A
220 Corporate Operations		74,576	35,489	39,086
230 AFUDC		1,094	727	366
240 Other Expenses and Adjustments		479	368	112
250 Taxes Other than FIT		16,821	10,507	6,314
260 Total Expenses and Other Taxes		427,308	219,086	208,222
NECA ADJUSTMENTS				
261 NECA Administrative Expenses		9,330	N/A	9,330
262 Average Schedule Settlements		31,381	N/A	31,381
263 Adjustment for Line Port/TIC		4,500	2,041	6,541
264 Total NECA Adjustments		45,212	2,041	47,253
FIT ADJUSTMENTS				
270 Adjustments for FIT		12,525	7,860	4,664
280 Amortized ITC		1,986	1,019	967
290 Federal Income Taxes		5,787	3,147	2,640
300 TOTAL EXPENSES AND TAXES		482,388	224,274	258,114
TELEPHONE PLANT IN SERVICE				
310 General Support		332,999	190,815	142,184
320 Central Office Equipment - Switch		0	0	0
321 Operator Systems		0	0	0
322 Tandem Switching		0	0	0
323 Local Switching Cat 3		0	0	0
324 Equal Access		0	0	0
330 Central Office Equipment - Trans		898,374	248,090	650,284
331 Subscriber Lines		215,811	0	215,811
332 Exchange Circuit		679,796	248,090	431,706
333 Interexchange Circuit		2,766	0	2,766
334 Host Remote		0	0	0
340 Cable and Wire		1,966,635	1,456,807	509,827
341 Subscriber Lines		13,752	0	13,752
342 Exchange		1,733,208	1,456,807	276,401
343 Interexchange Circuit		219,675	0	219,675
344 Host Remote		0	0	0
350 Info Orig/Term Equipment		0	0	0
360 Amortizable Assets		4,296	2,105	2,191
370 Total Plant in Service		3,202,303	1,897,817	1,304,486
ADJUSTMENTS TO TPIS				
380 Depreciation/Amortization Reserve		2,029,578	1,091,132	938,446
390 Accum. Deferred Income Tax		58,252	28,579	29,673
400 Other Rate Base Adjustments		79,095	47,017	32,078
RETURN DATA				
410 Average Rate Base		1,193,568	825,123	368,445
420 Return		116,373	80,449	35,923
430 Rate of Return		9.75%	9.75%	9.75%

* Switched Access detail is no longer relevant pursuant to the freezing of Switched Access revenue requirement at the Test Period 2011/2012 level consistent with the provisions of the USF/ICC Transformation Order.

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
PART 69 LEVEL OF DETAIL

COMPANY NAME: _____
STUDY AREA CODE: _____ (Enter as a Label)
TAX STATUS: _____ (Y) Taxable or (N) Exempt
BASE YEAR: _____ 2019
FORECAST PERIOD: _____

ITEM	FORECASTED TOTAL COMPANY	TOTAL INTERSTATE	COMMON LINE	SWITCHED ACCESS			SWITCHED ACCESS	SPECIAL ACCESS	B&C+IX OTHER
				TRANSPORT	LOCAL SWITCHING	INFORMATION			
UNCOLLECTIBLES	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
AFUDC	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
PLANT SPECIFIC	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
PLNT NON SPEC x/D&A	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
CUST. OPER-MARKETING	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
CUST. OPER-SERVICES	_____ \$		_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
CORP. OPERATIONS	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
ACCESS	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
DEPRECIATION & AMORT	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
FCC EXP ADJUSTMENT	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
EQUAL ACCESS EXPENSE	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
TOT EXP LESS TAXES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER INCOME & EXP.	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
SIT EC AMT - IS AMT	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
GRT EC AMT - IS AMT	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
OTH. ST AND LOC TAXES	_____ \$	\$0	_____ \$	_____ \$	_____ \$	_____ \$	\$0	_____ \$	_____ \$
TOTAL OTHER TAXES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
PART 69 LEVEL OF DETAIL

COMPANY NAME: _____
STUDY AREA CODE: _____ (Enter as a Label)
TAX STATUS: _____ (Y) Taxable or (N) Exempt
BASE YEAR: _____ 2019
FORECAST PERIOD: _____

ITEM	FORECASTED TOTAL COMPANY	TOTAL INTERSTATE	COMMON LINE	SWITCHED ACCESS			SWITCHED ACCESS	SPECIAL ACCESS	B&C+IX OTHER
				TRANSPORT	LOCAL SWITCHING	INFORMATION			
FIXED CHARGES	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
PATRONAGE DIVIDENDS	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
OTHER ADJ.	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
ITC AMORTIZATION	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
EXCESS DEFERRED TAXES	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
SUPPORT PLANT	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
OPER. SYSTEM EQUIP	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
COE-SW CAT-2 Tandem	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
COE-SW CAT-3 Local SW	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
COE-TRANS Cat 4.1	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
COE-TRANS Cat 4.2	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
COE-TRANS Cat 4.3	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
C & W FACIL Cat-1	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
C & W FACIL Cat-2	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
C & W FACIL Cat-3	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
C & W FACIL Cat-4	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
IOT EQUIPMENT	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
AMORTIZABLE ASSETS	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
EQUAL ACCESS INVEST	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
TOTAL PLANT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROP HELD-FUTURE USE	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
PLANT UNDER CONST.	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
PLANT ACQ. ADJ	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
INVEST IN NON-AFF-COS	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
INVENTORIES	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
CASH WORKING CAPITAL	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
FCC INVESTMENT ADJ.	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
TOT OTH INVESTMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTH JURIS ASSETS-NET	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
ACCUMULATED DEPR.	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
ACCUMULATED AMORT.	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
DEFERRED FIT	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
CUSTOMER DEPOSITS	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
OTHER ACCRUED LIAB.	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
ALL OTHER RESERVES	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
FCC RESERVE ADJ.	\$	\$0	\$	\$	\$	\$	\$0	\$	\$
TOTAL RESERVES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.

REVENUE REQUIREMENT COMPARISON

(Data in \$000)

NECA's COMMON LINE POOL

	----- COMMON LINE -----		
	<u>PYCOS</u>	<u>TEST PERIOD</u>	<u>ANNUAL</u>
	<u>1/20-12/20</u>	<u>7/1/21-6/30/22</u>	<u>PCT CHG</u>
<u>COST COMPANIES:</u>			
EXPENSES AND TAXES *	\$383,512	\$363,803	-3.46%
AVERAGE NET INVESTMENT	\$981,991	\$899,659	-5.67%
NET RETURN @ 9.75%	\$98,199	\$89,966	-5.67%
REVENUE REQUIREMENT***	\$481,711	\$453,769	-3.91%
<u>AVERAGE SCHEDULE COMPANIES:</u>			
AVG SCHEDULE SETTLEMENTS***	\$61,041	\$60,557	-0.53%
NECA EXPENSES	\$17,202	\$16,856	-1.35%
UNIVERSAL SERVICE CONTRIBUTIONS	\$38,760	\$46,891	13.54%
<u>TOTAL NECA POOL:</u>			
EXPENSES AND TAXES ** #	\$500,515	\$488,106	-1.66%
AVERAGE NET INVESTMENT	\$981,991	\$899,659	-5.67%
NET RETURN @ 9.75%	\$98,199	\$89,966	-5.67%
REVENUE REQUIREMENT#	\$598,714	\$578,072	-2.31%

	----- CONSUMER BROADBAND-ONLY LOOPS -----		
	<u>PYCOS##</u>	<u>TEST PERIOD</u>	<u>ANNUAL</u>
	<u>1/20-12/20</u>	<u>7/1/21-6/30/22</u>	<u>PCT CHG</u>
<u>COST COMPANIES:</u>			
EXPENSES AND TAXES *	\$332,502	\$461,630	24.45%
AVERAGE NET INVESTMENT	\$1,151,671	\$1,597,786	24.39%
NET RETURN @ 9.75%	\$115,167	\$159,779	24.39%
REVENUE REQUIREMENT***	\$447,669	\$621,408	24.44%
<u>AVERAGE SCHEDULE COMPANIES:</u>			
AVG SCHEDULE SETTLEMENTS***	\$42,192	\$60,279	26.85%
NECA EXPENSES	\$15,658	\$22,340	26.74%
UNIVERSAL SERVICE CONTRIBUTIONS	N/A	N/A	N/A
<u>TOTAL NECA POOL:</u>			
EXPENSES AND TAXES **	\$390,352	\$544,249	24.80%
AVERAGE NET INVESTMENT	\$1,151,671	\$1,597,786	24.39%
NET RETURN @ 9.75%	\$115,167	\$159,779	24.39%
REVENUE REQUIREMENT	\$505,519	\$704,027	24.71%

* INCLUDES UNCOLLECTIBLES, LINE PORT/TIC SHIFT AMOUNTS, AND LIMITATIONS ON CORPORATE OPERATIONS EXPENSE AND OPERATING EXPENSES

** INCLUDES UNCOLLECTIBLES, AVG. SCHED. SETTLEMENTS AND NECA EXPENSES

*** DOES NOT INCLUDE UNIVERSAL SERVICE CONTRIBUTIONS

INCLUDES UNIVERSAL SERVICE CONTRIBUTIONS

ADJUSTED AS DESCRIBED IN VOLUME 2C

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.

REVENUE REQUIREMENT COMPARISON

(Data in \$000)

NECA's TRAFFIC SENSITIVE POOL

----- SWITCHED ACCESS -----

	PYCOS <u>1/20-12/20</u>	TEST PERIOD <u>7/1/21-6/30/22</u>	ANNUAL <u>PCT CHG</u>
<u>COST COMPANIES:</u>			
REVENUE REQUIREMENT***	\$179,675	\$166,315	-5.02%
<u>AVERAGE SCHEDULE COMPANIES:</u>			
AVG SCHEDULE SETTLEMENTS***	\$37,085	\$34,327	-5.02%
NECA EXPENSES	\$12,226	\$10,724	-8.37%
<u>TOTAL NECA POOL:</u>			
REVENUE REQUIREMENT	\$228,986	\$211,366	-5.20%

----- SPECIAL ACCESS -----

	PYCOS <u>1/20-12/20</u>	TEST PERIOD <u>7/1/21-6/30/22</u>	ANNUAL <u>PCT CHG</u>
<u>COST COMPANIES:</u>			
EXPENSES AND TAXES *	\$224,320	\$215,221	-2.72%
AVERAGE NET INVESTMENT	\$399,467	\$368,445	-5.25%
NET RETURN @ 9.75%	\$39,947	\$36,845	-5.25%
REVENUE REQUIREMENT	\$264,266	\$252,065	-3.10%
<u>AVERAGE SCHEDULE COMPANIES:</u>			
AVG SCHEDULE SETTLEMENTS	\$33,389	\$32,642	-1.50%
NECA EXPENSES	\$10,588	\$9,330	-8.08%
<u>TOTAL NECA POOL:</u>			
EXPENSES AND TAXES **	\$268,296	\$257,193	-2.78%
AVERAGE NET INVESTMENT	\$399,467	\$368,445	-5.25%
NET RETURN @ 9.75%	\$39,947	\$36,845	-5.25%
REVENUE REQUIREMENT	\$308,242	\$294,038	-3.10%

* INCLUDES UNCOLLECTIBLES AND TIC SHIFT AMOUNTS

** INCLUDES UNCOLLECTIBLES, AVG. SCHED. SETTLEMENTS AND NECA EXPENSES

*** REFLECTS IMPACTS OF *USF/ICC TRANSFORMATION ORDER* AS DESCRIBED IN VOLUME 2

SEE NOTE ON VOLUME 1 EXHIBIT 2 FOR DETAILS ON CALCULATION OF SW RRQ

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
COST COMPANY REVENUE REQUIREMENTS TREND FORECASTS
(\$ MILLIONS)

Volume 2
Exhibit 5

<u>Special Access</u>	<u>Actual</u>		<u>Consistent Sample</u>		<u>Projection</u>		<u>Non-Consistent Sample</u>			<u>Total</u>			<u>Test Period</u>	
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2021/2022</u>	<u>TP/PYCOS</u>
Company Supplied	\$283.849	\$278.149	\$273.557	\$256.562	\$246.936	\$243.373	\$2.697	\$3.021	\$3.001	\$259.259	\$249.957	\$246.374	\$248.166	-2.87%
Adjustment				\$5.007	\$3.922	\$3.878				\$5.007	\$3.922	\$3.878	\$3.900	
NECA	\$283.849	\$278.149	\$273.557	\$261.569	\$250.857	\$247.251	\$2.697	\$3.021	\$3.001	\$264.266	\$253.879	\$250.252	\$252.065	-3.10%

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
2021 ANNUAL ACCESS FILING
AVERAGE SCHEDULE SETTLEMENT ATTRIBUTION ANALYSIS
(\$000,000)

Volume 2
Exhibit 6

SETTLEMENT ELEMENT	COMPARISON SETTLEMENT NOTE 1	FILING UPDATE NOTE 2	COST CONVERSIONS NOTE 3	ADJUSTED SETTLEMENT A+B-C	SEASONALLY ADJUSTED NOTE 4	ANNUALIZED SETTLEMENTS 12 x E	ANNUAL GROWTH RATIO NOTE 5	18 MONTH GROWTH RATIO (G-1) *1.5+1	POOL EXITS & ENTRIES NOTE 6	TEST PERIOD REV REQ w/o M + A FxH+I	NEW STUDY AREA & ACQUISITIONS	TEST PERIOD REV. REQ. NOTE 7
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
COMMON LINE	5.657	0.050	0.248	5.459	5.455	65.456	0.950	0.9252	0.000	60.557	0.000	60.557
CBOL	3.805	-0.002	0.202	3.601	3.704	44.445	1.238	1.3563	0.000	60.279	0.000	60.279
USF CONTRIBUTION	0.508	0.127	0.029	0.606	0.570	6.839	0.950	0.9252	0.000	6.328	0.000	6.328
TOTAL CL	9.970	0.175	0.479	9.666	9.729	116.740			0.000	127.164	0.000	127.164
SWITCHED	2.268	0.000	0.052	2.216	2.216	26.594			0.000	26.594	0.000	26.594
SPECIAL ACCESS NON DSL	1.858	0.187	0.045	2.001	2.011	24.136	0.877	0.8155	0.000	19.683	0.000	19.683
SPECIAL ACCESS DSL	1.248	0.023	0.117	1.154	1.150	13.799	0.969	0.9535	-0.198	12.959	0.000	12.959
TOTAL SPECIAL ACCESS	3.106	0.210	0.162	3.155	3.161	37.935			-0.198	32.642	0.000	32.642
TOTAL TS	5.374	0.210	0.214	5.371	5.377	64.529			-0.198	59.236	0.000	59.236
TOTAL	15.344	0.385	0.693	15.037	15.106	181.269			-0.198	186.400	0.000	186.400

(1) FROM NECA'S 2020 MODIFICATION OF AVERAGE SCHEDULES FILING, EXHIBIT 7.6

IT REFLECTS SEPTEMBER 2020 VIEW OF JULY 2020 DEMAND DATA AND INCLUDES MAG SHIFTS

(2) EFFECTS OF TRUE-UPS SINCE SEPTEMBER 2020 VIEW OF DATA REFLECTED IN (1)

(3) BASED ON DATA OF COMPANIES THAT CONVERTED TO INDIVIDUAL COST SETTLEMENTS

(4) COMPARES JULY 2020 DEMAND TO THE AVERAGE MONTH OF 2020

(5) DERIVED FROM NECA'S 2020 STUDY OF AVERAGE SCHEDULES AND FROM STUDIES SUPPORTING THIS FILING

(6) REFLECTS DATA OF STUDY AREAS THAT LEFT OR JOINED NECA POOLS AS OF JULY 2021

(7) RRQ AMOUNTS FOR COMPANIES PARTICIPATING IN THE NECA CL POOL OR IN THE NECA TS POOL FOR BOTH SWITCHED AND SPECIAL ACCESS ARE INCLUDED

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
CATEGORY I. ADMINISTRATIVE COSTS
2021/2022 TEST PERIOD
(IN MILLIONS)

<u>CATEGORY</u>	<u>PROJECTED REVENUES</u>	<u>PCT. OF TOTAL</u>	<u>AMOUNT</u>
Universal Service Fund and Lifeline Assistance - I.A.	\$0.0	0.0%	\$0.0
End User Common Line, Carrier Common Line, Special Access Surcharge, Long Term Support and CAF Broadband-Only Loop Support - I.B.	\$1,196.0	66.2%	\$39.2
Other Association Access Charges - I.C. **	\$611.9	33.8%	\$20.0
	=====	=====	=====
	\$1,807.9	100.0%	\$59.2

** Category I.C. is split into Traffic Sensitive Switched Access and Traffic Sensitive Special Access based on projected access element revenues and account for the addition of ARC revenues and CAF ICC support to total interstate SW revenues per the 2012 NECA Petition for Clarification .

JUNE 16, 2021 NECA ACCESS CHARGE FILING
TEST PERIOD: JULY 1, 2021- JUNE 30, 2022
UNIVERSAL SERVICE SUPPORT MECHANISM (USSM) CONTRIBUTION
QUARTERLY INTERSTATE RETAIL REVENUE OF USSM CONTRIBUTORS
(\$ Million)

VOLUME 2
EXHIBIT 8

<u>LINE NO</u>	<u>DATE</u>	<u>PROJECTED USSM END USER RETAIL REVENUE ¹</u> (A)	<u>PROJECTED USSM ARC RETAIL REVENUE ²</u> (B)	<u>PROJECTED USSM SPECIAL ACCESS RETAIL REVENUE ³</u> (C)	<u>PROJECTED INTERSTATE RETAIL REVENUE (IRR)</u> (D = A + B + C)
1	3Q 2021	\$25.1	\$4.5	\$8.0	\$37.6
2	4Q 2021	\$24.7	\$4.4	\$7.9	\$37.1
3	1Q 2022	\$24.4	\$4.3	\$7.9	\$36.6
4	2Q 2022	\$24.1	\$4.3	\$7.8	\$36.2
5	TP 2021/2022	\$98.4	\$17.5	\$31.6	\$147.5
6	3Q 2021 CONTRIBUTION FACTOR		DA 21-676		31.8%
7	TOTAL TEST PERIOD USSM CONTRIBUTION		LINE 5 * LINE 6		\$46.9

NOTES:

- 1 End user retail revenue is the sum of SLC revenue (excluding life lines revenue), ISDN port revenue, DS1 channel service port revenue and Special Access Surcharges. CBOL revenue was excluded per *the 2018 USF Forbearance Order*. NECA priced these revenues at proposed rates for 3Q 2021 through 2Q 2022.
- 2 NECA priced ARC retail revenues at proposed rates for 3Q 2021 through 2Q 2022, excluding ARC revenues of CL companies not in the TS pool.
- 3 Special access retail revenue excludes ADSL and SDSL retail revenue per *the 2018 USF Forbearance Order*.

NECA derived TP2021/2022 special access retail revenue and the exluded ARC revenue by applying imputed FUSC revenue shares from TP2020/2021 to projected end user retail revenue and ARC retail revenue explained in Notes 1 and 2.