

GALLATIN RIVER COMMUNICATIONS
SUMMARY DEVELOPMENT OF INTERSTATE TRAFFIC SENSITIVE REVENUE REQUIREMENT
FOR THE 12 MONTHS ENDING JUNE 30, 2001

	Source	<u>LOCAL SWITCHING</u>	<u>INFORMATION</u>	<u>TRANSPORT</u>	<u>TOTAL SWITCHED ACCESS</u>	<u>SPECIAL ACCESS</u>
1. Plant in Service	Part 69, Form 1, Ln 18	13,955,311	0	2,282,436	16,237,747	8,038,922
2. Plant Under Construction	Part 69, Form 1, Ln 20	297,349	0	48,632	345,981	171,287
3. Net Investment	Part 69, Form 2, Ln 43	6,209,652	0	1,040,513	7,250,165	3,815,173
4. Rate of Return	FCC Authorized	0.1125000	0.1125000	0.1125000		0.1125000
5. Return	(Line 3 x 4)	698,586	0	117,058	815,644	429,207
6. AFUDC	Part 69, Form 10, Ln 192	0	0	0	0	0
7. Net Return	(Lines 5 - 6)	698,586	0	117,058	815,644	429,207
8. Fixed Charges	Part 69, Form 10, Ln 199	243,194	0	40,768	283,962	149,587
9. Investment Tax Credit	Part 69, Form 10, Ln 191	0	0	0	0	0
10. Other FIT Adjustments	Part 69, Form 10, Ln 195	0	0	0	0	0
11. Subject to FIT	(Lines 5-8-9-10)	455,392	0	76,290	531,682	279,620
12. Federal Income Tax @ 53.8500%		245,229	0	41,082	286,311	150,575
13. Other SIT Adjustments	Part 69, Form 10, Ln 198	0	0	0	0	0
14. Subject to SIT	(Lines 11+12-13)	700,621	0	117,372	817,993	430,195
15. State Income Tax @ 7.7354%		54,196	0	9,079	63,275	33,277
16. Return + FIT + SIT	(Lines 5-9+12+15-6)	998,011	0	167,219	1,165,230	613,060
17. Expenses and Taxes	Part 69, Form 10, Ln 208	2,871,216	0	670,701	3,541,917	1,645,559
18. Subtotal	(Lines 16+17)	3,869,227	0	837,920	4,707,147	2,258,619
19. Gross Receipts Tax @ 0.0000%		0	0	0	0	0
20. Subtotal	(Line 18+19)	3,869,227	0	837,920	4,707,147	2,258,619
21. Psc Fee @ 0.0000%		0	0	0	0	0
22. Total Revenue Requirement	(Lines 16+17+19+21)	3,869,227	0	837,920	4,707,147	2,258,619