

**TABLE 1**  
**SMS/800 - COMPARISON of CURRENT and PROPOSED RATES**

ITEM NO.	RESPORG SERVICE/RATE ELEMENT	CURRENT RATES (a)	PROPOSED RATES (b)	\$ CHANGE (c) = (b-a)	% CHANGE (d) = (c/a)	REVENUE IMPACT (e)
1	Cust. Rcrd. Admn.	\$ 0.2106	\$ 0.2219	\$0.0113	5.36%	\$3,430,174
2	RESPORG Change	\$ 8.55	\$ 9.03	\$0.48	5.65%	\$55,900
3	Access: Dial-up	\$ 97.15	\$ 108.61	\$11.46	11.80%	\$149,591
4	Access: Ded. (non-MGI)	\$ 113.18	\$ 126.53	\$13.35	11.80%	\$10,256
5	Access: Ded. (MGI)	\$ 307.86	\$ 344.49	\$36.63	11.90%	\$15,384
6	Service Est. - First	\$ 1,669.99	\$ 2,117.31	\$447.32	26.79%	\$14,538
7	Service Est. - Add'l.	\$ 65.64	\$ 74.41	\$8.77	13.36%	\$15,307
8	Customer Reports	\$ 206.51	\$ 592.97	\$386.46	187.14%	\$166,176
9	MGI - Development	\$ 342,884.00	\$ 342,884.00	\$0.00	0.00%	\$0
10	MGI - Testing	\$ 212,015.00	\$ 212,015.00	\$0.00	0.00%	\$0
Net Impact						\$3,857,326

Notes:

1. Column (b) source is Table 6, column (c).
2. Column (e) is the product of column (c) and Table 3, column (b).

**TABLE 2**  
**SMS/800 - REVENUE REQUIREMENT SUMMARY**

ITEM NO	BUDGET ELEMENT	Transmtl. 20 Projected Rev. Reqmnt.		Past Year	Past Year Variance (d)=(c-b)	Future Year 6/15/02 - 6/14/03 (e)
		11 Months 7/17/01-6/16/02 (a)	Annualized 6/17/01-6/16/02 (b)= (a/11*12)	Actual 6/15/01 - 6/14/02 (c)		
1	<i>SMS/800 Operation &amp; Administration</i>	7,624,725	8,317,882	9,576,687	1,258,805	8,110,800
2	<i>Data Center Operation</i>	41,250,000	45,000,000	46,729,519	1,729,519	46,946,800
3	<i>Software Support</i>	19,433,333	21,200,000	22,321,307	1,121,307	21,470,800
4	<i>Total (items 1+2+3)</i>	68,308,058	74,517,881	78,627,513	4,109,631	76,528,400

Notes:

1. Column (a) reflects the projected revenue requirement filed with Tariff Transmittal No.20 for 11-month period of July 17, 2001 through June 16, 2002.
2. Column (b) reflects column (a) amounts annualized by dividing by 11 (months) and then multiplying by 12.
3. Column (c) reflects actual costs for period of June 15, 2001 through April 30, 2002 plus projected costs for period of May 1, 2002 through June 14, 2002.
4. Column (d) is the difference between Column (c) and Column (b) amounts (past year projected and actual cost).
  - 4a. Operation and Administration costs were higher than projected due to bad debt (uncollectible charges for services provided to bankrupt Resp. Orgs.).
  - 4b. Data Center Operation costs were higher than projected due to additional hardware required for implementation of the Web Reporting System.
  - 4c. Software Support costs were higher than projected due to modifications in the suspend/disconnect enhancement directed by the FCC, and operational changes to improve processing efficiency.
5. Column (e) is the revenue requirement projected for the future year period of June, 15 2002 through June 14, 2003.

**TABLE 3**  
**SMS/800 - DEMAND SUMMARY**

ITEM NO.	SERVICE/RATE ELEMENT	Past Year	Future Period
		<u>6/15/01 - 6/14/02</u>	<u>6/15/02 - 6/14/03</u>
		(a)	(b)
1	<i>Cust. Rcrd. Admn.</i>	293,704,433	303,846,858
2	<i>RESPORG Change</i>	105,909	115,668
3	<i>Access: Dial-up</i>	11,806	13,054
4	<i>Access: Ded. (non-MGI)</i>	768	768
5	<i>Access: Ded. (MGI)</i>	457	420
6	<i>Service Est. - First</i>	19	33
7	<i>Service Est. - Add'l.</i>	1,569	1,745
8	<i>Customer Reports</i>	744	430
9	<i>MGI - Development</i>	0	0
10	<i>MGI - Testing</i>	0	0

**Table 3A**  
**SMS/800: CRA Demand Data**

	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>1993</b>					3,010,536	3,057,738	3,082,959	3,171,217	3,189,910	3,291,276	3,413,024	3,513,029	25,729,689
<b>1994</b>	3,530,146	3,641,213	3,920,350	3,994,509	4,027,382	4,299,018	4,533,949	4,833,080	5,047,818	5,264,202	5,481,648	5,657,047	54,230,362
<b>1995</b>	5,780,592	5,976,917	6,143,859	6,353,798	6,577,347	6,781,100	6,829,783	6,845,507	6,883,147	6,941,020	6,981,109	6,980,352	79,074,531
<b>1996</b>	6,689,437	6,935,024	7,337,266	7,664,377	7,880,087	8,160,941	8,439,726	8,738,184	9,046,918	9,343,158	9,666,104	9,950,184	99,851,406
<b>1997</b>	10,103,675	10,304,718	10,563,886	10,851,251	11,091,599	11,296,361	11,662,373	11,986,080	12,403,293	12,864,596	13,191,511	13,387,120	139,706,463
<b>1998</b>	13,588,577	13,787,956	13,985,025	14,317,589	14,785,536	15,086,551	15,358,650	15,653,090	15,942,127	16,195,303	16,500,143	16,730,285	181,930,832
<b>1999</b>	16,880,002	17,047,544	17,288,406	17,676,100	18,047,277	18,377,443	18,607,845	19,034,305	19,414,611	19,679,782	20,085,221	20,465,301	222,603,837
<b>2000</b>	20,811,924	21,154,106	21,316,195	21,643,967	21,923,011	22,160,717	22,388,709	22,790,689	23,251,813	23,514,618	23,894,584	24,094,945	268,945,278
<b>2001</b>	24,270,379	24,363,754	24,380,714	24,521,736	24,488,361	24,526,559	24,505,838	24,450,819	24,462,339	24,424,360	24,373,791	24,402,684	<b>293,171,334</b>
<b>2002</b>	24,454,646	24,486,725	24,500,170	24,558,595	<b>24,550,242</b>	<b>24,541,889</b>	<b>24,533,536</b>	<b>24,525,183</b>	<b>24,716,830</b>	<b>24,908,477</b>	<b>25,100,124</b>	<b>25,291,771</b>	<b>296,168,188</b>
<b>2003</b>	<b>25,483,418</b>	<b>25,675,065</b>	<b>25,866,712</b>	<b>26,058,359</b>	<b>26,250,006</b>	<b>26,441,653</b>	<b>26,633,300</b>	<b>26,824,947</b>	<b>27,016,594</b>	<b>27,208,241</b>	<b>27,399,888</b>	<b>27,591,535</b>	<b>318,449,718</b>

Notes:

1. Demand quantities for May 1993 through April 2002 are actual amounts.
2. Demand quantities for May 2002 through December 2003 (in bold) are projected amounts.
3. TREND forecast for months of May through August, 2002 reduced by 800,000 units (total) to reflect quantity of excess numbers in "Transitional" status that are expected to revert to "Spare" during the four-month period.

**TABLE 4**  
**SMS/800 - DISTRIBUTION of REVENUE REQUIREMENT**

		REVENUE REQUIREMENT					TOTAL WITHOUT	
ITEM NO.	RESPORG SERVICE/RATE ELEMENTS	<u>SMS/800 OPER &amp; ADM</u>		DATA CENTER OPERATION	SOFTWARE SUPPORT	TOTAL REV REQ	<u>ALL OTHER OPER &amp; ADM</u>	
		<i>Help Desk Operation</i>	<i>All Other Oper&amp;Adm</i>				<u>\$</u>	<u>%</u>
		(a)	(b)	(c)	(d)	(e)=(a+b+c+d)	(f) = (a+c+d)	(g) = (f/fTotal)
	<b>Total Rev Req =</b>	<b>1,970,000</b>	<b>6,140,800</b>	<b>46,946,800</b>	<b>21,470,800</b>	<b>76,528,400</b>	<b>70,387,600</b>	
1	Cust. Rcrd. Admn.	1,167,032	5,409,949	40,979,270	19,864,072	<b>67,420,322</b>	62,010,373	88.098%
2	RESPORG Change	762,760	83,842	2,291	195,969	<b>1,044,862</b>	961,020	1.365%
3	Access: Dial-up		113,762	1,303,976		<b>1,417,739</b>	1,303,976	1.853%
4	Access: Ded. (non-MGI)		7,798	89,381		<b>97,178</b>	89,381	0.127%
5	Access: Ded. (MGI)		11,610	133,075		<b>144,685</b>	133,075	0.189%
6	Service Est. - First	40,208	5,522	10,542	12,540	<b>68,812</b>	63,291	0.090%
7	Service Est. - Add'l.		10,419	118,769	660	<b>129,849</b>	119,430	0.170%
8	Customer Reports		20,460	222,480	12,036	<b>254,975</b>	234,516	0.333%
9	MGI - Development		0	0	0	0	0	0%
10	MGI - Testing		0	0	0	0	0	0%
<b><u>SCP O/O ELEMENTS</u></b>								
11	Access: Non-MGI		1,531	17,550		<b>19,082</b>	17,550	0.025%
12	Access: MGI		49,376	565,958		<b>615,334</b>	565,958	0.804%
13	Record Trans.& Valid.		229,880	2,192,051	442,898	<b>2,864,829</b>	2,634,949	3.743%
14	Data Base Adm. & Ntwk. Mgmt. Support		196,652	1,311,456	942,625	<b>2,450,733</b>	2,254,081	3.202%
	<b>TOTAL</b>	<b>1,970,000</b>	<b>6,140,800</b>	<b>46,946,800</b>	<b>21,470,800</b>	<b>76,528,400</b>	<b>70,387,600</b>	<b>100.000%</b>

**Notes:**

1. Source for Total Revenue Requirement amounts in columns (a), (b), (c), and (d) is Table 2, column (e).
2. Column (a) distributions calculated by applying factors from Table 5, column (a) to the revenue requirement.
3. Column (b) revenue requirement distributed proportionally to all elements by applying factors from Column (g).
4. Column (c) distributions calculated by applying factors from Table 5, column (d) to the revenue requirement.
5. Column (d) distributions calculated by applying factors from Table 5, column (e) to the revenue requirement.

**TABLE 5**  
**SMS/800 - COST DISTRIBUTION FACTORS**

ITEM NO.	RESPORG SERVICE/RATE ELEMENT	HELP DESK TASK ORIENTED ANALYSIS (a)	SMS/800 LINES OF CODE ANALYSIS (b)	SMS PROCESSOR TRANSACTIONS ANALYSIS (c)	DATA CENTER COST DISTRIBN ANALYSIS (d)	SOFTWARE COST DISTRIBN ANALYSIS (e)
1	Cust. Rcrd. Admn.	59.240%	73.311%	89.693%	87.289%	92.517%
2	RESPORG Change	38.719%	3.858%	0.007%	0.005%	0.913%
3	Access: Dial-up				2.778%	
4	Access: Ded. (non-MGI)				0.190%	
5	Access: Ded. (MGI)				0.283%	
6	Service Est. - First	2.041%	0.130%	0.007%	0.022%	0.058%
7	Service Est. - Add'l.		0.130%		0.253%	0.003%
8	Customer Reports		0.237%	0.011%	0.474%	0.056%
9	MGI - Development					
10	MGI - Testing					
<b><u>SCP O/O ELEMENTS</u></b>						
11	Access: Non-MGI				0.037%	
12	Access: MGI				1.206%	
13	Record Trans.& Valid.		7.484%	6.433%	4.669%	2.063%
14	Data Base Adm. & Ntwk. Mgmt. Support		14.850%	3.849%	2.793%	4.390%
<b>Total</b>		100.000%	100.000%	100.000%	100.000%	100.000%

**Notes:**

1. The development and application of distribution factors is described in part 2.1 of the Description and Justification (D & J) for this tariff filing.

**TABLE 6**  
**SMS/800 - RATE DEVELOPMENT**

ITEM NO.	RESPORG SERVICE/RATE ELEMENT	REV. REQMT. (a)	DEMAND (b)	RATE (c) = (a/b)
1	Cust. Rcrd. Admn.	67,420,322	303,846,858	\$ 0.2219
2	RESPORG Change	1,044,862	115,668	\$ 9.03
3	Access: Dial-up	1,417,739	13,054	\$ 108.61
4	Access: Ded. (non-MGI)	97,178	768	\$ 126.53
5	Access: Ded. (MGI)	144,685	420	\$ 344.49
6	Service Est. - First	68,812	33	\$ 2,117.31
7	Service Est. - Add'l.	129,849	1,745	\$ 74.41
8	Customer Reports	254,975	430	\$ 592.97
9	MGI - Development (current rate)		0	\$ 342,884.00
10	MGI - Testing (current rate)		0	\$ 212,015.00
	RESPORG Rev Req	70,578,422		

Notes:

1. Source for column (a) is Table 4, column (e).

1. Source for column (b) is Table 3, column (b).