

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	<i>Cust. Rcrd. Admn.</i>	\$ 0.2106	\$ 0.2219	\$0.0113	5.36%	\$3,430,174
2	<i>RESPORG Change</i>	\$ 8.55	\$ 9.03	\$0.48	5.65%	\$55,900
3	<i>Access: Dial-up</i>	\$ 97.15	\$ 108.61	\$11.46	11.80%	\$149,591
4	<i>Access: Ded. (non-MGI)</i>	\$ 113.18	\$ 126.53	\$13.35	11.80%	\$10,256
5	<i>Access: Ded. (MGI)</i>	\$ 307.86	\$ 344.49	\$36.63	11.90%	\$15,384
6	<i>Service Est. - First</i>	\$ 1,669.99	\$ 2,117.31	\$447.32	26.79%	\$14,538
7	<i>Service Est. - Add'l.</i>	\$ 65.64	\$ 74.41	\$8.77	13.36%	\$15,307
8	<i>Customer Reports</i>	\$ 206.51	\$ 592.97	\$386.46	187.14%	\$166,176
9	<i>MGI - Development</i>	\$ 342,884.00	\$ 342,884.00	\$0.00	0.00%	\$0
10	<i>MGI - Testing</i>	\$ 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 & 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		Past Year	Future Period
NO.	<u>SERVICE/RATE ELEMENT</u>	<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
1993					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
1994	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
1995	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
1996	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
1997	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
1998	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
1999	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
2000	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
2001	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	293,171,334
2002	24,454,646	24,486,725	24,500,170	24,558,595	24,550,242	24,541,889	24,533,536	24,525,183	24,716,830	24,908,477	25,100,124	25,291,771	296,168,188
2003	25,483,418	25,675,065	25,866,712	26,058,359	26,250,006	26,441,653	26,633,300	26,824,947	27,016,594	27,208,241	27,399,888	27,591,535	318,449,718

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

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

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	<i>Cust. Rcrd. Admn.</i>	59.240%	73.311%	89.693%	87.289%	92.517%
2	<i>RESPORG Change</i>	38.719%	3.858%	0.007%	0.005%	0.913%
3	<i>Access: Dial-up</i>				2.778%	
4	<i>Access: Ded. (non-MGI)</i>				0.190%	
5	<i>Access: Ded. (MGI)</i>				0.283%	
6	<i>Service Est. - First</i>	2.041%	0.130%	0.007%	0.022%	0.058%
7	<i>Service Est. - Add'l.</i>		0.130%		0.253%	0.003%
8	<i>Customer Reports</i>		0.237%	0.011%	0.474%	0.056%
9	<i>MGI - Development</i>					
10	<i>MGI - Testing</i>					
<u>SCP O/O ELEMENTS</u>						
11	<i>Access: Non-MGI</i>				0.037%	
12	<i>Access: MGI</i>				1.206%	
13	<i>Record Trans. & Valid.</i>		7.484%	6.433%	4.669%	2.063%
14	<i>Data Base Adm. & Ntwk. Mgmt. Support</i>		14.850%	3.849%	2.793%	4.390%
Total		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	RESPORG	REV. REQRMT.	DEMAND	RATE
NO.	SERVICE/RATE ELEMENT	(a)	(b)	(c) = (a/b)
1	<i>Cust. Rcrd. Admn.</i>	67,420,322	303,846,858	\$ 0.2219
2	<i>RESPORG Change</i>	1,044,862	115,668	\$ 9.03
3	<i>Access: Dial-up</i>	1,417,739	13,054	\$ 108.61
4	<i>Access: Ded. (non-MGI)</i>	97,178	768	\$ 126.53
5	<i>Access: Ded. (MGI)</i>	144,685	420	\$ 344.49
6	<i>Service Est. - First</i>	68,812	33	\$ 2,117.31
7	<i>Service Est. - Add'l.</i>	129,849	1,745	\$ 74.41
8	<i>Customer Reports</i>	254,975	430	\$ 592.97
9	<i>MGI - Development (current rate)</i>		0	\$ 342,884.00
10	<i>MGI - Testing (current rate)</i>		0	\$ 212,015.00
	<i>RESPORG Rev Req</i>	70,578,422		

Notes:

1. Source for column (a) is Table 4, column (e).
1. Source for column (b) is Table 3, column (b).