

Puerto Rico Telephone Company  
Tariff F.C.C. No. 1

Volume 2  
June 17, 2002

**2002 Annual Interstate Tariff Filing**

**Puerto Rico Telephone Company**

**Cost Support**

**A. Combined PRTC+PRCC**

Ln	Description	Source	A Common Line	B Local Switching	C Information	D Transport	E Special	F=A...E Total
1	Projected 2002/2003 Rev Req	B1+C1	\$ 149,344,835	\$ 19,826,631	\$ 1,702,884	\$ 51,857,437	\$ 7,346,947	\$ 230,078,733
2	% NTS costs in Local Switching	MAG Order %	xxx	30%	xxx	xxx	xxx	xxx
3	NTS cost shift from LS to CL	Ln 2 (B) * Ln 1 (B)	\$ 5,947,989	\$ (5,947,989)	xxx	xxx	xxx	\$ -
4	Revised Rev Req	Ln 1 + Ln 3	\$ 155,292,824	\$ 13,878,642	\$ 1,702,884	\$ 51,857,437	\$ 7,346,947	\$ 230,078,733
5	Lessor of TIC Revenue Limit 7/1/00-6/30/01 or Forecast TIC Rev Req Vol5A, Page 7, Line 23		xxx	xxx	xxx	\$ 14,711,080	xxx	\$ 14,711,080
6	Reallocation Base for TIC Revenues	Ln 4 - Ln 5	\$ 155,292,824	\$ 13,878,642	\$ 1,702,884	\$ 37,146,357	\$ 7,346,947	\$ 215,367,653
7	TIC Revenue distribution %	Ln 6 / Tot Ln 6	72.1%	6.4%	0.8%	17.2%	3.4%	100%
8	TIC revenue allocated to access element	Ln 7 * Ln 5 Col D	\$ 10,607,559	\$ 948,006	\$ 116,319	\$ 2,537,350	\$ 501,847	\$ 14,711,080
9	Final Revenue Req for Rate Development	Ln 6+Ln 8	\$ 165,900,383	\$ 14,826,647	\$ 1,819,202	\$ 39,683,707	\$ 7,848,793	\$ 230,078,733
10	Transport Rev Req by Element							
11	Tandem Sw Rev Req	Vol 2	\$ 19,197,365	37.0%	\$ 14,690,711	Rev Req Check Total		
12	Transport Term Rev Req	Vol 2	\$ 26,690,925	51.5%	\$ 20,425,129			
13	Transport Facil Rev Req	Vol 2	\$ 5,969,148	11.5%	\$ 4,567,868			
14	Total Transport Rev Req	Sum LL 10..13	\$ 51,857,437	100%	\$ 39,683,707			

**B. PRTC Study Area**

	Source	A Common Line	B Local Switching	C Information	D Transport	E Special	F=A...E Total
1	Projected 2002/2003 Rev Req	Note 1	\$ 129,459,533	\$ 17,500,832	\$ 1,495,053	\$ 49,577,335	\$ 205,057,307
2	% NTS costs in Local Switching	MAG Order %		30%			
3	NTS cost shift from LS to CL	Ln 2 (B) * Ln 1 (B)	\$ 5,250,250	\$ (5,250,250)	xxx	xxx	\$ -
4	TIC Revenue Limit 7/1/00-6/30/01	Input	xxx	xxx	xxx	\$ 18,704,957	xxx
5	TIC Revenue distribution %	A. 7	72.1%	6.4%	0.8%	17.2%	3.4%
6	TIC revenue allocated to access element	Ln 5 * Ln 4 D	\$ 13,487,381	\$ 1,205,378	\$ 147,898	\$ 3,226,209	\$ 638,092
							\$ 18,704,957

**C. PRT Central Study Area**

	Source	A Common Line	B Local Switching	C Information	D Transport	E Special	F=A...E Total
1	Projected 2002/2003 Rev Req	Note 1	\$ 19,885,302	\$ 2,325,799	\$ 207,831	\$ 2,280,102	\$ 25,021,426
2	% NTS costs in Local Switching	MAG Order %		30%			
3	NTS cost shift from LS to CL	Ln 2 (B) * Ln 1 (B)	\$ 697,740	\$ (697,740)	xxx	xxx	\$ -
4	TIC Revenue Limit 7/1/00-6/30/01	Input	xxx	xxx	xxx	\$ 2,594,641	xxx
5	TIC Revenue distribution %	A. 7	72.1%	6.4%	0.8%	17.2%	3.4%
6	TIC revenue allocated to access element	Ln 5 * Ln 4 D	\$ 1,870,890	\$ 167,203	\$ 20,515	\$ 447,521	\$ 88,512
							\$ 2,594,641

Note 1: From Volume 2, Exhibit \_\_, Row\_\_ Col \_\_.

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SUMMARY OF REVENUE REQUIREMENT BY ACCESS ELEMENT

A-1, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE					SPECIAL ACCESS						
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT	CHANNEL TERM	CHANNEL MILEAGE	TOTAL NON ACCESS			
												SWITCHING	TERM	FACILITY				
1		NET INVESTMENT FOR SETTLEMENTS	283,884,610	A-2,LN 34	0	182,123,867	22,739,202	1,011,984	378,105	0	0	26,054,842	33,691,676	8,141,216	1,859,948	7,430,445	453,325	0
2		RATE OF RETURN	11.2500%		11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	0.0000%
3		RETURN ON INVESTMENT	31,937,019	LN 1*LN 2	0	20,488,935	2,558,160	113,848	42,537	0	0	2,931,170	3,790,314	915,887	209,244	835,925	50,999	0
4		ALLOW FOR FUNDS USED DURING CONSTR	672,939	A-8,LN 28	0	426,319	47,175	2,386	1,092	0	0	54,040	96,624	18,611	4,346	21,310	1,036	0
5		NET RETURN FOR SETTLEMENTS	31,264,080	LN 3-LN 4	0	20,062,616	2,510,985	111,462	41,445	0	0	2,877,130	3,693,690	897,276	204,898	814,615	49,963	0
6		FEDERAL INCOME TAX	0	LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		LESS: FEDERAL ITC AMORTIZATION	0	A-12,LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		NET FEDERAL INCOME TAX	0	LN 6-LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		STATE AND LOCAL INCOME TAX	8,300,184	LN 36	0	5,422,161	785,991	29,813	7,534	0	0	900,850	683,276	250,410	55,516	150,691	13,943	0
10		STATE ITC AMORTIZATION	0	A-12,LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		NET STATE AND LOCAL INCOME TAX	8,300,184	LN 9-LN 10	0	5,422,161	785,991	29,813	7,534	0	0	900,850	683,276	250,410	55,516	150,691	13,943	0
12		PROVISION FOR DEFERRED INCOME TAX	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		OPERATING EXPENSE & OTHER TAXES	176,808,837	A-8,LN 19	0	106,035,129	13,217,888	602,261	1,674,006	0	0	15,143,721	20,891,544	4,295,856	1,171,927	4,574,537	237,603	8,964,366
14		NONOPERATING EXP	0	A-8,LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		UNCOLLECTIBLES	0	A-8,LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		BASIS FOR GROSS RECEIPTS TAX	216,373,101		0	131,519,906	16,514,864	743,536	1,722,984	0	0	18,921,700	25,268,509	5,443,541	1,432,341	5,539,844	301,509	8,964,366
17		GROSS RECEIPTS TAX RATE	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18		GROSS RECEIPTS TAX	0	LN16*LN17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL REVENUE REQUIREMENT	216,373,101	LN16+LN18	0	131,519,906	16,514,864	743,536	1,722,984	0	0	18,921,700	25,268,509	5,443,541	1,432,341	5,539,844	301,509	8,964,366

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OPTIONAL GROSS UP INCOME TAX CALCULATION																		
20		RETURN ON INVESTMENT	31,937,019	LN 3	0	20,488,935	2,558,160	113,848	42,537	0	0	2,931,170	3,790,314	915,887	209,244	835,925	50,999	0
21		INTEREST AND RELATED ITEMS	18,954,680	A-12, LN 14+16	0	12,008,120	1,328,789	67,218	30,753	0	0	1,522,148	2,721,600	524,221	122,411	600,228	29,190	0
22		OTHER INCOME ADJUSTMENTS	0	A-12, LN 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TOTAL INCOME ADJUSTMENTS	18,954,680	LN21+LN22	0	12,008,120	1,328,789	67,218	30,753	0	0	1,522,148	2,721,600	524,221	122,411	600,228	29,190	0
24		RETURN LESS INCOME ADJ	12,982,339	LN20-LN23	0	8,480,815	1,229,371	46,630	11,783	0	0	1,409,021	1,068,713	391,666	86,833	235,697	21,809	0
25		FEDERAL ITC AMORTIZATION	0	A-12, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		FIT BASE	12,982,339		0	8,480,815	1,229,371	46,630	11,783	0	0	1,409,021	1,068,713	391,666	86,833	235,697	21,809	0
27		FEDERAL TAXABLE INCOME	12,982,339		0	8,480,815	1,229,371	46,630	11,783	0	0	1,409,021	1,068,713	391,666	86,833	235,697	21,809	0
28	0.00%	FEDERAL INCOME TAX	0	LN 27*FTR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29		FEDERAL SURTAX ALLOCATION	0	/LN 26	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		NET FEDERAL TAX BEFORE ITC AMORT	0	LN28-LN29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		STATE ITC AMORTIZATION	0	A-12, LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32		SIT BASE	12,982,339		0	8,480,815	1,229,371	46,630	11,783	0	0	1,409,021	1,068,713	391,666	86,833	235,697	21,809	0
33		STATE TAXABLE INCOME	21,282,522		0	13,902,976	2,015,362	76,443	19,317	0	0	2,309,871	1,751,989	642,076	142,349	386,388	35,753	0
34	39.00%	STATE INCOME TAX	8,300,184	LN 33*STR	0	5,422,161	785,991	29,813	7,534	0	0	900,850	683,276	250,410	55,516	150,691	13,943	0
35		STATE SURTAX ALLOCATION	0	/LN 32	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36		NET STATE INCOME TAX BEFORE ITC AMORT	8,300,184	LN34-LN35	0	5,422,161	785,991	29,813	7,534	0	0	900,850	683,276	250,410	55,516	150,691	13,943	0
37		FEDERAL TAX AT MAXIMUM RATE	6,990,490		0	4,566,593	661,969	25,108	6,345	0	0	758,704	575,461	210,897	46,756	126,914	11,743	0
38		ADDITIONAL INCOME ADJUSTMENT FOR FIT	12,982,339		0	8,480,815	1,229,371	46,630	11,783	0	0	1,409,021	1,068,713	391,666	86,833	235,697	21,809	0

\*\*PROPRIETARY INFORMATION\*\*

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SUMMARY OF TELEPHONE PLANT AND RESERVES

A-2, 1 of 1

				COMMON LINE		LOCAL		TRAFFIC SENSITIVE				SPECIAL ACCESS						
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY				
1	2110	NET INVESTMENT SUMMARY																
2	2210	GENERAL SUPPORT FACILITIES	97,029,446	A-3,LN 4	0	61,469,842	6,802,103	344,091	157,427	0	0	7,791,913	13,931,936	2,683,498	626,627	3,072,583	149,424	0
3	2220	CENTRAL OFFICE SWITCHING	107,347,243	A-4,LN 21+25			49,351,321	1,411,287				56,584,634	0					0
4	2230	OPERATOR SYSTEMS	2,602,283	A-4,LN 17			688,748	18,382	1,158,123	0		737,029	0					0
5	2230	CENTRAL OFFICE TRANSMISSION	174,722,720	A-4,LN 41	0	48,034,873	0	1,101,657				0	102,491,096		491,454	22,603,639		0
6	2310	INFORMATION ORIG/TERM	1,641,276	A-5,LN 10	0	1,641,276									0			
7	2410	CABLE AND WIRE FACILITIES	427,489,241	A-5,LN 21	0	402,530,320	0	0						19,741,307	4,118,365		1,099,249	0
8	2680	TANGIBLE ASSETS	3,968,670	A-3,LN 14	0	2,514,222	278,218	14,074	6,439	0	0	318,703	569,840	109,760	25,630	125,674	6,112	0
9	2690	INTANGIBLE ASSETS	1,401,376	A-3,LN 15	0	887,796	98,241	4,970	2,274	0	0	112,537	201,216	38,757	9,050	44,377	2,158	0
10		TOTAL PLANT IN SERVICE	816,202,254		0	517,078,329	57,218,631	2,894,462	1,324,263	0	0	65,544,817	117,194,088	22,573,322	5,271,126	25,846,273	1,256,944	0
11		% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
12	2002	PROPERTY HELD FOR FUTURE USE	0	A-6,LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	2003	PLANT UNDER CONSTRUCTION	17,295,956	A-6,LN 13	0	10,957,289	1,212,507	61,336	28,062	0	0	1,388,945	2,483,433	478,346	111,699	547,702	26,636	0
14	XXXX	RESERVED FOR FUTURE USE	0	A-6,LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	2005	TELEPHONE PLANT ADJUSTMENT	0	A-6,LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		TOTAL PROPERTY, PLANT & EQUIP.	833,498,210		0	528,035,617	58,431,138	2,955,798	1,352,325	0	0	66,933,762	119,677,521	23,051,668	5,382,825	26,393,976	1,283,579	0
17		% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
18	3100	ACCUM DEPRECIATION - PLANT IN SERVICE	481,647,840	A-7,LN 9	0	302,854,259	30,927,299	1,702,790	863,948	0	0	35,420,955	76,227,008	13,030,754	3,083,947	16,811,292	725,588	0
19	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-7,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	3400	ACCUM AMORTIZATION - TANGIBLE PROPERTY	1,523,760	A-7,LN 17	0	965,328	106,821	5,404	2,472	0	0	122,365	218,788	42,142	9,841	48,252	2,347	0
21	3500	ACCUM AMORTIZATION - INTANGIBLE PROP.	299,111	A-7,LN 18	0	189,492	20,969	1,061	485	0	0	24,020	42,948	8,272	1,932	9,472	461	0
22	3600	ACCUM AMORTIZATION - TEL PLANT ADJ.	0	A-7,LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	4310	OTHER L/T LIAB - POST RET BENEFITS	74,084,035	/A-3,LN 10	0	46,933,525	5,193,550	262,721	120,199	0	0	5,949,291	10,637,328	2,048,907	478,443	2,345,982	114,089	0
24	4340	OPERATING DEFERRED INCOME TAX	0	A-7,LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	4370	OTHER DEFERRED CREDITS - NET	0	A-7,LN 40	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	4040	CUSTOMER DEPOSITS	5,460,008	/A-3,LN 10	0	3,459,010	382,766	19,363	8,859	0	0	438,464	783,973	151,005	35,261	172,899	8,408	0
27		NET TELEPHONE PLANT	270,483,456		0	173,634,002	21,799,735	964,460	356,362	0	0	24,978,667	31,767,476	7,770,587	1,773,401	7,006,078	432,687	0
28		% DISTRIBUTION	100.0000%		0.0000%	64.1939%	8.0595%	0.3566%	0.1317%	0.0000%	0.0000%	9.2348%	11.7447%	2.8729%	0.6556%	2.5902%	0.1600%	0.0000%
29	1220	MATERIALS AND SUPPLIES	3,595,905	A-3,LN 16	0	2,278,068	252,085	12,752	5,834	0	0	288,768	516,317	99,450	23,223	113,870	5,538	0
30	1402	RTB STOCK	0	A-3,LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	1410	NONCURRENT ASSETS - POST RET BENEFITS	4,143,062	A-3,LN 18	0	2,624,702	290,443	14,692	6,722	0	0	332,707	594,880	114,583	26,756	131,196	6,380	0
32	1439	EQUAL ACCESS EQUIPMENT	0	A-3,LN 8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	1500	OTHER JURISDICTIONAL ASSETS	0	A-3,LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	XXXX	CASH WORKING CAPITAL	5,662,187	/A-3,LN 10	0	3,587,094	396,939	20,080	9,187	0	0	454,700	813,003	156,596	36,567	179,302	8,720	0
35		NET TELEPHONE PLANT, M&S AND CASH WORKING CAPITAL	283,884,610		0	182,123,867	22,739,202	1,011,984	378,105	0	0	26,054,842	33,691,676	8,141,216	1,859,948	7,430,445	453,325	0
		% DISTRIBUTION	100.0000%		0.0000%	64.1542%	8.0100%	0.3565%	0.1332%	0.0000%	0.0000%	9.1780%	11.8681%	2.8678%	0.6552%	2.6174%	0.1597%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

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GENERAL SUPPORT FACILITIES AND MISCELLANEOUS PLANT ALLOCATION

A-3, 1 of 1

					COMMON LINE		LOCAL	TRAFFIC SENSITIVE							SPECIAL ACCESS			TOTAL	
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
BASIS FOR GENERAL SUPPORT FACILITIES																			
1a			CENTRAL OFFICE EQUIPMENT	284,672,246	A-4,LN 42	0	48,034,873	50,040,069	2,531,327	1,158,123	0		57,321,664	102,491,096		491,454	22,603,639		0
1b			INFORMATION ORIG/TERM	1,641,276	A-5,LN 10	0	1,641,276									0			0
1c			CABLE & WIRE FACILITIES	427,489,241	A-5,LN 21	0	402,530,320	0	0					19,741,307		4,118,365	1,099,249		0
1d			TOTAL	713,802,762		0	452,206,469	50,040,069	2,531,327	1,158,123	0		57,321,664	102,491,096	19,741,307	4,609,819	22,603,639	1,099,249	0
2			% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%		8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
2110			GENERAL SUPPORT ASSETS																
3a			ALLOCATED	97,029,446	/LN 1e	0	61,469,842	6,802,103	344,091	157,427	0		7,791,913	13,931,936	2,683,498	626,627	3,072,583	149,424	0
3b			BILLING NAME & ADDRESS (BNA)	0	DIRECT							0							
3c			DIRECT NON ACCESS	0	DIRECT														0
4			TOTAL GENERAL SUPPORT ASSETS	97,029,446		0	61,469,842	6,802,103	344,091	157,427	0	0	7,791,913	13,931,936	2,683,498	626,627	3,072,583	149,424	0
5			% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
6			COE,IOT,CWF AND GENERAL SUPPORT	810,832,208		0	513,676,311	56,842,172	2,875,418	1,315,550	0	0	65,113,577	116,423,032	22,424,805	5,236,446	25,676,223	1,248,674	0
7			% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
8	1439		EQUAL ACCESS EQUIPMENT	0	DIRECT			0											
9			COE,IOT,CWF,GENERAL SUPPORT																
9			AND EQUAL ACCESS EQUIPMENT	810,832,208		0	513,676,311	56,842,172	2,875,418	1,315,550	0	0	65,113,577	116,423,032	22,424,805	5,236,446	25,676,223	1,248,674	0
10			% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
11	2680		TANGIBLE ASSETS																
12			CAPITAL LEASES	324,846	LN 7	0	205,796	22,773	1,152	527	0	0	26,087	46,643	8,984	2,098	10,287	500	0
13			LEASEHOLD IMPROVEMENTS	3,643,824	LN 10	0	2,308,426	255,445	12,922	5,912	0	0	292,616	523,197	100,776	23,532	115,387	5,611	0
14			TOTAL	3,968,670		0	2,514,222	278,218	14,074	6,439	0	0	318,703	569,840	109,760	25,630	125,674	6,112	0
15	2690		INTANGIBLE ASSETS	1,401,376	LN 10	0	887,796	98,241	4,970	2,274	0	0	112,537	201,216	38,757	9,050	44,377	2,158	0
16	1220		MATERIALS AND SUPPLIES	3,595,905	LN 10	0	2,278,068	252,085	12,752	5,834	0	0	288,768	516,317	99,450	23,223	113,870	5,538	0
17	1402		RTB STOCK	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	1410		NONCURRENT ASSETS - POST RET BENEFITS	4,143,062	LN 10	0	2,624,702	290,443	14,692	6,722	0	0	332,707	594,880	114,583	26,756	131,196	6,380	0
19	1500		OTHER JURISDICTIONAL ASSETS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20			COE,IOT,CWF,GEN SUPP & EQUAL ACCESS																
20			FOR APPORTIONING PRESUBSCRIPTION	778,670,866		0	513,676,311	56,842,172	2,875,418	1,315,550	0	0	65,113,577	116,423,032	22,424,805				
21			% DISTRIBUTION	100.0000%		0.0000%	65.9683%	7.2999%	0.3693%	0.1689%	0.0000%	0.0000%	8.3621%	14.9515%	2.8799%				
22			COE,IOT & CWF EXCL CCL FOR ASSIGNING																
22			CARRIER ACCESS BILLING EXPENSES	261,596,293				50,040,069	2,531,327	1,158,123	0		57,321,664	102,491,096	19,741,307	4,609,819	22,603,639	1,099,249	
23			% DISTRIBUTION	100.0000%				19.1287%	0.9676%	0.4427%	0.0000%		21.9123%	39.1791%	7.5465%	1.7622%	8.6407%	0.4202%	

\*\*PROPRIETARY INFORMATION\*\*

A-4, 1 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 1 of 2

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE					SPECIAL ACCESS				
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
ALLOCATION FACTORS																		
1		STANDARD WORK SECONDS																
2		- MANUAL BOARDS	100.0000%	AL-1, LN 9			0.0000%		0.0000%	0.0000%								100.0000%
3		- TSPS COMPLEX	100.0000%	AL-1, LN 10			4.7708%		95.2292%	0.0000%								0.0000%
4		EQUIVALENT ACCESS LINES - MSG COE	100.0000%	AL-1, LN 2	0.0000%	100.0000%												
5		IX CIRCUIT TERMINATIONS - MSG COE	100.0000%	AL-1, LN 6									0.0000%	100.0000%				
CENTRAL OFFICE EQUIPMENT																		
6	2220	OPERATOR SYSTEMS																
7		MANUAL SWITCHBOARDS	0	LN 2			0		0	0								0
8		AUXILIARY SWITCHBOARDS																
9		- DIRECTORY ASSISTANCE	238,137	DIRECT					238,137									
10		- INTERCEPT	0	DIRECT			0											
11		- OTHER	0	DIRECT														0
12		SERVICE OBSERVING BOARDS	1,413,707	LN 27			643,404	18,382	14,891	0		737,029	0					0
13		TSPS																
14		- OPERATOR	950,439	LN 3			45,344		905,095	0								0
15		- RTA	0	LN 27			0	0	0	0		0	0					0
16		- OTHER	0	LN 27			0	0	0	0		0	0					0
17		TOTAL OPERATOR SYSTEMS	2,602,283				688,748	18,382	1,158,123	0		737,029	0					0
2210 TANDEM SWITCHING EQUIPMENT																		
18		ACCESS	56,584,634	DIRECT											56,584,634			
19		NON ACCESS	0	DIRECT														0
20		TANDEM SWITCHED TRANSPORT	0	DIRECT									0					
21		TOTAL TANDEM SWITCH	56,584,634												56,584,634	0		0
2210 LOCAL SWITCHING EQUIPMENT																		
22a		ACCESS - TS	49,351,321	DIRECT			49,351,321											
22b		ACCESS - NTS	0	DIRECT			0											
23		EQUAL ACCESS	0	DIRECT			0											
24		SS7 SWITCHING	1,411,287	DIRECT				1,411,287										
25		TOTAL LOCAL SWITCH	50,762,608				49,351,321	1,411,287										
26		TOTAL CAT1 EXCL SVC OBS, CAT 2 AND 3	108,535,819				49,396,665	1,411,287	1,143,232	0		56,584,634	0					0
27		% DISTRIBUTION	100.0000%	LN 26			45.5119%	1.3003%	1.0533%	0.0000%		52.1345%	0.0000%					0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-4, 2 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 2 of 2

					COMMON LINE		TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL			
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
28	2230	CENTRAL OFFICE TRANSMISSION																
29		EXCHANGE WIDEBAND	0	DIRECT									0				0	
30		EXCHANGE TRUNK - BASIC	817,585	DIRECT									817,585				0	
31		EXCHANGE TRUNK - SPECIAL	439,711	DIRECT									0				439,711	
32		SUBSCRIBER LINE	48,526,327	LN 4/DIRECT		0	48,034,873								491,454			
33		INTEREXCHANGE CIRCUIT																
34		- FURNISHED OTHERS	0	DIRECT									0				0	
35a		- ACCESS - WIDEBAND	0	DIRECT									0				0	
35b		- ACCESS - BASIC	116,171,139	LN 5/DIRECT									94,007,211				22,163,928	
35c		- ACCESS - TANDEM MULTIPLEX	0	DIRECT									0				0	
35d		- ACCESS - VOICE GRADE MULTIPLEX	0	DIRECT					0								0	
36		- ACCESS - SS7	1,101,657	DIRECT				1,101,657									0	
37		- NON ACCESS	0	DIRECT														0
38		TOTAL IX CIRCUIT	117,272,796					0	1,101,657				0	94,007,211			22,163,928	0
39		HOST/REMOTE CIRCUIT	7,666,301	DIRECT									7,666,301				0	
40		EQUIPMENT RENTED OTHERS	0	DIRECT														0
41		TOTAL CENTRAL OFFICE TRANSMISSION	174,722,720			0	48,034,873		0	1,101,657			0	102,491,096		491,454	22,603,639	0
42		TOTAL CENTRAL OFFICE EQUIPMENT	284,672,246			0	48,034,873	50,040,069	2,531,327	1,158,123	0		57,321,664	102,491,096		491,454	22,603,639	0
43		% DISTRIBUTION	100.0000%			0.0000%	16.8737%	17.5781%	0.8892%	0.4068%	0.0000%		20.1360%	36.0032%		0.1726%	7.9402%	0.0000%
44		COE RATIOS																
45		OPERATOR SYSTEMS	100.0000%	LN 17				26.4671%	0.7064%	44.5041%	0.0000%		28.3224%	0.0000%				0.0000%
46		TANDEM SWITCHING	100.0000%	LN 21									100.0000%	0.0000%				0.0000%
47		LOCAL SWITCHING	100.0000%	LN 25				97.2198%	2.7802%									0.0000%
48		CENTRAL OFFICE SWITCHING	100.0000%	LN 21+25				45.9735%	1.3147%				52.7118%	0.0000%				0.0000%
		CENTRAL OFFICE TRANSMISSION	100.0000%	LN 41	0.0000%	27.4921%		0.0000%	0.6305%				0.0000%	58.6593%		0.2813%	12.9369%	0.0000%

A-5, 1 of 1

INFORMATION ORIGATION/TERMINATION AND CABLE AND WIRE FACILITIES

A-5, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL	
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
ALLOCATION FACTORS																		
1		EQUIVALENT ACCESS LINES - MSG CWF	100.0000%	AL-1, LN 4	0.0000%	100.0000%												
2		IX CIRCUIT MILES - MSG CWF	100.0000%	AL-1, LN 8										100.0000%				
3	2310	INFORMATION ORIG/TERM																
4		OTHER IOT EQUIPMENT																
5		PUBLIC INTEREST PAYSTATION EQUIP	0	DIRECT		0									0			
6		COINLESS PUBLIC TELEPHONE	0	DIRECT		0									0			
7		OTHER	1,641,276	DIRECT		1,641,276									0			
8		SUBTOTAL	1,641,276			0	1,641,276								0			
9		NEW CUSTOMER PREMISE EQUIP	0	DIRECT		0									0			
10		TOTAL ORIG/TERM EQUIP	1,641,276			0	1,641,276								0			
11		% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%			
12	2410	CABLE AND WIRE FACILITIES																
13		SUBSCRIBER LINE	406,648,684	LN 1/DIRECT		0	402,530,320								4,118,365			
14		EXCHANGE WIDEBAND	0	DIRECT									0				0	
15a		EXCHANGE TRUNK - BASIC	615,809	DIRECT									615,809				0	
15b		EXCHANGE TRUNK - SPECIAL	354,128	DIRECT									0				354,128	
16		INTEREXCHANGE WIDEBAND	0	DIRECT									0				0	
17a		IX TRUNK - ACCESS	14,445,720	LN 2/DIRECT									13,700,599				745,121	
17b		IX TRUNK - SS7	0	DIRECT				0										
18		IX TRUNK - NON ACCESS	0	DIRECT														0
19		HOST/REMOTE	5,424,899	DIRECT										5,424,899			0	
20		EQUIPMENT FURNISHED OTHERS	0	DIRECT														0
21		TOTAL CABLE AND WIRE FACILITIES	427,489,241		0	402,530,320	0		0				19,741,307	4,118,365			1,099,249	
22		% DISTRIBUTION	100.0000%		0.0000%	94.1615%	0.0000%	0.0000%					4.6180%	0.9634%			0.2571%	0.0000%
23		TOTAL CWF EXCLUDING CAT 1.3	24,958,921		0	0	0		0				19,741,307	4,118,365			1,099,249	0
24		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	0.0000%	0.0000%					79.0952%	16.5006%			4.4042%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*



A-6, 1 of 1

OTHER TELECOMMUNICATIONS PLANT ALLOCATION

A-6, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE								SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1	2002	OTHER TELECOMMUNICATIONS PLANT																
2		PROPERTY HELD FOR FUTURE USE																
3		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	2003	PLANT UNDER CONSTRUCTION																
9		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		UNDISTRIBUTED	17,295,956	A-2,LN 10	0	10,957,289	1,212,507	61,336	28,062	0	0	1,388,945	2,483,433	478,346	111,699	547,702	26,636	0
13		TOTAL	17,295,956		0	10,957,289	1,212,507	61,336	28,062	0	0	1,388,945	2,483,433	478,346	111,699	547,702	26,636	0
14		% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
15	XXXX	RESERVED FOR FUTURE USE																
16		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	2005	TELECOMMUNICATIONS PLANT ADJUST.																
23		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-7, 1 of 1

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES

A-7, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE				SPECIAL ACCESS					
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1	3100	ACCUM DEPRECIATION - PLANT IN SERVICE																
2		GENERAL SUPPORT	51,011,354	A-3,LN 5	0	32,316,581	3,576,074	180,899	82,764	0	0	4,096,448	7,324,446	1,410,797	329,437	1,615,351	78,557	0
3		CENTRAL OFFICE SWITCHING EQUIPMENT	58,482,879	A-4,LN 47	0	0	26,886,646	768,871				30,827,362	0	0	0	0	0	0
4		OPERATOR SYSTEMS EQUIPMENT	1,755,307	A-4,LN 44	0	0	464,578	12,399	781,184	0		497,145	0	0	0	0	0	0
5		CENTRAL OFFICE TRANSMISSION	117,462,331	A-4,LN 48	0	32,292,813	0	740,620				0	68,902,562	0	330,394	15,195,941	0	0
6		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
7		INFORMATION ORIG/TERM	1,310,954	A-5,LN 11	0	1,310,954	0	0				0	0	0	0	0	0	0
8		CABLE AND WIRE FACILITIES	251,625,015	A-5,LN 22	0	236,933,911	0	0				0	0	11,619,957	2,424,116	0	647,031	0
9		TOTAL ACCUM DEPR - TPIS	481,647,840		0	302,854,259	30,927,299	1,702,790	863,948	0	0	35,420,955	76,227,008	13,030,754	3,083,947	16,811,292	725,588	0
10	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		TOTAL ACCUM DEPRECIATION	481,647,840		0	302,854,259	30,927,299	1,702,790	863,948	0	0	35,420,955	76,227,008	13,030,754	3,083,947	16,811,292	725,588	0
12		% DISTRIBUTION	100.0000%		0.0000%	62.8788%	6.4211%	0.3535%	0.1794%	0.0000%	0.0000%	7.3541%	15.8263%	2.7055%	0.6403%	3.4904%	0.1506%	0.0000%
ACCUMULATED AMORTIZATION																		
13	3400	TANGIBLE ASSETS																
14		CAPITAL LEASES	194,673	A-3,LN 10	0	123,329	13,647	690	316	0	0	15,633	27,952	5,384	1,257	6,165	300	0
15		LEASEHOLD IMPROVEMENTS	1,329,086	A-3,LN 10	0	841,999	93,174	4,713	2,156	0	0	106,732	190,836	36,758	8,583	42,088	2,047	0
16		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		TOTAL ACCUM AMORT - TANGIBLE	1,523,760		0	965,328	106,821	5,404	2,472	0	0	122,365	218,788	42,142	9,841	48,252	2,347	0
18	3500	INTANGIBLE ASSETS	299,111	A-3,LN 10	0	189,492	20,969	1,061	485	0	0	24,020	42,948	8,272	1,932	9,472	461	0
19	3600	TELEPHONE PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL ACCUM AMORTIZATION	1,822,871		0	1,154,821	127,790	6,464	2,958	0	0	146,385	261,736	50,414	11,772	57,724	2,807	0
21		% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
22	4100 &	NET OPERATING DEFERRED INC TAX																
23	4340	GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
25		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
26		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
27		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
28		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
29		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		TOTAL NET DEFERRED INC TAX	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
32	4360	OTHER DEFERRED CREDITS - NET																
33		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
35		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
36		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
37		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
38		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
39		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		TOTAL OTHER DEFERRED CREDITS	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
41		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-8, 1 of 1

SUMMARY OF OPERATING EXPENSE AND TAX AND MISCELLANEOUS TAX ITEMS

A-8, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE				SPECIAL ACCESS			TOTAL		
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1	6110	OPERATING EXPENSE AND TAX																
2	6120	NETWORK SUPPORT EXPENSE	212,256	A-9,LN 6	0	134,468	14,880	753	344	0	0	17,045	30,477	5,870	1,371	6,721	327	0
3	6210	GENERAL SUPPORT EXPENSE	9,139,141	A-9,LN 7	0	5,789,805	640,686	32,410	14,828	0	0	733,915	1,312,240	252,757	59,022	289,405	14,074	0
4	6310	CENTRAL OFFICE EXPENSE	11,338,447	A-9,LN 15	0	1,513,746	2,681,169	111,389	360	0		3,074,126	3,229,850	0	15,487	712,319	0	0
5	6410	INFORMATION ORIG/TERM EXP	632,247	A-9,LN 22	0	632,247				0		0	0	0	0	0	0	0
6	6510	CABLE AND WIRE FACILITIES EXP	14,700,857	A-9,LN 24	0	13,842,548	0	0				0	0	678,881	141,626	0	37,802	0
7	6530	OTHER PLANT EXPENSE	620,173	A-10,LN 6	0	392,891	43,476	2,199	1,006	0		49,803	89,047	17,152	4,005	19,639	955	0
8a	6540	NETWORK OPERATIONS EXPENSE	9,452,767	A-10,LN 7	0	5,988,492	662,672	33,522	15,337	0		759,101	1,357,272	261,431	61,047	299,336	14,557	0
8b	6540	ACCESS CHARGE EXPENSE	0	A-10,LN 8a														0
9	6610	FEDERAL SUPPORT CHARGES	3,679,100	A-10,LN 8b		3,679,100	0					0	0	0	0	0	0	0
10	6620	MARKETING EXPENSE	4,591,238	A-11,LN 1	0	2,908,629	321,862	16,282	7,449	0	0	368,698	659,231	126,978	29,651	145,388	7,070	0
11	6710	SERVICES EXPENSE	8,730,831	A-11,LN29	0	1,730,610	98,350	4,975	878,110	0	0	112,661	201,438	38,800	117,232	24,133	1,174	5,523,347
12	6720	EXECUTIVE AND PLANNING EXP	276,048	A-12,LN 8	0	160,179	19,526	882	4,014	0	0	22,380	30,098	6,046	1,879	6,549	332	24,165
13		GENERAL AND ADMINISTRATIVE EXP	39,033,109	A-12,LN 9	0	22,649,251	2,760,960	124,670	567,543	0	0	3,164,458	4,255,832	854,851	265,661	926,038	46,990	3,416,854
14		SUBTOTAL OPERATING EXPENSE	102,406,214		0	59,421,966	7,243,582	327,082	1,488,992	0	0	8,302,187	11,165,485	2,242,765	696,980	2,429,528	123,282	8,964,366
15		% DISTRIBUTION	100.0000%		0.0000%	58.0257%	7.0734%	0.3194%	1.4540%	0.0000%	0.0000%	8.1071%	10.9031%	2.1901%	0.6806%	2.3724%	0.1204%	8.7537%
16	6560	DEPRECIATION AND AMORTIZATION	69,828,676	A-10,LN 19+27	0	43,728,336	5,650,734	258,811	177,525	0	0	6,470,876	9,063,323	1,927,364	445,540	1,998,848	107,321	0
17	7200	OTHER OPERATING TAX	7,076,627	A-12,LN 25+26	0	4,483,166	496,096	25,096	11,482	0	0	568,286	1,016,095	195,715	45,702	224,092	10,898	0
18		EQUAL ACCESS EXPENSE	0	A-12,LN 12			0											
19	7500	INTEREST ON CUSTOMER DEPOSITS	53,811	A-12,LN 15	0	34,090	3,772	191	87	0	0	4,321	7,726	1,488	348	1,704	83	0
20	5240	RENT REVENUES	-2,556,490	A-10,LN 35	0	-1,632,429	-176,295	-8,918	-4,080	0	0	-201,949	-361,085	-71,476	-16,643	-79,635	-3,980	0
21		TOTAL OPERATING EXP & TAX	176,808,837		0	106,035,129	13,217,888	602,261	1,674,006	0	0	15,143,721	20,891,544	4,295,856	1,171,927	4,574,537	237,603	8,964,366
		% DISTRIBUTION	100.0000%		0.0000%	59.9716%	7.4758%	0.3406%	0.9468%	0.0000%	0.0000%	8.5650%	11.8159%	2.4297%	0.6628%	2.5873%	0.1344%	5.0701%
22	7370	NON OPERATING EXPENSE																
23		ABANDONED CONSTRUCTION	0	/A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CONTRIBUTIONS	0	/A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL NON OPERATING EXP	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		UNCOLLECTIBLES																
26	5310	END USER MSG TOLL	0	/A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	5320	END USER COMMON LINE	0	DIRECT		0												
28	5330	IX CARRIER	0	/A-3,LN 22		0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL UNCOLLECTIBLES	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	7340	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	672,939	/A-3,LN 10	0	426,319	47,175	2,386	1,092	0	0	54,040	96,624	18,611	4,346	21,310	1,036	0

\*\*PROPRIETARY INFORMATION\*\*

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PLANT SPECIFIC EXPENSE ALLOCATION

A-9, 1 of 1

					COMMON LINE		LOCAL	TRAFFIC SENSITIVE						SPECIAL ACCESS			TOTAL		
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
1			BASIS FOR NETWORK SUPPORT EXPENSE																
2			GEN SUPPORT, COE, IOT AND C&WF	810,832,208	VARIOUS	0	513,676,311	56,842,172	2,875,418	1,315,550	0	0	65,113,577	116,423,032	22,424,805	5,236,446	25,676,223	1,248,674	0
3			EQUAL ACCESS EQUIPMENT	0	A-3,LN 8			0											
4			TOTAL	810,832,208		0	513,676,311	56,842,172	2,875,418	1,315,550	0	0	65,113,577	116,423,032	22,424,805	5,236,446	25,676,223	1,248,674	0
			% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
5			PLANT SPECIFIC EXPENSES																
6	6110		GENERAL SUPPORT EXPENSE																
7	6120		NETWORK SUPPORT	212,256	LN 4	0	134,468	14,880	753	344	0	0	17,045	30,477	5,870	1,371	6,721	327	0
8			GENERAL SUPPORT	9,139,141	A-3,LN 5	0	5,789,805	640,686	32,410	14,828	0	0	733,915	1,312,240	252,757	59,022	289,405	14,074	0
9			TOTAL GENERAL SUPPORT EXP	9,351,397		0	5,924,273	655,566	33,162	15,172	0	0	750,960	1,342,717	258,627	60,392	296,126	14,401	0
			% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
10			CENTRAL OFFICE EXPENSE																
11	6210		CENTRAL OFFICE SWITCHING EXPENSE	5,831,519	A-4,LN 47	0	0	2,680,956	76,667	0	0		3,073,897	0		0	0		0
12	6220		OPERATOR SYSTEMS EXPENSE	808	A-4,LN 44	0	0	214	6	360	0		229	0		0	0		0
13	6230		CENTRAL OFFICE TRANSMISSION EXPENSE	5,506,119	A-4,LN 48	0	1,513,746	0	34,717	0	0		0	3,229,850		15,487	712,319		0
14	6230		COE EXPENSE - SS7 LEASE	0	DIRECT				0										
15			TOTAL CENTRAL OFFICE EXPENSE	11,338,447		0	1,513,746	2,681,169	111,389	360	0		3,074,126	3,229,850		15,487	712,319		0
16			% DISTRIBUTION	100.0000%		0.0000%	13.3506%	23.6467%	0.9824%	0.0032%	0.0000%		27.1124%	28.4858%		0.1366%	6.2823%		0.0000%
17	6310		INFORMATION ORIG/TERM EXPENSE																
18			PUBLIC INTEREST PAYSTATION EXPENSE	0	DIRECT		0												
19			COINLESS PAY TELEPHONE EXPENSE	0	DIRECT	0													
20			OTHER IOT EXPENSE	632,247	DIRECT		632,247									0			
21			CPE	0	DIRECT		0												
22			TOTAL INFORMATION ORIG/TERM EXP	632,247		0	632,247									0			
23			% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%			
24	6410		CABLE AND WIRE FACILITIES EXPENSE																
25			TOTAL EXCL SS7	14,700,857	A-5,LN 22	0	13,842,548	0	0					678,881		141,626		37,802	0
26			SS7 LEASE	0	DIRECT				0										
27			TOTAL C&WF EXPENSE	14,700,857		0	13,842,548	0	0					678,881		141,626		37,802	0
28			% DISTRIBUTION	100.0000%		0.0000%	94.1615%	0.0000%	0.0000%					4.6180%		0.9634%		0.2571%	0.0000%
29			TOTAL PLANT SPECIFIC EXPENSE	36,022,947		0	21,912,813	3,336,735	144,552	15,532	0	0	3,825,087	4,572,567	937,508	217,506	1,008,445	52,203	0
30			% DISTRIBUTION	100.0000%		0.0000%	60.8302%	9.2628%	0.4013%	0.0431%	0.0000%	0.0000%	10.6185%	12.6935%	2.6025%	0.6038%	2.7995%	0.1449%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

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PLANT NON SPECIFIC EXPENSE ALLOCATION

A-10, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE				SPECIAL ACCESS			TOTAL		
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	NON ACCESS
1		CENTRAL OFFICE EQUIPMENT	284,672,246	A-4,LN 38	0	48,034,873	50,040,069	2,531,327	1,158,123	0		57,321,664	102,491,096		491,454	22,603,639		0
2		INFORMATION ORIG/TERM	1,641,276	A-5,LN 10	0	1,641,276									0			
3		CABLE AND WIRE FACILITIES	427,489,241	A-5,LN 21	0	402,530,320	0	0				0		19,741,307	4,118,365		1,099,249	0
4		TOTAL	713,802,762		0	452,206,469	50,040,069	2,531,327	1,158,123	0		57,321,664	102,491,096	19,741,307	4,609,819	22,603,639	1,099,249	0
5		% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%		8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
PLANT NONSPECIFIC EXPENSE																		
6	6510	OTHER PROP PLANT & EQUIP EXPENSE	620,173	LN 5	0	392,891	43,476	2,199	1,006	0		49,803	89,047	17,152	4,005	19,639	955	0
7	6530	NETWORK OPERATIONS EXPENSE	9,452,767	LN 5	0	5,988,492	662,672	33,522	15,337	0		759,101	1,357,272	261,431	61,047	299,336	14,557	0
8a	6540	ACCESS CHARGE EXPENSE	0	DIRECT														0
8b	6540	FEDERAL SUPPORT CHARGES	3,679,100	DIRECT		3,679,100	0					0	0	0	0	0	0	0
9	6560	DEPRECIATION EXPENSE																
10		GENERAL SUPPORT	6,602,060	A-3,LN 5	0	4,182,520	462,827	23,413	10,712	0	0	530,176	947,954	182,590	42,637	209,064	10,167	0
11		CENTRAL OFFICE SWITCHING EQUIPMENT	10,842,648	A-4,LN 47			4,984,749	142,548				5,715,352	0					0
12		OPERATOR SYSTEMS EQUIPMENT	369,346	A-4,LN 44			97,755	2,609	164,374	0		104,608	0					0
13		CENTRAL OFFICE TRANSMISSION	13,466,726	A-4,LN 48	0	3,702,280	0	84,910				0	7,899,485		37,879	1,742,172		0
14		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0		0	0		0	0		0
15		INFORMATION ORIG/TERM	162,517	A-5,LN 11	0	162,517									0			
16		CABLE AND WIRE FACILITIES	36,881,852	A-5,LN 22	0	34,728,508	0	0				0		1,703,191	355,314		94,838	0
17		TOTAL DEP EXP - PLANT IN SERVICE	68,325,149		0	42,775,825	5,545,331	253,479	175,086	0	0	6,350,136	8,847,439	1,885,781	435,830	1,951,236	105,005	0
18		PROPERTY HELD FOR FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL DEPRECIATION EXPENSE	68,325,149		0	42,775,825	5,545,331	253,479	175,086	0	0	6,350,136	8,847,439	1,885,781	435,830	1,951,236	105,005	0
20		% DISTRIBUTION	100.0000%		0.0000%	62.6063%	8.1161%	0.3710%	0.2563%	0.0000%	0.0000%	9.2940%	12.9490%	2.7600%	0.6379%	2.8558%	0.1537%	0.0000%
AMORTIZATION EXPENSE																		
21	6563	CAPITAL LEASE	218,748	A-3,LN 10	0	138,581	15,335	776	355	0	0	17,566	31,409	6,050	1,413	6,927	337	0
22	6563	LEASEHOLD IMPROVEMENTS	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	6563	UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		SUBTOTAL	218,748		0	138,581	15,335	776	355	0	0	17,566	31,409	6,050	1,413	6,927	337	0
25	6564	INTANGIBLE ASSETS	1,284,779	A-3,LN 10	0	813,930	90,068	4,556	2,085	0	0	103,174	184,475	35,533	8,297	40,684	1,979	0
26	6565	OTHER - TEL PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL AMORTIZATION EXPENSE	1,503,527		0	952,510	105,402	5,332	2,439	0	0	120,740	215,883	41,582	9,710	47,611	2,315	0
28		% DISTRIBUTION	100.0000%		0.0000%	63.3517%	7.0103%	0.3546%	0.1622%	0.0000%	0.0000%	8.0305%	14.3585%	2.7657%	0.6458%	3.1667%	0.1540%	0.0000%
29		TOTAL PLANT NON SPECIFIC EXPENSE	83,580,716		0	53,788,818	6,356,882	294,532	193,868	0	0	7,279,780	10,509,642	2,205,946	510,592	2,317,822	122,833	0
30		% DISTRIBUTION	100.0000%		0.0000%	64.3555%	7.6057%	0.3524%	0.2320%	0.0000%	0.0000%	8.7099%	12.5742%	2.6393%	0.6109%	2.7732%	0.1470%	0.0000%
RENT REVENUES																		
31	5240	GEN SUPPORT ASSETS	2,332,911	A-3,LN 5	0	1,477,940	163,545	8,273	3,785	0	0	187,344	334,970	64,520	15,066	73,875	3,593	0
32	5240	CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	5240	CABLE & WIRE FACILITIES	41,702	A-5,LN 22	0	39,267	0	0				0		1,926	402		107	0
34	5240	UNDISTRIBUTED	181,877	A-3,LN 10	0	115,222	12,750	645	295	0	0	14,606	26,115	5,030	1,175	5,759	280	0
35		TOTAL RENT REVENUE	2,556,490		0	1,632,429	176,295	8,918	4,080	0	0	201,949	361,085	71,476	16,643	79,635	3,980	0

\*\*PROPRIETARY INFORMATION\*\*

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CUSTOMER OPERATIONS EXPENSE ALLOCATION

A-11, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE						SPECIAL ACCESS			
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1	6610	CUSTOMER OPERATIONS EXPENSES																
2		MARKETING	4,591,238	A-3,LN 10	0	2,908,629	321,862	16,282	7,449	0	0	368,698	659,231	126,978	29,651	145,388	7,070	0
3	6621	TELEPHONE OPERATOR SERVICES																
4		- CALL COMPLETION INCL DA	79,188	SWS-OPERATORS			0		0	0								79,188
5	6622	- OPERATOR SERVICES UNDER CONTRACT	0	DIRECT			0		0	0								0
6	6623	PUBLISHED DIRECTORY LISTINGS	872,741	DIRECT					872,741									0
7		ALL OTHER																
8	1.0	LOCAL BUSINESS OFFICE																
9		- END USER SVC ORDER PROCESSING																
10		- PRESUBSCRIPTION	0	A-3,LN 20	0	0	0	0	0	0	0	0	0	0				
11		- OTHER	1,710,327	AL-1,LN 12											59,953			1,650,374
12		- END USER PAYMENT & COLLECTION	2,024,965	AL-1,LN 13		1,296,447									0			728,519
13		- END USER BILLING INQUIRY	2,784,144	AL-1,LN 14		0									0			2,784,144
14		- IX CARRIER SVC ORDER PROCESSING	433,166	AL-1,LN 15	0	262,609	29,060	1,470	673	0	0	33,288	59,520	11,464	35,082			0
15		- IX CARRIER PAYMENT & COLLECTION	68,362	AL-1,LN 16	0	39,088	4,325	219	100	0	0	4,955	8,859	1,706	3,140			5,971
16		- IX CARRIER BILLING INQUIRY	169,643	AL-1,LN 17	0	102,847	11,381	576	263	0	0	13,037	23,310	4,490	13,739			0
17		- COIN COLLECT AND ADMIN - PUBLIC INTEREST	0	AL-1,LN 18	0	0												
18		SUBTOTAL LOCAL BUSINESS OFFICE	7,190,609		0	1,700,991	44,766	2,265	1,036	0	0	51,280	91,689	17,661	111,914			5,169,008
19	2.0	CUSTOMER SERVICES (REV ACCTG)																
20		- MESSAGE PROCESSING																
21		- TOLL TICKET PROCESSING	122,438	DIRECT														122,438
22		- LOCAL MESSAGE PROCESSING	0	DIRECT														0
23		- OTHER BILLING & COLLECTION																
24a		- BNA	0	DIRECT							0							
24b		- ALL OTHER	133,206	DIRECT														133,206
25		- END USER COMMON LINE	23,507	DIRECT		23,507												
26		- CARRIER ACCESS BILLING (CABS)																
27a		- BNA	0	DIRECT							0							
27b		- ALL OTHER	278,307	A-3,LN 22			53,237	2,693	1,232	0		60,983	109,038	21,002	4,904	24,048	1,169	0
28		SUBTOTAL CUSTOMER SERVICES	557,457		0	23,507	53,237	2,693	1,232	0	0	60,983	109,038	21,002	4,904	24,048	1,169	255,643
29		TOTAL CAT 1 AND CAT 2	7,748,066		0	1,724,498	98,002	4,958	2,268	0	0	112,263	200,727	38,663	116,818	24,048	1,169	5,424,652
30		% DISTRIBUTION	100.0000%		0.0000%	22.2571%	1.2649%	0.0640%	0.0293%	0.0000%	0.0000%	1.4489%	2.5907%	0.4990%	1.5077%	0.3104%	0.0151%	70.0130%
31	3.0	ALL OTHER CUSTOMER SERVICE	30,836	/LN 34	0	6,112	347	18	3,101	0	0	398	711	137	414	85	4	19,508
32		TOTAL SERVICES EXPENSE	8,730,831		0	1,730,610	98,350	4,975	878,110	0	0	112,661	201,438	38,800	117,232	24,133	1,174	5,523,347
33		% DISTRIBUTION	100.0000%		0.0000%	19.8218%	1.1265%	0.0570%	10.0576%	0.0000%	0.0000%	1.2904%	2.3072%	0.4444%	1.3427%	0.2764%	0.0134%	63.2626%
34		TOTAL CUSTOMER OPERATIONS EXPENSE	13,322,069		0	4,639,239	420,212	21,257	885,559	0	0	481,359	860,669	165,778	146,883	169,521	8,244	5,523,347
35		% DISTRIBUTION	100.0000%		0.0000%	34.8237%	3.1543%	0.1596%	6.6473%	0.0000%	0.0000%	3.6132%	6.4605%	1.2444%	1.1026%	1.2725%	0.0619%	41.4601%
36		CUSTOMER OPERATIONS EXCL MARKETING	8,699,995		0	1,724,498	98,002	4,958	875,009	0	0	112,263	200,727	38,663	116,818	24,048	1,169	5,503,840
37		% DISTRIBUTION	100.0000%		0.0000%	19.8218%	1.1265%	0.0570%	10.0576%	0.0000%	0.0000%	1.2904%	2.3072%	0.4444%	1.3427%	0.2764%	0.0134%	63.2626%

\*\*PROPRIETARY INFORMATION\*\*

A-12, 1 of 1

CORPORATE OPERATIONS EXPENSE ALLOCATION

A-12, 1 of 1

				COMMON LINE		TRAFFIC SENSITIVE					SPECIAL ACCESS							
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1		BIG THREE EXPENSES																
		PLANT SPECIFIC EXPENSE	36,022,947	A-9,LN 29	0	21,912,813	3,336,735	144,552	15,532	0	0	3,825,087	4,572,567	937,508	217,506	1,008,445	52,203	0
2		OTHER PLANT EXPENSE	620,173	A-10,LN 6	0	392,891	43,476	2,199	1,006	0	0	49,803	89,047	17,152	4,005	19,639	955	0
3		NETWORK OPERATIONS EXPENSE	9,452,767	A-10,LN 7	0	5,988,492	662,672	33,522	15,337	0	0	759,101	1,357,272	261,431	61,047	299,336	14,557	0
4		ACCESS CHARGE EXPENSE	3,679,100	A-10,LN 8a+8b	0	3,679,100	0	0	0	0	0	0	0	0	0	0	0	0
5		CUSTOMER OPERATIONS EXPENSE	13,322,069	A-11,LN 31	0	4,639,239	420,212	21,257	885,559	0	0	481,359	860,669	165,778	146,883	169,521	8,244	5,523,347
6		TOTAL BIG THREE EXPENSES	63,097,057		0	36,612,536	4,463,095	201,530	917,434	0	0	5,115,349	6,879,556	1,381,868	429,441	1,496,941	75,959	5,523,347
7		% DISTRIBUTION	100.0000%		0.0000%	58.0257%	7.0734%	0.3194%	1.4540%	0.0000%	0.0000%	8.1071%	10.9031%	2.1901%	0.6806%	2.3724%	0.1204%	8.7537%
8	6710	CORPORATE OPERATING EXPENSE																
		EXECUTIVE AND PLANNING	276,048	LN 7	0	160,179	19,526	882	4,014	0	0	22,380	30,098	6,046	1,879	6,549	332	24,165
9	6720	GENERAL AND ADMINISTRATIVE	39,033,109	LN 7	0	22,649,251	2,760,960	124,670	567,543	0	0	3,164,458	4,255,832	854,851	265,661	926,038	46,990	3,416,854
10		TOTAL CORPORATE OPERATIONS	39,309,157		0	22,809,430	2,780,486	125,552	571,557	0	0	3,186,837	4,285,929	860,897	267,540	932,587	47,322	3,441,018
11		% DISTRIBUTION	100.0000%		0.0000%	58.0257%	7.0734%	0.3194%	1.4540%	0.0000%	0.0000%	8.1071%	10.9031%	2.1901%	0.6806%	2.3724%	0.1204%	8.7537%
12		EQUAL ACCESS EXPENSE	0	DIRECT			0											
13	7500	INTEREST EXPENSE																
		CAPITAL LEASE	16,600	A-3,LN 10	0	10,516	1,164	59	27	0	0	1,333	2,384	459	107	526	26	0
15		CUSTOMER DEPOSITS	53,811	A-3,LN 10	0	34,090	3,772	191	87	0	0	4,321	7,726	1,488	348	1,704	83	0
16		OTHER	18,938,080	A-3,LN 10	0	11,997,603	1,327,626	67,159	30,726	0	0	1,520,815	2,719,217	523,762	122,304	599,703	29,164	0
17		TOTAL	19,008,491		0	12,042,210	1,332,562	67,409	30,841	0	0	1,526,470	2,729,327	525,709	122,759	601,932	29,273	0
18		OTHER INCOME ADJUSTMENTS																
19		BASED ON PLANT	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		BASED ON EXPENSE	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		OPERATING TAXES																
23	7210	FEDERAL ITC AMORTIZATION	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	7210	STATE ITC AMORTIZATION	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	7240	OTHER OPERATING TAXES	7,076,627	A-3,LN 10	0	4,483,166	496,096	25,096	11,482	0	0	568,286	1,016,095	195,715	45,702	224,092	10,898	0
26	7243	OTHER OPERATING TAXES - DIRECT ASSIGN	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL OPERATING TAXES	7,076,627		0	4,483,166	496,096	25,096	11,482	0	0	568,286	1,016,095	195,715	45,702	224,092	10,898	0

\*\*PROPRIETARY INFORMATION\*\*

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SUMMARY OF REVENUE REQUIREMENT BY ACCESS ELEMENT

A-1, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE								SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1		NET INVESTMENT FOR SETTLEMENTS	33,779,592	A-2, LN 34	0	27,847,319	2,360,634	7,089	4,708	0	0	0	2,385,347	724,045	353,474	96,976	0	0
2		RATE OF RETURN	11.2500%		11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	0.0000%
3		RETURN ON INVESTMENT	3,800,204	LN 1*LN 2	0	3,132,823	265,571	798	530	0	0	0	268,352	81,455	39,766	10,910	0	0
4		ALLOW FOR FUNDS USED DURING CONSTR	45,662	A-8, LN 28	0	37,736	2,905	10	5	0	0	0	3,411	978	479	139	0	0
5		NET RETURN FOR SETTLEMENTS	3,754,542	LN 3-LN 4	0	3,095,088	262,667	787	524	0	0	0	264,940	80,477	39,287	10,771	0	0
6		FEDERAL INCOME TAX	0	LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		LESS: FEDERAL ITC AMORTIZATION	0	A-12, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		NET FEDERAL INCOME TAX	0	LN 6-LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		STATE AND LOCAL INCOME TAX	1,437,642	LN 36	0	1,183,159	106,691	290	227	0	0	0	97,464	30,830	15,018	3,962	0	0
10		STATE ITC AMORTIZATION	0	A-12, LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		NET STATE AND LOCAL INCOME TAX	1,437,642	LN 9-LN 10	0	1,183,159	106,691	290	227	0	0	0	97,464	30,830	15,018	3,962	0	0
12		PROVISION FOR DEFERRED INCOME TAX	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		OPERATING EXPENSE & OTHER TAXES	21,237,072	A-8, LN 19	0	16,244,114	1,934,126	3,629	19,740	0	0	0	1,221,179	437,518	225,721	49,493	0	1,101,552
14		NONOPERATING EXP	0	A-8, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		UNCOLLECTIBLES	0	A-8, LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		BASIS FOR GROSS RECEIPTS TAX	26,429,256		0	20,522,361	2,303,484	4,706	20,491	0	0	0	1,583,583	548,825	280,027	64,227	0	1,101,552
17		GROSS RECEIPTS TAX RATE	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18		GROSS RECEIPTS TAX	0	LN16*LN17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL REVENUE REQUIREMENT	26,429,256	LN16+LN18	0	20,522,361	2,303,484	4,706	20,491	0	0	0	1,583,583	548,825	280,027	64,227	0	1,101,552

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OPTIONAL GROSS UP INCOME TAX CALCULATION																		
20		RETURN ON INVESTMENT	3,800,204	LN 3	0	3,132,823	265,571	798	530	0	0	0	268,352	81,455	39,766	10,910	0	0
21		INTEREST AND RELATED ITEMS	1,551,585	A-12, LN 16	0	1,282,242	98,695	344	175	0	0	0	115,908	33,233	16,275	4,712	0	0
22		OTHER INCOME ADJUSTMENTS	0	A-12, LN 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TOTAL INCOME ADJUSTMENTS	1,551,585	LN21+LN22	0	1,282,242	98,695	344	175	0	0	0	115,908	33,233	16,275	4,712	0	0
24		RETURN LESS INCOME ADJ	2,248,619	LN20-LN23	0	1,850,581	166,876	453	355	0	0	0	152,444	48,222	23,490	6,198	0	0
25		FEDERAL ITC AMORTIZATION	0	A-12, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		FIT BASE	2,248,619		0	1,850,581	166,876	453	355	0	0	0	152,444	48,222	23,490	6,198	0	0
27		FEDERAL TAXABLE INCOME	2,248,619		0	1,850,581	166,876	453	355	0	0	0	152,444	48,222	23,490	6,198	0	0
28	0.00%	FEDERAL INCOME TAX	0	LN 27*FTR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29		FEDERAL SURTAX ALLOCATION	0	/LN 26	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		NET FEDERAL TAX BEFORE ITC AMORT	0	LN28-LN29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		STATE ITC AMORTIZATION	0	A-12, LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32		SIT BASE	2,248,619		0	1,850,581	166,876	453	355	0	0	0	152,444	48,222	23,490	6,198	0	0
33		STATE TAXABLE INCOME	3,686,261		0	3,033,740	273,567	743	582	0	0	0	249,908	79,052	38,509	10,160	0	0
34	39.00%	STATE INCOME TAX	1,437,642	LN 33*STR	0	1,183,159	106,691	290	227	0	0	0	97,464	30,830	15,018	3,962	0	0
35		STATE SURTAX ALLOCATION	0	/LN 32	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36		NET STATE INCOME TAX BEFORE ITC AMORT	1,437,642	LN34-LN35	0	1,183,159	106,691	290	227	0	0	0	97,464	30,830	15,018	3,962	0	0
37		FEDERAL TAX AT MAXIMUM RATE	1,210,795		0	996,467	89,856	244	191	0	0	0	82,085	25,966	12,649	3,337	0	0
38		ADDITIONAL INCOME ADJUSTMENT FOR FIT	2,248,619		0	1,850,581	166,876	453	355	0	0	0	152,444	48,222	23,490	6,198	0	0

\*\*PROPRIETARY INFORMATION\*\*



A-2, 1 of 1

SUMMARY OF TELEPHONE PLANT AND RESERVES

A-2, 1 of 1

					COMMON LINE			TRAFFIC SENSITIVE						SPECIAL ACCESS					
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS	
												SWITCHING	TERM	FACILITY					
NET INVESTMENT SUMMARY																			
1	2110	GENERAL SUPPORT FACILITIES	7,507,790	A-3, LN 4	0	6,204,497	477,566	1,667	845	0	0	0	560,853	160,807	78,754	22,801	0	0	
2	2210	CENTRAL OFFICE SWITCHING	4,761,772	A-4, LN 21+25			4,761,772	0				0	0					0	
3	2220	OPERATOR SYSTEMS	48,255	A-4, LN 17			39,761	0	8,494	0		0	0					0	
4	2230	CENTRAL OFFICE TRANSMISSION	9,479,198	A-4, LN 41	0	3,549,223	0	16,759				0	5,638,911		45,055	229,249		0	
5	2310	INFORMATION ORIG/TERM	7,121	A-5, LN 10	0	7,121									0				
6	2410	CABLE AND WIRE FACILITIES	61,188,269	A-5, LN 21	0	58,824,736	0	0						1,616,786	746,746		0	0	
7	2680	TANGIBLE ASSETS	167,475	A-3, LN 14	0	138,403	10,653	37	19	0	0	0	12,511	3,587	1,757	509	0	0	
8	2690	INTANGIBLE ASSETS	0	A-3, LN 15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9		TOTAL PLANT IN SERVICE	83,159,879		0	68,723,980	5,289,752	18,463	9,358	0	0	0	6,212,275	1,781,181	872,312	252,559	0	0	
10		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%	
11	2002	PROPERTY HELD FOR FUTURE USE	0	A-6, LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	2003	PLANT UNDER CONSTRUCTION	960,537	A-6, LN 13	0	793,795	61,099	213	108	0	0	0	71,755	20,574	10,076	2,917	0	0	
13	XXXX	RESERVED FOR FUTURE USE	0	A-6, LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14	2005	TELEPHONE PLANT ADJUSTMENT	0	A-6, LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15		TOTAL PROPERTY, PLANT & EQUIP.	84,120,416		0	69,517,775	5,350,851	18,676	9,466	0	0	0	6,284,029	1,801,754	882,387	255,476	0	0	
16		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%	
17	3100	ACCUM DEPRECIATION - PLANT IN SERVICE	50,821,822	A-7, LN 9	0	42,067,958	3,020,813	11,694	4,812	0	0	0	3,934,614	1,088,012	533,959	159,961	0	0	
18	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-7, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	3400	ACCUM AMORTIZATION - TANGIBLE PROPERTY	26,805	A-7, LN 17	0	22,152	1,705	6	3	0	0	0	2,002	574	281	81	0	0	
20	3500	ACCUM AMORTIZATION - INTANGIBLE PROP.	0	A-7, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
21	3600	ACCUM AMORTIZATION - TEL PLANT ADJ.	0	A-7, LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
22	4310	OTHER L/T LIAB - POST RET BENEFITS	0	/A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	4340	OPERATING DEFERRED INCOME TAX	0	A-7, LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	4370	OTHER DEFERRED CREDITS - NET	0	A-7, LN 40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	4040	CUSTOMER DEPOSITS	364,497	/A-3, LN 10	0	301,223	23,185	81	41	0	0	0	27,229	7,807	3,823	1,107	0	0	
26		NET TELEPHONE PLANT	32,907,291		0	27,126,442	2,305,147	6,896	4,610	0	0	0	2,320,184	705,361	344,324	94,327	0	0	
27		% DISTRIBUTION	100.0000%		0.0000%	82.4329%	7.0050%	0.0210%	0.0140%	0.0000%	0.0000%	0.0000%	7.0507%	2.1435%	1.0463%	0.2866%	0.0000%	0.0000%	
28	1220	MATERIALS AND SUPPLIES	0	A-3, LN 16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	1402	RTB STOCK	0	A-3, LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
30	1410	NONCURRENT ASSETS - POST RET BENEFITS	0	A-3, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	1439	EQUAL ACCESS EQUIPMENT	0	A-3, LN 8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
32	1500	OTHER JURISDICTIONAL ASSETS	0	A-3, LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
33	XXXX	CASH WORKING CAPITAL	872,301	/A-3, LN 10	0	720,876	55,487	194	98	0	0	0	65,163	18,684	9,150	2,649	0	0	
34		NET TELEPHONE PLANT, M&S AND CASH WORKING CAPITAL	33,779,592		0	27,847,319	2,360,634	7,089	4,708	0	0	0	2,385,347	724,045	353,474	96,976	0	0	
35		% DISTRIBUTION	100.0000%		0.0000%	82.4383%	6.9883%	0.0210%	0.0139%	0.0000%	0.0000%	0.0000%	7.0615%	2.1434%	1.0464%	0.2871%	0.0000%	0.0000%	

\*\*PROPRIETARY INFORMATION\*\*

A-3, 1 of 1

GENERAL SUPPORT FACILITIES AND MISCELLANEOUS PLANT ALLOCATION

A-3, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE					SPECIAL ACCESS				TOTAL	
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	NON ACCESS
1a			BASIS FOR GENERAL SUPPORT FACILITIES																
			CENTRAL OFFICE EQUIPMENT	14,289,224	A-4,LN 42	0	3,549,223	4,801,533	16,759	8,494	0		0	5,638,911		45,055	229,249		0
1b			INFORMATION ORIG/TERM	7,121	A-5,LN 10	0	7,121									0			
1c			CABLE & WIRE FACILITIES	61,188,269	A-5,LN 21	0	58,824,736	0	0						1,616,786	746,746		0	0
1d			TOTAL	75,484,614		0	62,381,081	4,801,533	16,759	8,494	0		0	5,638,911	1,616,786	791,802	229,249	0	0
2			% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%		0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
	2110		GENERAL SUPPORT ASSETS																
3a			ALLOCATED	7,507,790	/LN 1e	0	6,204,497	477,566	1,667	845	0		0	560,853	160,807	78,754	22,801	0	0
3b			BILLING NAME & ADDRESS (BNA)	0	DIRECT							0							
3c			DIRECT NON ACCESS	0	DIRECT														0
4			TOTAL GENERAL SUPPORT ASSETS	7,507,790		0	6,204,497	477,566	1,667	845	0	0	0	560,853	160,807	78,754	22,801	0	0
5			% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
6			COE,IOT,CWF AND GENERAL SUPPORT	82,992,404		0	68,585,577	5,279,099	18,426	9,339	0	0	0	6,199,764	1,777,594	870,555	252,050	0	0
7			% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
8	1439		EQUAL ACCESS EQUIPMENT	0	DIRECT			0											
9			COE,IOT,CWF,GENERAL SUPPORT AND EQUAL ACCESS EQUIPMENT			0	68,585,577	5,279,099	18,426	9,339	0	0	0	6,199,764	1,777,594	870,555	252,050	0	0
10			% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
11	2680		TANGIBLE ASSETS																
12			CAPITAL LEASES	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13			LEASEHOLD IMPROVEMENTS	167,475	LN 10	0	138,402	10,653	37	19	0	0	0	12,511	3,587	1,757	509	0	0
14			TOTAL	167,475		0	138,403	10,653	37	19	0	0	0	12,511	3,587	1,757	509	0	0
15	2690		INTANGIBLE ASSETS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	1220		MATERIALS AND SUPPLIES	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	1402		RTB STOCK	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	1410		NONCURRENT ASSETS - POST RET BENEFITS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	1500		OTHER JURISDICTIONAL ASSETS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20			COE,IOT,CWF,GEN SUPP & EQUAL ACCESS FOR APPORTIONING PRESUBSCRIPTION	81,869,798		0	68,585,577	5,279,099	18,426	9,339	0	0	0	6,199,764	1,777,594				
21			% DISTRIBUTION	100.0000%		0.0000%	83.7740%	6.4482%	0.0225%	0.0114%	0.0000%	0.0000%	0.0000%	7.5727%	2.1712%				
22			COE,IOT & CWF EXCL CCL FOR ASSIGNING CARRIER ACCESS BILLING EXPENSES	13,103,533				4,801,533	16,759	8,494	0		0	5,638,911	1,616,786	791,802	229,249	0	
23			% DISTRIBUTION	100.0000%				36.6430%	0.1279%	0.0648%	0.0000%		0.0000%	43.0335%	12.3386%	6.0427%	1.7495%	0.0000%	

\*\*PROPRIETARY INFORMATION\*\*

A-4, 1 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 1 of 2

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE					SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
ALLOCATION FACTORS																			
1			STANDARD WORK SECONDS																
2			- MANUAL BOARDS	100.0000%	AL-1, LN 9			0.0000%		0.0000%	0.0000%								100.0000%
3			- TSPS COMPLEX	100.0000%	AL-1, LN 10			4.7700%		95.2300%	0.0000%								0.0000%
4			EQUIVALENT ACCESS LINES - MSG COE	100.0000%	AL-1, LN 2	0.0000%	100.0000%												
5			IX CIRCUIT TERMINATIONS - MSG COE	100.0000%	AL-1, LN 6									0.0000%	100.0000%				
CENTRAL OFFICE EQUIPMENT																			
6	2220		OPERATOR SYSTEMS																
7			MANUAL SWITCHBOARDS	0	LN 2			0		0	0								0
8			AUXILIARY SWITCHBOARDS																
9			- DIRECTORY ASSISTANCE	0	DIRECT					0									
10			- INTERCEPT	0	DIRECT			0											
11			- OTHER	0	DIRECT														
12			SERVICE OBSERVING BOARDS	39,408	LN 27			39,339	0	70	0		0	0					0
13			TSPS																0
14			- OPERATOR	8,846	LN 3			422		8,425	0								0
15			- RTA	0	LN 27			0	0	0	0		0	0					0
16			- OTHER	0	LN 27			0	0	0	0		0	0					0
17			TOTAL OPERATOR SYSTEMS	48,255				39,761	0	8,494	0		0	0					0
2210 TANDEM SWITCHING EQUIPMENT																			
18			ACCESS	0	DIRECT									0					
19			NON ACCESS	0	DIRECT														0
20			TANDEM SWITCHED TRANSPORT	0	DIRECT										0				
21			TOTAL TANDEM SWITCH	0										0	0				0
2210 LOCAL SWITCHING EQUIPMENT																			
22a			ACCESS - TS	4,761,772	DIRECT			4,761,772											
22b			ACCESS - NTS	0	DIRECT			0											
23			EQUAL ACCESS	0	DIRECT			0											
24			SS7 SWITCHING	0	DIRECT				0										
25			TOTAL LOCAL SWITCH	4,761,772				4,761,772	0										
26			TOTAL CAT1 EXCL SVC OBS, CAT 2 AND 3	4,770,618				4,762,194	0	8,425	0		0	0					0
27			% DISTRIBUTION	100.0000%	LN 26			99.8234%	0.0000%	0.1766%	0.0000%		0.0000%	0.0000%					0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-4, 2 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 2 of 2

LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
						LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
28	2230		CENTRAL OFFICE TRANSMISSION																
29			EXCHANGE WIDEBAND	0	DIRECT									0			0		
30			EXCHANGE TRUNK - BASIC	0	DIRECT									0			0		
31			EXCHANGE TRUNK - SPECIAL	0	DIRECT									0			0		
32			SUBSCRIBER LINE	3,594,279	LN 4/DIRECT		0	3,549,223								45,055			
33			INTEREXCHANGE CIRCUIT																
34			- FURNISHED OTHERS	0	DIRECT									0			0		
35a			- ACCESS - WIDEBAND	0	DIRECT									0			0		
35b			- ACCESS - BASIC	4,984,287	LN 5/DIRECT									4,755,038			229,249		
35c			- ACCESS - TANDEM MULTIPLEX	0	DIRECT								0				0		
35d			- ACCESS - VOICE GRADE MULTIPLEX	0	DIRECT				0								0		
36			- ACCESS - SS7	16,759	DIRECT				16,759										
37			- NON ACCESS	0	DIRECT														0
38			TOTAL IX CIRCUIT	5,001,045					0	16,759			0	4,755,038			229,249		0
39			HOST/REMOTE CIRCUIT	883,873	DIRECT									883,873			0		
40			EQUIPMENT RENTED OTHERS	0	DIRECT														0
41			TOTAL CENTRAL OFFICE TRANSMISSION	9,479,198		0	3,549,223		0	16,759			0	5,638,911		45,055	229,249		0
42			TOTAL CENTRAL OFFICE EQUIPMENT	14,289,224		0	3,549,223	4,801,533	16,759	8,494	0		0	5,638,911		45,055	229,249		0
43			% DISTRIBUTION	100.0000%		0.0000%	24.8385%	33.6025%	0.1173%	0.0594%	0.0000%		0.0000%	39.4627%		0.3153%	1.6043%		0.0000%
COE RATIOS																			
44			OPERATOR SYSTEMS	100.0000%	LN 17			82.3974%	0.0000%	17.6026%	0.0000%		0.0000%	0.0000%					0.0000%
45			TANDEM SWITCHING	0.0000%	LN 21								0.0000%	0.0000%					0.0000%
46			LOCAL SWITCHING	100.0000%	LN 25			100.0000%	0.0000%										0.0000%
47			CENTRAL OFFICE SWITCHING	100.0000%	LN 21+25			100.0000%	0.0000%				0.0000%	0.0000%					0.0000%
48			CENTRAL OFFICE TRANSMISSION	100.0000%	LN 41	0.0000%	37.4422%	0.0000%	0.1768%				0.0000%	59.4872%		0.4753%	2.4184%		0.0000%

A-5, 1 of 1

INFORMATION ORIGINATION/TERMINATION AND CABLE AND WIRE FACILITIES

A-5, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1		ALLOCATION FACTORS																
2		EQUIVALENT ACCESS LINES - MSG CWF	100.0000%	AL-1,LN 4	0.0000%	100.0000%												
		IX CIRCUIT MILES - MSG CWF	100.0000%	AL-1,LN 8										100.0000%				
3	2310	INFORMATION ORIG/TERM																
4		OTHER IOT EQUIPMENT																
5		PUBLIC INTEREST PAYSTATION EQUIP	0	DIRECT		0												
6		COINLESS PUBLIC TELEPHONE	0	DIRECT		0												
7		OTHER	7,121	DIRECT		7,121									0			
8		SUBTOTAL	7,121			0									0			
9		NEW CUSTOMER PREMISE EQUIP	0	DIRECT		0									0			
10		TOTAL ORIG/TERM EQUIP	7,121			0									0			
11		% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%			
12	2410	CABLE AND WIRE FACILITIES																
13		SUBSCRIBER LINE	59,571,482	LN 1/DIRECT		0	58,824,736								746,746			
14		EXCHANGE WIDEBAND	0	DIRECT									0				0	
15a		EXCHANGE TRUNK - BASIC	0	DIRECT									0				0	
15b		EXCHANGE TRUNK - SPECIAL	0	DIRECT									0				0	
16		INTEREXCHANGE WIDEBAND	0	DIRECT									0				0	
17a		IX TRUNK - ACCESS	1,549,125	LN 2/DIRECT									1,549,125				0	
17b		IX TRUNK - SS7	0	DIRECT					0									
18		IX TRUNK - NON ACCESS	0	DIRECT														0
19		HOST/REMOTE	67,661	DIRECT										67,661			0	
20		EQUIPMENT FURNISHED OTHERS	0	DIRECT														0
21		TOTAL CABLE AND WIRE FACILITIES	61,188,269		0	58,824,736		0	0				1,616,786	746,746			0	0
22		% DISTRIBUTION	100.0000%		0.0000%	96.1373%		0.0000%	0.0000%				2.6423%	1.2204%			0.0000%	0.0000%
23		TOTAL CWF EXCLUDING CAT 1.3	2,363,532		0	0		0	0				1,616,786	746,746			0	0
24		% DISTRIBUTION	100.0000%		0.0000%	0.0000%		0.0000%	0.0000%				68.4055%	31.5945%			0.0000%	0.0000%

A-6, 1 of 1

OTHER TELECOMMUNICATIONS PLANT ALLOCATION

A-6, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED SWITCHING	TRANSPORT TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1	2002	OTHER TELECOMMUNICATIONS PLANT																
2		PROPERTY HELD FOR FUTURE USE																
3		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	2003	PLANT UNDER CONSTRUCTION																
9		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		UNDISTRIBUTED	960,537	A-2,LN 10	0	793,795	61,099	213	108	0	0	0	71,755	20,574	10,076	2,917	0	0
13		TOTAL	960,537		0	793,795	61,099	213	108	0	0	0	71,755	20,574	10,076	2,917	0	0
14		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
15	XXXX	RESERVED FOR FUTURE USE																
16		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	2005	TELECOMMUNICATIONS PLANT ADJUST.																
23		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%

A-7, 1 of 1

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES

A-7, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE								SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1	3100	ACCUM DEPRECIATION - PLANT IN SERVICE																
2		GENERAL SUPPORT	2,893,327	A-3, LN 5	0	2,391,069	184,043	642	326	0	0	0	216,140	61,971	30,350	8,787	0	0
3		CENTRAL OFFICE SWITCHING EQUIPMENT	2,815,768	A-4, LN 47	0	0	2,815,768	0				0	0	0	0	0	0	0
4		OPERATOR SYSTEMS EQUIPMENT	25,489	A-4, LN 44	0	0	21,002	0	4,487	0		0	0	0	0	0	0	0
5		CENTRAL OFFICE TRANSMISSION	6,250,880	A-4, LN 48	0	2,340,469	0	11,051				0	3,718,475	0	29,711	151,174	0	0
6		UNDISTRIBUTED COE	0	A-4, LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
7		INFORMATION ORIG/TERM	5,225	A-5, LN 11	0	5,225	0	0	0			0	0	0	0	0	0	0
8		CABLE AND WIRE FACILITIES	38,831,134	A-5, LN 22	0	37,331,195	0					0	0	1,026,040	473,898	0	0	0
9		TOTAL ACCUM DEPR - TPIS	50,821,822		0	42,067,958	3,020,813	11,694	4,812	0	0	0	3,934,614	1,088,012	533,959	159,961	0	0
10	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-6, LN 7	0	0	0	0	0	0		0	0	0	0	0	0	0
11		TOTAL ACCUM DEPRECIATION	50,821,822		0	42,067,958	3,020,813	11,694	4,812	0	0	0	3,934,614	1,088,012	533,959	159,961	0	0
12		% DISTRIBUTION	100.0000%		0.0000%	82.7754%	5.9439%	0.0230%	0.0095%	0.0000%	0.0000%	0.0000%	7.7420%	2.1408%	1.0506%	0.3147%	0.0000%	0.0000%
ACCUMULATED AMORTIZATION																		
13	3400	TANGIBLE ASSETS																
14		CAPITAL LEASES	47	A-3, LN 10	0	39	3	0	0	0	0	0	4	1	0	0	0	0
15		LEASEHOLD IMPROVEMENTS	26,758	A-3, LN 10	0	22,113	1,702	6	3	0	0	0	1,999	573	281	81	0	0
16		UNDISTRIBUTED	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		TOTAL ACCUM AMORT - TANGIBLE	26,805		0	22,152	1,705	6	3	0	0	0	2,002	574	281	81	0	0
18	3500	INTANGIBLE ASSETS	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3600	TELEPHONE PLANT ADJUSTMENT	0	A-6, LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL ACCUM AMORTIZATION	26,805		0	22,152	1,705	6	3	0	0	0	2,002	574	281	81	0	0
21		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
22	4100 &	NET OPERATING DEFERRED INC TAX																
23	4340	GENERAL SUPPORT	0	A-3, LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4, LN 47	0	0	0	0	0			0	0	0	0	0	0	0
25		OPERATOR SYSTEMS EQUIPMENT	0	A-4, LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
26		CENTRAL OFFICE TRANSMISSION	0	A-4, LN 48	0	0	0	0				0	0	0	0	0	0	0
27		INFORMATION ORIG/TERM	0	A-5, LN 11	0	0	0	0				0	0	0	0	0	0	0
28		CABLE AND WIRE FACILITIES	0	A-5, LN 22	0	0	0	0				0	0	0	0	0	0	0
29		UNDISTRIBUTED	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		TOTAL NET DEFERRED INC TAX	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
32	4360	OTHER DEFERRED CREDITS - NET																
33		GENERAL SUPPORT	0	A-3, LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4, LN 47	0	0	0	0				0	0	0	0	0	0	0
35		OPERATOR SYSTEMS EQUIPMENT	0	A-4, LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
36		CENTRAL OFFICE TRANSMISSION	0	A-4, LN 48	0	0	0	0				0	0	0	0	0	0	0
37		INFORMATION ORIG/TERM	0	A-5, LN 11	0	0	0	0				0	0	0	0	0	0	0
38		CABLE AND WIRE FACILITIES	0	A-5, LN 22	0	0	0	0				0	0	0	0	0	0	0
39		UNDISTRIBUTED	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		TOTAL OTHER DEFERRED CREDITS	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
41		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-8, 1 of 1

SUMMARY OF OPERATING EXPENSE AND TAX AND MISCELLANEOUS TAX ITEMS

A-8, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE				SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	
1	6110	OPERATING EXPENSE AND TAX															
2	6120	NETWORK SUPPORT EXPENSE	338,707	A-9, LN 6	0	279,910	21,545	75	38	0	0	0	25,302	7,255	3,553	1,029	0
3	6210	GENERAL SUPPORT EXPENSE	2,388,752	A-9, LN 7	0	1,974,083	151,947	530	269	0	0	0	178,446	51,164	25,067	7,255	0
4	6310	CENTRAL OFFICE EXPENSE	685,258	A-9, LN 15	0	61,188	521,838	289	0	0	0	0	97,214	0	777	3,952	0
5	6410	INFORMATION ORIG/TERM EXP	4,986	A-9, LN 22	0	4,986				0	0	0	0	0	0	0	0
6	6510	CABLE AND WIRE FACILITIES EXP	1,821,842	A-9, LN 24	0	1,751,469	0	0		0	0	0	48,139	22,234	0	0	0
7	6530	OTHER PLANT EXPENSE	-24,947	A-10, LN 6	0	-20,617	-1,587	-6	-3	0	0	0	-1,864	-534	-262	-76	0
8a	6540	NETWORK OPERATIONS EXPENSE	1,543,301	A-10, LN 7	0	1,275,397	98,169	343	174	0	0	0	115,289	33,056	16,189	4,687	0
8b	6540	ACCESS CHARGE EXPENSE	0	A-10, LN 8a													0
9	6610	FEDERAL SUPPORT CHARGES	524,967	A-10, LN 8b		524,967	0					0	0	0	0	0	0
10	6610	MARKETING EXPENSE	653,280	A-11, LN 1	0	539,876	41,555	145	74	0	0	0	48,802	13,992	6,853	1,984	0
11	6620	SERVICES EXPENSE	1,302,419	A-11, LN29	0	288,436	86,480	302	12,069	0	0	0	101,561	29,120	23,800	4,023	756,629
12	6710	EXECUTIVE AND PLANNING EXP	31,494	A-12, LN 8	0	22,771	3,136	6	43	0	0	0	1,925	621	335	78	2,579
13	6720	GENERAL AND ADMINISTRATIVE EXP	4,180,074	A-12, LN 9	0	3,022,290	416,238	759	5,710	0	0	0	255,527	82,434	44,432	10,341	342,344
14		SUBTOTAL OPERATING EXPENSE	13,450,133		0	9,724,755	1,339,321	2,444	18,373	0	0	0	822,203	265,246	142,966	33,273	1,101,552
15	6560	% DISTRIBUTION	100.0000%		0.0000%	72.3023%	9.9577%	0.0182%	0.1366%	0.0000%	0.0000%	0.0000%	6.1130%	1.9721%	1.0629%	0.2474%	8.1899%
16	7200	DEPRECIATION AND AMORTIZATION	6,693,026	A-10, LN 19+27	0	5,615,340	525,222	943	1,243	0	0	0	317,257	148,842	71,280	12,898	0
17		OTHER OPERATING TAX	1,094,317	A-12, LN 25+26	0	904,353	69,609	243	123	0	0	0	81,749	23,439	11,479	3,323	0
18		EQUAL ACCESS EXPENSE	0	A-12, LN 12		0	0										0
19	7500	INTEREST ON CUSTOMER DEPOSITS	0	A-12, LN 15	0	0	0	0	0	0	0	0	0	0	0	0	0
20	5240	RENT REVENUES	-404	A-10, LN 35	0	-333	-26	0	0	0	0	0	-30	-9	-4	-1	0
21		TOTAL OPERATING EXP & TAX	21,237,072		0	16,244,114	1,934,126	3,629	19,740	0	0	0	1,221,179	437,518	225,721	49,493	1,101,552
		% DISTRIBUTION	100.0000%		0.0000%	76.4894%	9.1073%	0.0171%	0.0929%	0.0000%	0.0000%	0.0000%	5.7502%	2.0602%	1.0629%	0.2331%	5.1869%
22	7370	NON OPERATING EXPENSE															
23		ABANDONED CONSTRUCTION	0	/A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CONTRIBUTIONS	0	/A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL NON OPERATING EXP	0		0	0	0	0	0	0	0	0	0	0	0	0	0
25	5310	UNCOLLECTIBLES															
26	5320	END USER MSG TOLL	0	/A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
27	5330	END USER COMMON LINE	0	DIRECT		0											
28		IX CARRIER	0	/A-3, LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL UNCOLLECTIBLES	0		0	0	0	0	0	0	0	0	0	0	0	0	0
29	7340	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	45,662	/A-3, LN 10	0	37,736	2,905	10	5	0	0	0	3,411	978	479	139	0

\*\*PROPRIETARY INFORMATION\*\*



A-9, 1 of 1

PLANT SPECIFIC EXPENSE ALLOCATION

A-9, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1		BASIS FOR NETWORK SUPPORT EXPENSE																
2		GEN SUPPORT, COE, IOT AND C&WF	82,992,404	VARIOUS	0	68,585,577	5,279,099	18,426	9,339	0	0	0	6,199,764	1,777,594	870,555	252,050	0	0
3		EQUAL ACCESS EQUIPMENT	0	A-3, LN 8			0											
4		TOTAL	82,992,404		0	68,585,577	5,279,099	18,426	9,339	0	0	0	6,199,764	1,777,594	870,555	252,050	0	0
		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
5		PLANT SPECIFIC EXPENSES																
6	6110	GENERAL SUPPORT EXPENSE																
7	6120	NETWORK SUPPORT	338,707	LN 4	0	279,910	21,545	75	38	0	0	0	25,302	7,255	3,553	1,029	0	0
8		GENERAL SUPPORT	2,388,752	A-3, LN 5	0	1,974,083	151,947	530	269	0	0	0	178,446	51,164	25,057	7,255	0	0
9		TOTAL GENERAL SUPPORT EXP	2,727,458		0	2,253,993	173,492	606	307	0	0	0	203,749	58,419	28,610	8,283	0	0
		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
10		CENTRAL OFFICE EXPENSE																
11	6210	CENTRAL OFFICE SWITCHING EXPENSE	521,838	A-4, LN 47	0	0	521,838	0	0	0		0	0		0	0		0
12	6220	OPERATOR SYSTEMS EXPENSE	0	A-4, LN 44	0	0	0	0	0	0		0	0		0	0		0
13	6230	CENTRAL OFFICE TRANSMISSION EXPENSE	163,420	A-4, LN 48	0	61,188	0	289	0	0		0	97,214		777	3,952		0
14	6230	COE EXPENSE - SS7 LEASE	0	DIRECT				0										
15		TOTAL CENTRAL OFFICE EXPENSE	685,258		0	61,188	521,838	289	0	0		0	97,214		777	3,952		0
16		% DISTRIBUTION	100.0000%		0.0000%	8.9292%	76.1521%	0.0422%	0.0000%	0.0000%		0.0000%	14.1865%		0.1134%	0.5767%		0.0000%
17	6310	INFORMATION ORIG/TERM EXPENSE																
18		PUBLIC INTEREST PAYSTATION EXPENSE	0	DIRECT		0												
19		COINLESS PAY TELEPHONE EXPENSE	0	DIRECT	0													
20		OTHER IOT EXPENSE	4,986	DIRECT		4,986										0		
21		CPE	0	DIRECT		0												
22		TOTAL INFORMATION ORIG/TERM EXP	4,986		0	4,986										0		
23		% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%			
24	6410	CABLE AND WIRE FACILITIES EXPENSE																
25		TOTAL EXCL SS7	1,821,842	A-5, LN 22	0	1,751,469	0	0						48,139	22,234		0	0
26		SS7 LEASE	0	DIRECT				0										
27		TOTAL C&WF EXPENSE	1,821,842		0	1,751,469	0	0						48,139	22,234		0	0
28		% DISTRIBUTION	100.0000%		0.0000%	96.1373%	0.0000%	0.0000%						2.6423%	1.2204%		0.0000%	0.0000%
29		TOTAL PLANT SPECIFIC EXPENSE	5,239,545		0	4,071,636	695,330	894	307	0	0	0	300,963	106,558	51,621	12,236	0	0
30		% DISTRIBUTION	100.0000%		0.0000%	77.7097%	13.2708%	0.0171%	0.0059%	0.0000%	0.0000%	0.0000%	5.7441%	2.0337%	0.9852%	0.2335%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-10, 1 of 1

PLANT NON SPECIFIC EXPENSE ALLOCATION

A-10, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1		CENTRAL OFFICE EQUIPMENT	14,289,224	A-4,LN 38	0	3,549,223	4,801,533	16,759	8,494	0		0	5,638,911		45,055	229,249		0
2		INFORMATION ORIG/TERM	7,121	A-5,LN 10	0	7,121									0			
3		CABLE AND WIRE FACILITIES	61,188,269	A-5,LN 21	0	58,824,736	0	0				0		1,616,786	746,746		0	0
4		TOTAL	75,484,614		0	62,381,081	4,801,533	16,759	8,494	0		0	5,638,911	1,616,786	791,802	229,249	0	0
5		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%		0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
PLANT NONSPECIFIC EXPENSE																		
6	6510	OTHER PROP PLANT & EQUIP EXPENSE	-24,947	LN 5	0	-20,617	-1,587	-6	-3	0		0	-1,864	-534	-262	-76	0	0
7	6530	NETWORK OPERATIONS EXPENSE	1,543,301	LN 5	0	1,275,397	98,169	343	174	0		0	115,289	33,056	16,189	4,687	0	0
8a	6540	ACCESS CHARGE EXPENSE	0	DIRECT														0
8b	6540	FEDERAL SUPPORT CHARGES	524,967	DIRECT		524,967	0					0	0	0	0	0	0	0
9	6560	DEPRECIATION EXPENSE																
10		GENERAL SUPPORT	251,033	A-3,LN 5	0	207,455	15,968	56	28	0	0	0	18,753	5,377	2,633	762	0	0
11		CENTRAL OFFICE SWITCHING EQUIPMENT	503,188	A-4,LN 47			503,188	0				0	0					0
12		OPERATOR SYSTEMS EQUIPMENT	6,900	A-4,LN 44			5,685	0	1,215	0		0	0					0
13		CENTRAL OFFICE TRANSMISSION	501,042	A-4,LN 48	0	187,601	0	886				0	298,056		2,381	12,117		0
14		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0		0	0		0	0		0
15		INFORMATION ORIG/TERM	217	A-5,LN 11	0	217									0			
16		CABLE AND WIRE FACILITIES	5,424,652	A-5,LN 22	0	5,215,113	0	0				0		143,336	66,203		0	0
17		TOTAL DEP EXP - PLANT IN SERVICE	6,687,032		0	5,610,387	524,841	942	1,243	0	0	0	316,809	148,713	71,218	12,880	0	0
18		PROPERTY HELD FOR FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL DEPRECIATION EXPENSE	6,687,032		0	5,610,387	524,841	942	1,243	0	0	0	316,809	148,713	71,218	12,880	0	0
20		% DISTRIBUTION	100.0000%		0.0000%	83.8995%	7.8486%	0.0141%	0.0186%	0.0000%	0.0000%	0.0000%	4.7377%	2.2239%	1.0650%	0.1926%	0.0000%	0.0000%
AMORTIZATION EXPENSE																		
21	6563	CAPITAL LEASE	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	6563	LEASEHOLD IMPROVEMENTS	5,994	A-3,LN 10	0	4,953	381	1	1	0	0	0	448	128	63	18	0	0
23	6563	UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		SUBTOTAL	5,994		0	4,953	381	1	1	0	0	0	448	128	63	18	0	0
25	6564	INTANGIBLE ASSETS	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	6565	OTHER - TEL PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL AMORTIZATION EXPENSE	5,994		0	4,953	381	1	1	0	0	0	448	128	63	18	0	0
28		% DISTRIBUTION	100.0000%		0.0000%	82.6408%	6.3609%	0.0222%	0.0113%	0.0000%	0.0000%	0.0000%	7.4703%	2.1419%	1.0490%	0.3037%	0.0000%	0.0000%
29		TOTAL PLANT NON SPECIFIC EXPENSE	8,736,347		0	7,395,087	621,804	1,280	1,414	0	0	0	430,682	181,363	87,207	17,509	0	0
30		% DISTRIBUTION	100.0000%		0.0000%	84.6474%	7.1174%	0.0147%	0.0162%	0.0000%	0.0000%	0.0000%	4.9298%	2.0760%	0.9982%	0.2004%	0.0000%	0.0000%
RENT REVENUES																		
31	5240	GEN SUPPORT ASSETS	404	A-3,LN 5	0	333	26	0	0	0	0	0	30	9	4	1	0	0
32	5240	CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	5240	CABLE & WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0		0	0		0	0
34	5240	UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35		TOTAL RENT REVENUE	404		0	333	26	0	0	0	0	0	30	9	4	1	0	0

\*\*PROPRIETARY INFORMATION\*\*

A-11, 1 of 1

CUSTOMER OPERATIONS EXPENSE ALLOCATION

A-11, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1	6610	CUSTOMER OPERATIONS EXPENSES	653,280	A-3, LN 10	0	539,876	41,555	145	74	0	0	0	48,802	13,992	6,853	1,984	0	0
2		MARKETING																
3	6621	TELEPHONE OPERATOR SERVICES																
4		- CALL COMPLETION INCL DA	1,835	SWS-OPERATORS			0		0	0								1,835
5	6622	- OPERATOR SERVICES UNDER CONTRACT	0	DIRECT			0		0	0								0
6	6623	PUBLISHED DIRECTORY LISTINGS	11,814	DIRECT					11,814									0
7	1.0	ALL OTHER																
8		LOCAL BUSINESS OFFICE																
9		- END USER SVC ORDER PROCESSING																
10		- PRESUBSCRIPTION	0	A-3, LN 20	0	0	0	0	0	0	0	0	0	0				
11		- OTHER	239,900	AL-1, LN 12											8,409			231,491
12		- END USER PAYMENT & COLLECTION	342,416	AL-1, LN 13		253,897									0			88,519
13		- END USER BILLING INQUIRY	390,520	AL-1, LN 14		0									0			390,520
14		- IX CARRIER SVC ORDER PROCESSING	23,030	AL-1, LN 15	0	18,463	1,421	5	3	0	0	0	1,669	479	991			0
15		- IX CARRIER PAYMENT & COLLECTION	3,594	AL-1, LN 16	0	2,803	216	1	0	0	0	0	253	73	31			217
16		- IX CARRIER BILLING INQUIRY	9,019	AL-1, LN 17	0	7,230	557	2	1	0	0	0	654	187	388			0
17		- COIN COLLECT AND ADMIN - PUBLIC INTEREST	0	AL-1, LN 18	0	0												
18	2.0	SUBTOTAL LOCAL BUSINESS OFFICE	1,008,479		0	282,394	2,193	8	4	0	0	0	2,576	739	9,819			710,747
19		CUSTOMER SERVICES (REV ACCTG)																
20		- MESSAGE PROCESSING																
21		- TOLL TICKET PROCESSING	17,311	DIRECT														17,311
22		- LOCAL MESSAGE PROCESSING	0	DIRECT														0
23		- OTHER BILLING & COLLECTION																
24a		- BNA	0	DIRECT							0							
24b		- ALL OTHER	20,273	DIRECT														20,273
25		- END USER COMMON LINE	3,578	DIRECT		3,578												
26		- CARRIER ACCESS BILLING (CABS)																
27a		- BNA	0	DIRECT							0							
27b		- ALL OTHER	228,004	A-3, LN 22			83,547	292	148	0		0	98,118	28,132	13,777	3,989	0	0
28		SUBTOTAL CUSTOMER SERVICES	269,165		0	3,578	83,547	292	148	0	0	0	98,118	28,132	13,777	3,989	0	37,584
29		TOTAL CAT 1 AND CAT 2	1,277,644		0	285,972	85,741	299	152	0	0	0	100,694	28,871	23,597	3,989	0	748,331
30		% DISTRIBUTION	100.0000%		0.0000%	22.3827%	6.7109%	0.0234%	0.0119%	0.0000%	0.0000%	0.0000%	7.8812%	2.2597%	1.8469%	0.3122%	0.0000%	58.5711%
31	3.0	ALL OTHER CUSTOMER SERVICE	11,126	/LN 34	0	2,464	739	3	103	0	0	0	868	249	203	34	0	6,464
32		TOTAL SERVICES EXPENSE	1,302,419		0	288,436	86,480	302	12,069	0	0	0	101,561	29,120	23,800	4,023	0	756,629
33		% DISTRIBUTION	100.0000%		0.0000%	22.1462%	6.6399%	0.0232%	0.9266%	0.0000%	0.0000%	0.0000%	7.7979%	2.2358%	1.8274%	0.3089%	0.0000%	58.0941%
34		TOTAL CUSTOMER OPERATIONS EXPENSE	1,955,699		0	828,312	128,034	447	12,142	0	0	0	150,363	43,112	30,653	6,007	0	756,629
35		% DISTRIBUTION	100.0000%		0.0000%	42.3537%	6.5467%	0.0229%	0.6209%	0.0000%	0.0000%	0.0000%	7.6885%	2.2044%	1.5673%	0.3072%	0.0000%	38.6884%
36		CUSTOMER OPERATIONS EXCL MARKETING	1,291,293		0	285,972	85,741	299	11,966	0	0	0	100,694	28,871	23,597	3,989	0	750,165
37		% DISTRIBUTION	100.0000%		0.0000%	22.1462%	6.6399%	0.0232%	0.9266%	0.0000%	0.0000%	0.0000%	7.7979%	2.2358%	1.8274%	0.3089%	0.0000%	58.0941%

\*\*PROPRIETARY INFORMATION\*\*

A-12, 1 of 1

CORPORATE OPERATIONS EXPENSE ALLOCATION

A-12, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1		BIG THREE EXPENSES																
2		PLANT SPECIFIC EXPENSE	5,239,545	A-9,LN 29	0	4,071,636	695,330	894	307	0	0	0	300,963	106,558	51,621	12,236	0	0
3		OTHER PLANT EXPENSE	-24,947	A-10,LN 6	0	-20,617	-1,587	-6	-3	0	0	0	-1,864	-534	-262	-76	0	0
4		NETWORK OPERATIONS EXPENSE	1,543,301	A-10,LN 7	0	1,275,397	98,169	343	174	0	0	0	115,289	33,056	16,189	4,687	0	0
5		ACCESS CHARGE EXPENSE	524,967	A-10,LN 8a+8b	0	524,967	0	0	0	0	0	0	0	0	0	0	0	0
6		CUSTOMER OPERATIONS EXPENSE	1,955,699	A-11,LN 31	0	828,312	128,034	447	12,142	0	0	0	150,363	43,112	30,653	6,007	0	756,629
7		TOTAL BIG THREE EXPENSES	9,238,565		0	6,679,695	919,946	1,678	12,620	0	0	0	564,751	182,191	98,200	22,854	0	756,629
7		% DISTRIBUTION	100.0000%		0.0000%	72.3023%	9.9577%	0.0182%	0.1366%	0.0000%	0.0000%	0.0000%	6.1130%	1.9721%	1.0629%	0.2474%	0.0000%	8.1899%
8	6710	CORPORATE OPERATING EXPENSE																
9	6720	EXECUTIVE AND PLANNING	31,494	LN 7	0	22,771	3,136	6	43	0	0	0	1,925	621	335	78	0	2,579
10		GENERAL AND ADMINISTRATIVE	4,180,074	LN 7	0	3,022,290	416,238	759	5,710	0	0	0	255,527	82,434	44,432	10,341	0	342,344
11		TOTAL CORPORATE OPERATIONS	4,211,568		0	3,045,060	419,374	765	5,753	0	0	0	257,452	83,055	44,766	10,419	0	344,923
11		% DISTRIBUTION	100.0000%		0.0000%	72.3023%	9.9577%	0.0182%	0.1366%	0.0000%	0.0000%	0.0000%	6.1130%	1.9721%	1.0629%	0.2474%	0.0000%	8.1899%
12		EQUAL ACCESS EXPENSE	0	DIRECT			0											
13	7500	INTEREST EXPENSE																
14		CAPITAL LEASE	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		CUSTOMER DEPOSITS	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		OTHER	1,551,585	A-3,LN 10	0	1,282,242	98,695	344	175	0	0	0	115,908	33,233	16,275	4,712	0	0
17		TOTAL	1,551,585		0	1,282,242	98,695	344	175	0	0	0	115,908	33,233	16,275	4,712	0	0
18		OTHER INCOME ADJUSTMENTS																
19		BASED ON PLANT	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		BASED ON EXPENSE	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		OPERATING TAXES																
23	7210	FEDERAL ITC AMORTIZATION	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	7210	STATE ITC AMORTIZATION	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	7240	OTHER OPERATING TAXES	1,094,317	A-3,LN 10	0	904,353	69,609	243	123	0	0	0	81,749	23,439	11,479	3,323	0	0
26	7243	OTHER OPERATING TAXES - DIRECT ASSIGN	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL OPERATING TAXES	1,094,317		0	904,353	69,609	243	123	0	0	0	81,749	23,439	11,479	3,323	0	0

\*\*PROPRIETARY INFORMATION\*\*

A-1, 1 of 1

SUMMARY OF REVENUE REQUIREMENT BY ACCESS ELEMENT

A-1, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS				
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY				
1		NET INVESTMENT FOR SETTLEMENTS	241,221,975	A-2, LN 34	0	154,021,998	20,789,465	881,613	262,979	0	0	23,823,304	26,857,428	6,918,694	1,357,919	5,923,323	385,251	0
2		RATE OF RETURN	11.2500%		11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	0.0000%
3		RETURN ON INVESTMENT	27,137,472	LN 1*LN 2	0	17,327,475	2,338,815	99,182	29,585	0	0	2,680,122	3,021,461	778,353	152,766	666,374	43,341	0
4		ALLOW FOR FUNDS USED DURING CONSTR	626,688	A-8, LN 28	0	395,900	44,300	2,238	892	0	0	50,750	90,887	17,234	3,482	20,045	960	0
5		NET RETURN FOR SETTLEMENTS	26,510,784	LN 3-LN 4	0	16,931,574	2,294,515	96,943	28,693	0	0	2,629,372	2,930,574	761,119	149,284	646,329	42,381	0
6		FEDERAL INCOME TAX	0	LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		LESS: FEDERAL ITC AMORTIZATION	0	A-12, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		NET FEDERAL INCOME TAX	0	LN 6-LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		STATE AND LOCAL INCOME TAX	8,166,360	LN 36	0	5,276,480	846,107	30,608	5,844	0	0	969,800	599,848	245,085	46,647	132,295	13,647	0
10		STATE ITC AMORTIZATION	0	A-12, LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		NET STATE AND LOCAL INCOME TAX	8,166,360	LN 9-LN 10	0	5,276,480	846,107	30,608	5,844	0	0	969,800	599,848	245,085	46,647	132,295	13,647	0
12		PROVISION FOR DEFERRED INCOME TAX	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		OPERATING EXPENSE & OTHER TAXES	179,101,124	A-8, LN 19	0	107,251,479	13,614,159	618,500	1,460,516	0	0	15,598,193	21,441,031	4,402,313	1,054,030	4,696,360	243,582	8,720,961
14		NONOPERATING EXP	0	A-8, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		UNCOLLECTIBLES	0	A-8, LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		BASIS FOR GROSS RECEIPTS TAX	213,778,268		0	129,459,533	16,754,781	746,051	1,495,053	0	0	19,197,365	24,971,453	5,408,517	1,249,961	5,474,984	299,610	8,720,961
17		GROSS RECEIPTS TAX RATE	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18		GROSS RECEIPTS TAX	0	LN16*LN17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL REVENUE REQUIREMENT	213,778,268	LN16+LN18	0	129,459,533	16,754,781	746,051	1,495,053	0	0	19,197,365	24,971,453	5,408,517	1,249,961	5,474,984	299,610	8,720,961

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20		OPTIONAL GROSS UP INCOME TAX CALCULATION																
21		RETURN ON INVESTMENT	27,137,472	LN 3	0	17,327,475	2,338,815	99,182	29,585	0	0	2,680,122	3,021,461	778,353	152,766	666,374	43,341	0
22		INTEREST AND RELATED ITEMS	14,364,448	A-12, LN 14+16	0	9,074,519	1,015,417	51,308	20,445	0	0	1,163,255	2,083,236	395,015	79,806	459,451	21,996	0
23		OTHER INCOME ADJUSTMENTS	0	A-12, LN 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		TOTAL INCOME ADJUSTMENTS	14,364,448	LN21+LN22	0	9,074,519	1,015,417	51,308	20,445	0	0	1,163,255	2,083,236	395,015	79,806	459,451	21,996	0
25		RETURN LESS INCOME ADJ	12,773,024	LN20-LN23	0	8,252,955	1,323,398	47,874	9,140	0	0	1,516,867	938,224	383,338	72,960	206,922	21,345	0
26		FEDERAL ITC AMORTIZATION	0	A-12, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		FIT BASE	12,773,024		0	8,252,955	1,323,398	47,874	9,140	0	0	1,516,867	938,224	383,338	72,960	206,922	21,345	0
28	0.00%	FEDERAL TAXABLE INCOME	12,773,024		0	8,252,955	1,323,398	47,874	9,140	0	0	1,516,867	938,224	383,338	72,960	206,922	21,345	0
29		FEDERAL INCOME TAX	0	LN 27*FTR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		FEDERAL SURTAX ALLOCATION	0	/LN 26	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		NET FEDERAL TAX BEFORE ITC AMORT	0	LN28-LN29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32		STATE ITC AMORTIZATION	0	A-12, LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33		SIT BASE	12,773,024		0	8,252,955	1,323,398	47,874	9,140	0	0	1,516,867	938,224	383,338	72,960	206,922	21,345	0
34	39.00%	STATE TAXABLE INCOME	20,939,384		0	13,529,435	2,169,504	78,482	14,984	0	0	2,486,668	1,538,072	628,422	119,607	339,217	34,992	0
35		STATE INCOME TAX	8,166,360	LN 33*STR	0	5,276,480	846,107	30,608	5,844	0	0	969,800	599,848	245,085	46,647	132,295	13,647	0
36		STATE SURTAX ALLOCATION	0	/LN 32	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37		NET STATE INCOME TAX BEFORE ITC AMORT	8,166,360	LN34-LN35	0	5,276,480	846,107	30,608	5,844	0	0	969,800	599,848	245,085	46,647	132,295	13,647	0
38		FEDERAL TAX AT MAXIMUM RATE	6,877,782		0	4,443,899	712,599	25,778	4,922	0	0	816,775	505,198	206,413	39,286	111,420	11,494	0
39		ADDITIONAL INCOME ADJUSTMENT FOR FIT	12,773,024		0	8,252,955	1,323,398	47,874	9,140	0	0	1,516,867	938,224	383,338	72,960	206,922	21,345	0

\*\*PROPRIETARY INFORMATION\*\*

A-2, 1 of 1

SUMMARY OF TELEPHONE PLANT AND RESERVES

A-2, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE					SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY				
NET INVESTMENT SUMMARY																			
1	2110		GENERAL SUPPORT FACILITIES	98,452,603	A-3, LN 4	0	62,195,920	6,959,576	351,657	140,127	0	0	7,972,839	14,278,311	2,707,399	546,981	3,149,038	150,755	0
2	2210		CENTRAL OFFICE SWITCHING	113,161,649	A-4, LN 21+25			52,025,943	1,487,731				59,647,974	0					0
3	2220		OPERATOR SYSTEMS	2,412,900	A-4, LN 17			644,403	17,229	1,060,485	0		690,784	0					0
4	2230		CENTRAL OFFICE TRANSMISSION	184,186,126	A-4, LN 41	0	50,691,441	0	1,156,397				0	108,058,814		447,433	23,832,040		0
5	2310		INFORMATION ORIG/TERM	1,713,418	A-5, LN 10		1,713,418									0			
6	2410		CABLE AND WIRE FACILITIES	443,619,049	A-5, LN 21	0	418,296,291	0	0						20,489,700	3,692,136		1,140,922	0
7	2680		TANGIBLE ASSETS	3,804,714	A-3, LN 14		2,403,570	268,954	13,590	5,415	0	0	308,111	551,787	104,628	21,138	121,695	5,826	0
8	2690		INTANGIBLE ASSETS	1,281,045	A-3, LN 15		809,280	90,557	4,576	1,823	0	0	103,741	185,786	35,228	7,117	40,975	1,962	0
9			TOTAL PLANT IN SERVICE	848,631,503		0	536,109,919	59,989,433	3,031,180	1,207,850	0	0	68,723,449	123,074,699	23,336,955	4,714,806	27,143,748	1,299,464	0
10			% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
11	2002		PROPERTY HELD FOR FUTURE USE	0	A-6, LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	2003		PLANT UNDER CONSTRUCTION	17,361,610	A-6, LN 13	0	10,967,930	1,227,285	62,013	24,711	0	0	1,405,969	2,517,907	477,436	96,457	555,317	26,585	0
13	XXXX		RESERVED FOR FUTURE USE	0	A-6, LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	2005		TELEPHONE PLANT ADJUSTMENT	0	A-6, LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15			TOTAL PROPERTY, PLANT & EQUIP.	865,993,113		0	547,077,849	61,216,719	3,093,193	1,232,560	0	0	70,129,419	125,592,605	23,814,391	4,811,263	27,699,064	1,326,049	0
16			% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
17	3100		ACCUM DEPRECIATION - PLANT IN SERVICE	576,992,207	A-7, LN 9	0	362,872,246	37,049,779	2,040,921	901,578	0	0	42,436,905	91,805,930	15,581,800	3,187,894	20,247,517	867,637	0
18	3200		ACCUM DEPRECIATION - FUTURE USE	0	A-7, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3400		ACCUM AMORTIZATION - TANGIBLE PROPERTY	1,644,970	A-7, LN 17	0	1,039,185	116,282	5,876	2,341	0	0	133,212	238,565	45,236	9,139	52,615	2,519	0
20	3500		ACCUM AMORTIZATION - INTANGIBLE PROP.	307,597	A-7, LN 18	0	194,319	21,744	1,099	438	0	0	24,910	44,610	8,459	1,709	9,839	471	0
21	3600		ACCUM AMORTIZATION - TEL PLANT ADJ.	0	A-7, LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	4310		OTHER L/T LIAB - POST RET BENEFITS	58,001,178	A-3, LN 10	0	36,641,353	4,100,081	207,171	82,553	0	0	4,697,022	8,411,752	1,595,004	322,241	1,855,186	88,814	0
23	4340		OPERATING DEFERRED INCOME TAX	0	A-7, LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	4370		OTHER DEFERRED CREDITS - NET	0	A-7, LN 40	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	4040		CUSTOMER DEPOSITS	5,066,913	A-3, LN 10	0	3,200,944	358,178	18,098	7,212	0	0	410,326	734,840	139,338	28,151	162,067	7,759	0
26			NET TELEPHONE PLANT	223,980,249		0	143,129,802	19,570,654	820,029	238,439	0	0	22,427,043	24,356,908	6,444,555	1,262,128	5,371,841	358,850	0
27			% DISTRIBUTION	100.0000%		0.0000%	63.9029%	8.7377%	0.3661%	0.1065%	0.0000%	0.0000%	10.0130%	10.8746%	2.8773%	0.5635%	2.3984%	0.1602%	0.0000%
28	1220		MATERIALS AND SUPPLIES	2,966,535	A-3, LN 16	0	1,874,063	209,703	10,596	4,222	0	0	240,234	430,228	81,578	16,481	94,886	4,542	0
29	1402		RTB STOCK	0	A-3, LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	1410		NONCURRENT ASSETS - POST RET BENEFITS	4,369,912	A-3, LN 18	0	2,760,625	308,907	15,609	6,220	0	0	353,882	633,756	120,170	24,278	139,773	6,691	0
31	1439		EQUAL ACCESS EQUIPMENT	0	A-3, LN 8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	1500		OTHER JURISDICTIONAL ASSETS	0	A-3, LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	XXXX		CASH WORKING CAPITAL	9,905,279	A-3, LN 10	0	6,257,508	700,200	35,380	14,098	0	0	802,144	1,436,535	272,390	55,032	316,823	15,167	0
34			NET TELEPHONE PLANT, M&S AND CASH WORKING CAPITAL	241,221,975		0	154,021,998	20,789,465	881,613	262,979	0	0	23,823,304	26,857,428	6,918,694	1,357,919	5,923,323	385,251	0
35			% DISTRIBUTION	100.0000%		0.0000%	63.8507%	8.6184%	0.3655%	0.1090%	0.0000%	0.0000%	9.8761%	11.1339%	2.8682%	0.5629%	2.4555%	0.1597%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-3, 1 of 1

GENERAL SUPPORT FACILITIES AND MISCELLANEOUS PLANT ALLOCATION

A-3, 1 of 1

					COMMON LINE		LOCAL	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL		
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL	CHANNEL MILEAGE		TOTAL
												SWITCHING	TERM	FACILITY	TERM	TERM	FACILITY	NON ACCESS
1a		BASIS FOR GENERAL SUPPORT FACILITIES																
		CENTRAL OFFICE EQUIPMENT	299,760,675	A-4,LN 42	0	50,691,441	52,670,346	2,661,357	1,060,485	0		60,338,758	108,058,814		447,433	23,832,040		0
1b		INFORMATION ORIG/TERM	1,713,418	A-5,LN 10	0	1,713,418									0			
1c		CABLE & WIRE FACILITIES	443,619,049	A-5,LN 21	0	418,296,291	0	0						20,489,700	3,692,136		1,140,922	0
1d		TOTAL	745,093,141		0	470,701,149	52,670,346	2,661,357	1,060,485	0		60,338,758	108,058,814	20,489,700	4,139,570	23,832,040	1,140,922	0
2		% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%		8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
<hr/>																		
3a	2110	GENERAL SUPPORT ASSETS																
		ALLOCATED	98,452,603	/LN 1e	0	62,195,920	6,959,576	351,657	140,127	0		7,972,839	14,278,311	2,707,399	546,981	3,149,038	150,755	0
3b		BILLING NAME & ADDRESS (BNA)	0	DIRECT							0							
3c		DIRECT NON ACCESS	0	DIRECT														0
4		TOTAL GENERAL SUPPORT ASSETS	98,452,603		0	62,195,920	6,959,576	351,657	140,127	0	0	7,972,839	14,278,311	2,707,399	546,981	3,149,038	150,755	0
5		% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
6		COE,IOT,CWF AND GENERAL SUPPORT	843,545,744		0	532,897,069	59,629,923	3,013,015	1,200,611	0	0	68,311,597	122,337,125	23,197,099	4,686,550	26,981,078	1,291,677	0
7		% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
8	1439	EQUAL ACCESS EQUIPMENT	0	DIRECT			0											
9		COE,IOT,CWF,GENERAL SUPPORT																
		AND EQUAL ACCESS EQUIPMENT	843,545,744		0	532,897,069	59,629,923	3,013,015	1,200,611	0	0	68,311,597	122,337,125	23,197,099	4,686,550	26,981,078	1,291,677	0
10		% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
11	2680	TANGIBLE ASSETS																
		CAPITAL LEASES	298,451	LN 7	0	188,542	21,097	1,066	425	0	0	24,169	43,283	8,207	1,658	9,546	457	0
13		LEASEHOLD IMPROVEMENTS	3,506,264	LN 10	0	2,215,028	247,856	12,524	4,990	0	0	283,942	508,504	96,421	19,480	112,149	5,369	0
14		TOTAL	3,804,714		0	2,403,570	268,954	13,590	5,415	0	0	308,111	551,787	104,628	21,138	121,695	5,826	0
15	2690	INTANGIBLE ASSETS	1,281,045	LN 10	0	809,280	90,557	4,576	1,823	0	0	103,741	185,786	35,228	7,117	40,975	1,962	0
16	1220	MATERIALS AND SUPPLIES	2,966,535	LN 10	0	1,874,063	209,703	10,596	4,222	0	0	240,234	430,228	81,578	16,481	94,886	4,542	0
17	1402	RTB STOCK	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	1410	NONCURRENT ASSETS - POST RET BENEFITS	4,369,912	LN 10	0	2,760,625	308,907	15,609	6,220	0	0	353,882	633,756	120,170	24,278	139,773	6,691	0
19	1500	OTHER JURISDICTIONAL ASSETS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		COE,IOT,CWF,GEN SUPP & EQUAL ACCESS	810,586,439		0	532,897,069	59,629,923	3,013,015	1,200,611	0	0	68,311,597	122,337,125	23,197,099				
21		FOR APPORTIONING PRESUBSCRIPTION	100.0000%		0.0000%	65.7422%	7.3564%	0.3717%	0.1481%	0.0000%	0.0000%	8.4274%	15.0924%	2.8618%				
22		COE,IOT & CWF EXCL CCL FOR ASSIGNING																
		CARRIER ACCESS BILLING EXPENSES	274,391,992				52,670,346	2,661,357	1,060,485	0		60,338,758	108,058,814	20,489,700	4,139,570	23,832,040	1,140,922	
23		% DISTRIBUTION	100.0000%				19.1953%	0.9699%	0.3865%	0.0000%		21.9900%	39.3812%	7.4673%	1.5086%	8.6854%	0.4158%	

\*\*PROPRIETARY INFORMATION\*\*

A-4, 1 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 1 of 2

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
ALLOCATION FACTORS																			
1			STANDARD WORK SECONDS																
2			- MANUAL BOARDS	100.0000%	AL-1, LN 9			0.0000%		0.0000%	0.0000%								100.0000%
3			- TSPS COMPLEX	100.0000%	AL-1, LN 10			4.7708%		95.2292%	0.0000%								0.0000%
4			EQUIVALENT ACCESS LINES - MSG COE	100.0000%	AL-1, LN 2	0.0000%	100.0000%												
5			IX CIRCUIT TERMINATIONS - MSG COE	100.0000%	AL-1, LN 6									0.0000%	100.0000%				
CENTRAL OFFICE EQUIPMENT																			
6	2220		OPERATOR SYSTEMS																
7			MANUAL SWITCHBOARDS	0	LN 2			0		0	0								0
8			AUXILIARY SWITCHBOARDS																
9			- DIRECTORY ASSISTANCE	221,761	DIRECT					221,761									
10			- INTERCEPT	0	DIRECT			0											
11			- OTHER	0	DIRECT														0
12			SERVICE OBSERVING BOARDS	1,323,146	LN 27			602,992	17,229	12,141	0		690,784	0					0
13			TSPS																
14			- OPERATOR	867,993	LN 3			41,410		826,583	0								0
15			- RTA	0	LN 27			0	0	0	0		0	0					0
16			- OTHER	0	LN 27			0	0	0	0		0	0					0
17			TOTAL OPERATOR SYSTEMS	2,412,900				644,403	17,229	1,060,485	0		690,784	0					0
2210 TANDEM SWITCHING EQUIPMENT																			
18			ACCESS	59,647,974	DIRECT								59,647,974						
19			NON ACCESS	0	DIRECT														0
20			TANDEM SWITCHED TRANSPORT	0	DIRECT									0					
21			TOTAL TANDEM SWITCH	59,647,974									59,647,974	0					0
2210 LOCAL SWITCHING EQUIPMENT																			
22a			ACCESS - TS	52,025,943	DIRECT			52,025,943											
22b			ACCESS - NTS	0	DIRECT			0											
23			EQUAL ACCESS	0	DIRECT			0											
24			SS7 SWITCHING	1,487,731	DIRECT				1,487,731										
25			TOTAL LOCAL SWITCH	53,513,674				52,025,943	1,487,731										
26			TOTAL CAT1 EXCL SVC OBS, CAT 2 AND 3	114,251,403				52,067,354	1,487,731	1,048,344	0		59,647,974	0					0
27			% DISTRIBUTION	100.0000%	LN 26			45.5726%	1.3022%	0.9176%	0.0000%		52.2077%	0.0000%					0.0000%

\*\*PROPRIETARY INFORMATION\*\*



A-4, 2 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 2 of 2

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY				
28	2230		CENTRAL OFFICE TRANSMISSION																
29			EXCHANGE WIDEBAND	0	DIRECT								0				0		
30			EXCHANGE TRUNK - BASIC	861,993	DIRECT								861,993				0		
31			EXCHANGE TRUNK - SPECIAL	463,595	DIRECT								0				463,595		
32			SUBSCRIBER LINE	51,138,874	LN 4/DIRECT	0	50,691,441									447,433			
33			INTEREXCHANGE CIRCUIT																
34			- FURNISHED OTHERS	0	DIRECT								0				0		
35a			- ACCESS - WIDEBAND	0	DIRECT								0				0		
35b			- ACCESS - BASIC	122,484,559	LN 5/DIRECT								99,116,114				23,368,445		
35c			- ACCESS - TANDEM MULTIPLEX	0	DIRECT								0				0		
35d			- ACCESS - VOICE GRADE MULTIPLEX	0	DIRECT			0									0		
36			- ACCESS - SS7	1,156,397	DIRECT				1,156,397										
37			- NON ACCESS	0	DIRECT														0
38			TOTAL IX CIRCUIT	123,640,956				0	1,156,397				0	99,116,114			23,368,445		0
39			HOST/REMOTE CIRCUIT	8,080,707	DIRECT								8,080,707				0		
40			EQUIPMENT RENTED OTHERS	0	DIRECT														0
41			TOTAL CENTRAL OFFICE TRANSMISSION	184,186,126		0	50,691,441	0	1,156,397				0	108,058,814		447,433	23,832,040		0
42			TOTAL CENTRAL OFFICE EQUIPMENT	299,760,675		0	50,691,441	52,670,346	2,661,357	1,060,485	0		60,338,758	108,058,814		447,433	23,832,040		0
43			% DISTRIBUTION	100.0000%		0.0000%	16.9106%	17.5708%	0.8878%	0.3538%	0.0000%		20.1290%	36.0484%		0.1493%	7.9504%		0.0000%
COE RATIOS																			
44			OPERATOR SYSTEMS	100.0000%	LN 17			26.7066%	0.7141%	43.9506%	0.0000%		28.6288%	0.0000%					0.0000%
45			TANDEM SWITCHING	100.0000%	LN 21								100.0000%	0.0000%					0.0000%
46			LOCAL SWITCHING	100.0000%	LN 25			97.2199%	2.7801%										0.0000%
47			CENTRAL OFFICE SWITCHING	100.0000%	LN 21+25			45.9749%	1.3147%				52.7104%	0.0000%					0.0000%
48			CENTRAL OFFICE TRANSMISSION	100.0000%	LN 41	0.0000%	27.5219%	0.0000%	0.6278%				0.0000%	58.6683%		0.2429%	12.9391%		0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-5, 1 of 1

INFORMATION ORIGATION/TERMINATION AND CABLE AND WIRE FACILITIES

A-5, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	
1		ALLOCATION FACTORS																
2		EQUIVALENT ACCESS LINES - MSG CWF	100.0000%	AL-1, LN 4	0.0000%	100.0000%												
		IX CIRCUIT MILES - MSG CWF	100.0000%	AL-1, LN 8										100.0000%				
3	2310	INFORMATION ORIG/TERM																
4		OTHER IOT EQUIPMENT																
5		PUBLIC INTEREST PAYSTATION EQUIP	0	DIRECT		0												
6		COINLESS PUBLIC TELEPHONE	0	DIRECT	0													
7		OTHER	1,713,418	DIRECT		1,713,418									0			
8		SUBTOTAL	1,713,418		0	1,713,418									0			
9		NEW CUSTOMER PREMISE EQUIP	0	DIRECT		0									0			
10		TOTAL ORIG/TERM EQUIP	1,713,418		0	1,713,418									0			
11		% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%			
12	2410	CABLE AND WIRE FACILITIES																
13		SUBSCRIBER LINE	421,988,427	LN 1/DIRECT	0	418,296,291									3,692,136			
14		EXCHANGE WIDEBAND	0	DIRECT									0			0		
15a		EXCHANGE TRUNK - BASIC	639,154	DIRECT									639,154			0		
15b		EXCHANGE TRUNK - SPECIAL	367,553	DIRECT									0			367,553		
16		INTEREXCHANGE WIDEBAND	0	DIRECT									0			0		
17a		IX TRUNK - ACCESS	14,993,358	LN 2/DIRECT									14,219,989			773,369		
17b		IX TRUNK - SS7	0	DIRECT				0										
18		IX TRUNK - NON ACCESS	0	DIRECT														0
19		HOST/REMOTE	5,630,557	DIRECT										5,630,557		0		
20		EQUIPMENT FURNISHED OTHERS	0	DIRECT														0
21		TOTAL CABLE AND WIRE FACILITIES	443,619,049		0	418,296,291	0		0				20,489,700	3,692,136		1,140,922		0
22		% DISTRIBUTION	100.0000%		0.0000%	94.2918%	0.0000%	0.0000%					4.6188%	0.8323%		0.2572%		0.0000%
23		TOTAL CWF EXCLUDING CAT 1.3	25,322,759		0	0	0		0				20,489,700	3,692,136		1,140,922		0
24		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	0.0000%	0.0000%					80.9142%	14.5803%		4.5055%		0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-6, 1 of 1

OTHER TELECOMMUNICATIONS PLANT ALLOCATION

A-6, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS			TOTAL NON ACCESS	
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL TERM		MILEAGE FACILITY
												SWITCHING	TERM	FACILITY				
1	2002	OTHER TELECOMMUNICATIONS PLANT																
2		PROPERTY HELD FOR FUTURE USE																
3		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	2003	PLANT UNDER CONSTRUCTION																
9		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		UNDISTRIBUTED	17,361,610	A-2,LN 10	0	10,967,930	1,227,285	62,013	24,711	0	0	1,405,969	2,517,907	477,436	96,457	555,317	26,585	0
13		TOTAL	17,361,610		0	10,967,930	1,227,285	62,013	24,711	0	0	1,405,969	2,517,907	477,436	96,457	555,317	26,585	0
14		% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
15	XXXX	RESERVED FOR FUTURE USE																
16		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	2005	TELECOMMUNICATIONS PLANT ADJUST.																
23		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-7, 1 of 1

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES

A-7, 1 of 1

					COMMON LINE		LOCAL	TRAFFIC SENSITIVE						SPECIAL ACCESS			TOTAL	
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1	3100	ACCUM DEPRECIATION - PLANT IN SERVICE																
2		GENERAL SUPPORT	56,623,751	A-3,LN 5	0	35,771,185	4,002,711	202,251	80,592	0	0	4,585,476	8,211,987	1,557,126	314,589	1,811,129	86,705	0
3		CENTRAL OFFICE SWITCHING EQUIPMENT	70,795,594	A-4,LN 47	0	0	32,548,196	930,746				37,316,651	0	0	0	0	0	0
4		OPERATOR SYSTEMS EQUIPMENT	1,867,975	A-4,LN 44	0	0	498,872	13,338	820,986	0		534,778	0	0	0	0	0	0
5		CENTRAL OFFICE TRANSMISSION	142,485,780	A-4,LN 48	0	39,214,732	0	894,585				0	83,593,943	0	346,133	18,436,388	0	0
6		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		INFORMATION ORIG/TERM	1,573,254	A-5,LN 11	0	1,573,254	0	0				0	0	0	0	0	0	0
8		CABLE AND WIRE FACILITIES	303,645,854	A-5,LN 22	0	286,313,076	0	0				0	0	14,024,674	2,527,173	0	780,932	0
9		TOTAL ACCUM DEPR - TPIS	576,992,207		0	362,872,246	37,049,779	2,040,921	901,578	0	0	42,436,905	91,805,930	15,581,800	3,187,894	20,247,517	867,637	0
10	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		TOTAL ACCUM DEPRECIATION	576,992,207		0	362,872,246	37,049,779	2,040,921	901,578	0	0	42,436,905	91,805,930	15,581,800	3,187,894	20,247,517	867,637	0
12		% DISTRIBUTION	100.0000%		0.0000%	62.8903%	6.4212%	0.3537%	0.1563%	0.0000%	0.0000%	7.3548%	15.9111%	2.7005%	0.5525%	3.5091%	0.1504%	0.0000%
ACCUMULATED AMORTIZATION																		
13	3400	TANGIBLE ASSETS																
14		CAPITAL LEASES	205,557	A-3,LN 10	0	129,858	14,531	734	293	0	0	16,646	29,811	5,653	1,142	6,575	315	0
15		LEASEHOLD IMPROVEMENTS	1,439,413	A-3,LN 10	0	909,327	101,752	5,141	2,049	0	0	116,566	208,754	39,583	7,997	46,040	2,204	0
16		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		TOTAL ACCUM AMORT - TANGIBLE	1,644,970		0	1,039,185	116,282	5,876	2,341	0	0	133,212	238,565	45,236	9,139	52,615	2,519	0
18	3500	INTANGIBLE ASSETS	307,597	A-3,LN 10	0	194,319	21,744	1,099	438	0	0	24,910	44,610	8,459	1,709	9,839	471	0
19	3600	TELEPHONE PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL ACCUM AMORTIZATION	1,952,567		0	1,233,504	138,026	6,974	2,779	0	0	158,122	283,175	53,695	10,848	62,453	2,990	0
21		% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
22	4100 &	NET OPERATING DEFERRED INC TAX																
23	4340	GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
25		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
26		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
27		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
28		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
29		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		TOTAL NET DEFERRED INC TAX	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
32	4360	OTHER DEFERRED CREDITS - NET																
33		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
35		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
36		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
37		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
38		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
39		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		TOTAL OTHER DEFERRED CREDITS	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
41		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-8, 1 of 1

SUMMARY OF OPERATING EXPENSE AND TAX AND MISCELLANEOUS TAX ITEMS

A-8, 1 of 1

					COMMON LINE		LOCAL	TRAFFIC SENSITIVE						SPECIAL ACCESS			TOTAL	
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1	6110	OPERATING EXPENSE AND TAX																
2	6120	NETWORK SUPPORT EXPENSE	162,716	A-9,LN 6	0	102,794	11,502	581	232	0	0	13,177	23,598	4,475	904	5,205	249	0
3	6210	GENERAL SUPPORT EXPENSE	8,500,087	A-9,LN 7	0	5,369,799	600,868	30,361	12,098	0	0	688,350	1,232,744	233,748	47,225	271,878	13,016	0
4	6210	CENTRAL OFFICE EXPENSE	11,111,428	A-9,LN 15	0	1,415,370	2,743,979	110,754	298	0	0	3,145,970	3,017,142	0	12,493	665,421	0	0
5	6310	INFORMATION ORIG/TERM EXP	562,622	A-9,LN 22	0	562,622						0	0	0	0	0	0	0
6	6410	CABLE AND WIRE FACILITIES EXP	13,796,929	A-9,LN 24	0	13,009,369	0	0				0	0	637,247	114,829	0	35,484	0
7	6510	OTHER PLANT EXPENSE	145,248	A-10,LN 6	0	91,758	10,268	519	207	0		11,762	21,065	3,994	807	4,646	222	0
7	6530	NETWORK OPERATIONS EXPENSE	9,906,202	A-10,LN 7	0	6,258,091	700,266	35,383	14,099	0		802,219	1,436,669	272,416	55,037	316,853	15,169	0
8a	6540	ACCESS CHARGE EXPENSE	0	A-10,LN 8a														0
8b	6540	FEDERAL SUPPORT CHARGES	2,891,000	A-10,LN 8b		2,891,000	0					0	0	0	0	0	0	0
9	6610	MARKETING EXPENSE	4,510,160	A-11,LN 1	0	2,849,224	318,821	16,110	6,419	0	0	365,239	654,096	124,027	25,057	144,259	6,906	0
8	6620	SERVICES EXPENSE	8,257,593	A-11,LN29	0	1,655,849	94,688	4,784	745,898	0	0	108,474	194,262	36,835	111,580	23,229	1,112	5,280,881
11	6710	EXECUTIVE AND PLANNING EXP	258,716	A-12,LN 8	0	147,878	19,369	858	3,369	0	0	22,200	28,445	5,675	1,591	6,189	312	22,830
12	6720	GENERAL AND ADMINISTRATIVE EXP	38,724,937	A-12,LN 9	0	22,134,563	2,899,253	128,444	504,252	0	0	3,322,974	4,257,633	849,473	238,088	926,315	46,693	3,417,249
13		SUBTOTAL OPERATING EXPENSE	98,827,637		0	56,488,318	7,399,014	327,795	1,286,871	0	0	8,480,366	10,865,654	2,167,891	607,610	2,363,993	119,163	8,720,961
14		% DISTRIBUTION	100.0000%		0.0000%	57.1584%	7.4868%	0.3317%	1.3021%	0.0000%	0.0000%	8.5810%	10.9946%	2.1936%	0.6148%	2.3920%	0.1206%	8.8244%
15	6560	DEPRECIATION AND AMORTIZATION	70,724,661	A-10,LN 19+27	0	44,743,803	5,537,197	256,449	159,995	0	0	6,341,175	9,184,494	1,972,613	393,484	2,025,612	109,840	0
16	7200	OTHER OPERATING TAX	9,926,238	A-12,LN 25+26	0	6,270,748	701,682	35,455	14,128	0	0	803,842	1,439,575	272,967	55,148	317,494	15,200	0
17		EQUAL ACCESS EXPENSE	0	A-12,LN 12			0											
18	7500	INTEREST ON CUSTOMER DEPOSITS	32,112	A-12,LN 15	0	20,287	2,270	115	46	0	0	2,601	4,657	883	178	1,027	49	0
19	5240	RENT REVENUES	-409,524	A-10,LN 35	0	-271,677	-26,004	-1,314	-524	0	0	-29,790	-53,349	-12,040	-2,391	-11,766	-670	0
20		TOTAL OPERATING EXP & TAX	179,101,124		0	107,251,479	13,614,159	618,500	1,460,516	0	0	15,598,193	21,441,031	4,402,313	1,054,030	4,696,360	243,582	8,720,961
21		% DISTRIBUTION	100.0000%		0.0000%	59.8832%	7.6014%	0.3453%	0.8155%	0.0000%	0.0000%	8.7092%	11.9715%	2.4580%	0.5885%	2.6222%	0.1360%	4.8693%
	7370	NON OPERATING EXPENSE																
22		ABANDONED CONSTRUCTION	0	/A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		CONTRIBUTIONS	0	/A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		TOTAL NON OPERATING EXP	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
		UNCOLLECTIBLES																
25	5310	END USER MSG TOLL	0	/A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	5320	END USER COMMON LINE	0	DIRECT		0												
27	5330	IX CARRIER	0	/A-3,LN 22		0	0	0	0	0	0	0	0	0	0	0	0	0
28		TOTAL UNCOLLECTIBLES	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	7340	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	626,688	/A-3,LN 10	0	395,900	44,300	2,238	892	0	0	50,750	90,887	17,234	3,482	20,045	960	0

\*\*PROPRIETARY INFORMATION\*\*

A-9, 1 of 1

PLANT SPECIFIC EXPENSE ALLOCATION

A-9, 1 of 1

					COMMON LINE		LOCAL	TRAFFIC SENSITIVE						SPECIAL ACCESS			TOTAL		
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
1			BASIS FOR NETWORK SUPPORT EXPENSE																
2			GEN SUPPORT, COE, IOT AND C&WF	843,545,744	VARIOUS	0	532,897,069	59,629,923	3,013,015	1,200,611	0	0	68,311,597	122,337,125	23,197,099	4,686,550	26,981,078	1,291,677	0
3			EQUAL ACCESS EQUIPMENT	0	A-3,LN 8	0		0											
4			TOTAL	843,545,744		0	532,897,069	59,629,923	3,013,015	1,200,611	0	0	68,311,597	122,337,125	23,197,099	4,686,550	26,981,078	1,291,677	0
			% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
5			PLANT SPECIFIC EXPENSES																
6	6110		GENERAL SUPPORT EXPENSE																
7	6120		NETWORK SUPPORT	162,716	LN 4	0	102,794	11,502	581	232	0	0	13,177	23,598	4,475	904	5,205	249	0
8			GENERAL SUPPORT	8,500,087	A-3,LN 5	0	5,369,799	600,868	30,361	12,098	0	0	688,350	1,232,744	233,748	47,225	271,878	13,016	0
9			TOTAL GENERAL SUPPORT EXP	8,662,803		0	5,472,593	612,370	30,942	12,330	0	0	701,527	1,256,343	238,223	48,129	277,082	13,265	0
			% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
10			CENTRAL OFFICE EXPENSE																
11	6210		CENTRAL OFFICE SWITCHING EXPENSE	5,968,036	A-4,LN 47	0	0	2,743,798	78,461	0	0		3,145,776	0		0	0		0
12	6220		OPERATOR SYSTEMS EXPENSE	678	A-4,LN 44	0	0	181	5	298	0		194	0		0	0		0
13	6230		CENTRAL OFFICE TRANSMISSION EXPENSE	5,142,714	A-4,LN 48	0	1,415,370	0	32,288	0	0		0	3,017,142		12,493	665,421		0
14	6230		COE EXPENSE - SS7 LEASE	0	DIRECT				0										
15			TOTAL CENTRAL OFFICE EXPENSE	11,111,428		0	1,415,370	2,743,979	110,754	298	0		3,145,970	3,017,142		12,493	665,421		0
16			% DISTRIBUTION	100.0000%		0.0000%	12.7380%	24.6951%	0.9968%	0.0027%	0.0000%		28.3129%	27.1535%		0.1124%	5.9886%		0.0000%
17	6310		INFORMATION ORIG/TERM EXPENSE																
18			PUBLIC INTEREST PAYSTATION EXPENSE	0	DIRECT		0												
19			COINLESS PAY TELEPHONE EXPENSE	0	DIRECT	0													
20			OTHER IOT EXPENSE	562,622	DIRECT		562,622									0			
21			CPE	0	DIRECT		0												
22			TOTAL INFORMATION ORIG/TERM EXP	562,622		0	562,622									0			
23			% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%			
24	6410		CABLE AND WIRE FACILITIES EXPENSE																
25			TOTAL EXCL SS7	13,796,929	A-5,LN 22	0	13,009,369	0	0						637,247	114,829		35,484	0
26			SS7 LEASE	0	DIRECT				0										
27			TOTAL C&WF EXPENSE	13,796,929		0	13,009,369	0	0						637,247	114,829		35,484	0
28			% DISTRIBUTION	100.0000%		0.0000%	94.2918%	0.0000%	0.0000%						4.6188%	0.8323%		0.2572%	0.0000%
29			TOTAL PLANT SPECIFIC EXPENSE	34,133,782		0	20,459,955	3,356,349	141,697	12,627	0	0	3,847,497	4,273,484	875,470	175,450	942,504	48,749	0
30			% DISTRIBUTION	100.0000%		0.0000%	59.9405%	9.8329%	0.4151%	0.0370%	0.0000%	0.0000%	11.2718%	12.5198%	2.5648%	0.5140%	2.7612%	0.1428%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

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PLANT NON SPECIFIC EXPENSE ALLOCATION

A-10, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE					SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
1			CENTRAL OFFICE EQUIPMENT	299,760,675	A-4,LN 38	0	50,691,441	52,670,346	2,661,357	1,060,485	0		60,338,758	108,058,814		447,433	23,832,040		0
2			INFORMATION ORIG/TERM	1,713,418	A-5,LN 10	0	1,713,418									0			
3			CABLE AND WIRE FACILITIES	443,619,049	A-5,LN 21	0	418,296,291	0	0				0		20,489,700	3,692,136		1,140,922	0
4			TOTAL	745,093,141		0	470,701,149	52,670,346	2,661,357	1,060,485	0		60,338,758	108,058,814	20,489,700	4,139,570	23,832,040	1,140,922	0
5			% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%		8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
PLANT NONSPECIFIC EXPENSE																			
6	6510		OTHER PROP PLANT & EQUIP EXPENSE	145,248	LN 5	0	91,758	10,268	519	207	0		11,762	21,065	3,994	807	4,646	222	0
7	6530		NETWORK OPERATIONS EXPENSE	9,906,202	LN 5	0	6,258,091	700,266	35,383	14,099	0		802,219	1,436,669	272,416	55,037	316,853	15,169	0
8a	6540		ACCESS CHARGE EXPENSE	0	DIRECT														0
8b	6540		FEDERAL SUPPORT CHARGES	2,891,000	DIRECT		2,891,000	0					0	0	0	0	0	0	0
9	6560		DEPRECIATION EXPENSE																
10			GENERAL SUPPORT	6,248,184	A-3,LN 5	0	3,947,194	441,682	22,318	8,893	0	0	505,987	906,157	171,822	34,714	199,850	9,568	0
11			CENTRAL OFFICE SWITCHING EQUIPMENT	10,673,396	A-4,LN 47			4,907,082	140,323				5,625,991	0					0
12			OPERATOR SYSTEMS EQUIPMENT	339,318	A-4,LN 44			90,620	2,423	149,132	0		97,143	0					0
13			CENTRAL OFFICE TRANSMISSION	13,768,369	A-4,LN 48	0	3,789,311	0	86,444				0	8,077,664		33,447	1,781,504		0
14			UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0					0	0		0
15			INFORMATION ORIG/TERM	146,922	A-5,LN 11	0	146,922												
16			CABLE AND WIRE FACILITIES	38,164,780	A-5,LN 22	0	35,986,250	0	0				0		1,762,740	317,636		98,154	0
17			TOTAL DEP EXP - PLANT IN SERVICE	69,340,968		0	43,869,676	5,439,384	251,507	158,025	0	0	6,229,121	8,983,821	1,934,562	385,797	1,981,354	107,722	0
18			PROPERTY HELD FOR FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19			TOTAL DEPRECIATION EXPENSE	69,340,968		0	43,869,676	5,439,384	251,507	158,025	0	0	6,229,121	8,983,821	1,934,562	385,797	1,981,354	107,722	0
20			% DISTRIBUTION	100.0000%		0.0000%	63.2666%	7.8444%	0.3627%	0.2279%	0.0000%	0.0000%	8.9833%	12.9560%	2.7899%	0.5564%	2.8574%	0.1554%	0.0000%
AMORTIZATION EXPENSE																			
21	6563		CAPITAL LEASE	198,871	A-3,LN 10	0	125,634	14,058	710	283	0	0	16,105	28,842	5,469	1,105	6,361	305	0
22	6563		LEASEHOLD IMPROVEMENTS	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	6563		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24			SUBTOTAL	198,871		0	125,634	14,058	710	283	0	0	16,105	28,842	5,469	1,105	6,361	305	0
25	6564		INTANGIBLE ASSETS	1,184,822	A-3,LN 10	0	748,493	83,755	4,232	1,686	0	0	95,949	171,831	32,582	6,583	37,897	1,814	0
26	6565		OTHER - TEL PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27			TOTAL AMORTIZATION EXPENSE	1,383,692		0	874,126	97,813	4,942	1,969	0	0	112,053	200,673	38,051	7,687	44,258	2,119	0
28			% DISTRIBUTION	100.0000%		0.0000%	63.1735%	7.0690%	0.3572%	0.1423%	0.0000%	0.0000%	8.0981%	14.5027%	2.7500%	0.5556%	3.1985%	0.1531%	0.0000%
29			TOTAL PLANT NON SPECIFIC EXPENSE	83,667,111		0	53,984,652	6,247,730	292,351	174,301	0	0	7,155,156	10,642,228	2,249,023	449,328	2,347,111	125,232	0
30			% DISTRIBUTION	100.0000%		0.0000%	64.5231%	7.4674%	0.3494%	0.2083%	0.0000%	0.0000%	8.5519%	12.7197%	2.6881%	0.5370%	2.8053%	0.1497%	0.0000%
RENT REVENUES																			
31	5240		GEN SUPPORT ASSETS	185,440	A-3,LN 5	0	117,149	13,109	662	264	0	0	15,017	26,894	5,100	1,030	5,931	284	0
32	5240		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	5240		CABLE & WIRE FACILITIES	41,668	A-5,LN 22	0	39,289	0	0				0		1,925	347		107	0
34	5240		UNDISTRIBUTED	182,416	A-3,LN 10	0	115,239	12,895	652	260	0	0	14,772	26,455	5,016	1,013	5,835	279	0
35			TOTAL RENT REVENUE	409,524		0	271,677	26,004	1,314	524	0	0	29,790	53,349	12,040	2,391	11,766	670	0

\*\*PROPRIETARY INFORMATION\*\*

A-11, 1 of 1

CUSTOMER OPERATIONS EXPENSE ALLOCATION

A-11, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE						SPECIAL ACCESS			TOTAL
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1	6610	CUSTOMER OPERATIONS EXPENSES																
2		MARKETING	4,510,160	A-3,LN 10	0	2,849,224	318,821	16,110	6,419	0	0	365,239	654,096	124,027	25,057	144,259	6,906	0
3	6621	TELEPHONE OPERATOR SERVICES																
4		- CALL COMPLETION INCL DA	67,737	SWS-OPERATORS			0		0	0								67,737
5	6622	- OPERATOR SERVICES UNDER CONTRACT	0	DIRECT			0		0	0								0
6	6623	PUBLISHED DIRECTORY LISTINGS	741,331	DIRECT					741,331									0
7		ALL OTHER																
8	1.0	LOCAL BUSINESS OFFICE																
9		- END USER SVC ORDER PROCESSING																
10		- PRESUBSCRIPTION	0	A-3,LN 20	0	0	0	0	0	0	0	0	0	0				
11		- OTHER	1,637,688	AL-1,LN 12											57,407			1,580,281
12		- END USER PAYMENT & COLLECTION	1,938,963	AL-1,LN 13		1,241,385									0			697,578
13		- END USER BILLING INQUIRY	2,665,899	AL-1,LN 14		0									0			2,665,899
14		- IX CARRIER SVC ORDER PROCESSING	414,769	AL-1,LN 15	0	250,594	28,041	1,417	565	0	0	32,123	57,529	10,908	33,592			0
15		- IX CARRIER PAYMENT & COLLECTION	65,459	AL-1,LN 16	0	37,299	4,174	211	84	0	0	4,781	8,563	1,624	3,006			5,717
16		- IX CARRIER BILLING INQUIRY	162,438	AL-1,LN 17	0	98,141	10,982	555	221	0	0	12,581	22,530	4,272	13,156			0
17		- COIN COLLECT AND ADMIN - PUBLIC INTEREST	0	AL-1,LN 18	0	0												
18		SUBTOTAL LOCAL BUSINESS OFFICE	6,885,217		0	1,627,420	43,196	2,183	870	0	0	49,485	88,622	16,804	107,161			4,949,475
19	2.0	CUSTOMER SERVICES (REV ACCTG)																
20		- MESSAGE PROCESSING																
21		- TOLL TICKET PROCESSING	117,238	DIRECT														117,238
22		- LOCAL MESSAGE PROCESSING	0	DIRECT														0
23		- OTHER BILLING & COLLECTION																
24a		- BNA	0	DIRECT							0							
24b		- ALL OTHER	127,548	DIRECT														127,548
25		- END USER COMMON LINE	22,508	DIRECT		22,508												
26		- CARRIER ACCESS BILLING (CABS)																
27a		- BNA	0	DIRECT							0							
27b		- ALL OTHER	266,487	A-3,LN 22			51,153	2,585	1,030	0		58,600	104,946	19,899	4,020	23,145	1,108	0
28		SUBTOTAL CUSTOMER SERVICES	533,781		0	22,508	51,153	2,585	1,030	0	0	58,600	104,946	19,899	4,020	23,145	1,108	244,786
29		TOTAL CAT 1 AND CAT 2	7,418,997		0	1,649,928	94,349	4,767	1,900	0	0	108,086	193,568	36,704	111,181	23,145	1,108	5,194,261
30		% DISTRIBUTION	100.0000%		0.0000%	22.2392%	1.2717%	0.0643%	0.0256%	0.0000%	0.0000%	1.4569%	2.6091%	0.4947%	1.4986%	0.3120%	0.0149%	70.0130%
31	3.0	ALL OTHER CUSTOMER SERVICE	29,527	/LN 34	0	5,921	339	17	2,667	0	0	388	695	132	399	83	4	18,883
32		TOTAL SERVICES EXPENSE	8,257,593		0	1,655,849	94,688	4,784	745,898	0	0	108,474	194,262	36,835	111,580	23,229	1,112	5,280,881
33		% DISTRIBUTION	100.0000%		0.0000%	20.0524%	1.1467%	0.0579%	9.0329%	0.0000%	0.0000%	1.3136%	2.3525%	0.4461%	1.3512%	0.2813%	0.0135%	63.9518%
34		TOTAL CUSTOMER OPERATIONS EXPENSE	12,767,753		0	4,505,073	413,509	20,894	752,317	0	0	473,713	848,358	160,862	136,638	167,487	8,018	5,280,881
35		% DISTRIBUTION	100.0000%		0.0000%	35.2848%	3.2387%	0.1636%	5.8923%	0.0000%	0.0000%	3.7102%	6.6445%	1.2599%	1.0702%	1.3118%	0.0628%	41.3611%
36		CUSTOMER OPERATIONS EXCL MARKETING	8,228,066		0	1,649,928	94,349	4,767	743,231	0	0	108,086	193,568	36,704	111,181	23,145	1,108	5,261,998
37		% DISTRIBUTION	100.0000%		0.0000%	20.0524%	1.1467%	0.0579%	9.0329%	0.0000%	0.0000%	1.3136%	2.3525%	0.4461%	1.3512%	0.2813%	0.0135%	63.9518%

\*\*PROPRIETARY INFORMATION\*\*



A-12, 1 of 1

CORPORATE OPERATIONS EXPENSE ALLOCATION

A-12, 1 of 1

				COMMON LINE		LOCAL	TRAFFIC SENSITIVE							SPECIAL ACCESS				
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1		BIG THREE EXPENSES																
		PLANT SPECIFIC EXPENSE	34,133,782	A-9, LN 29	0	20,459,955	3,356,349	141,697	12,627	0	0	3,847,497	4,273,484	875,470	175,450	942,504	48,749	0
2		OTHER PLANT EXPENSE	145,248	A-10, LN 6	0	91,758	10,268	519	207	0	0	11,762	21,065	3,994	807	4,646	222	0
3		NETWORK OPERATIONS EXPENSE	9,906,202	A-10, LN 7	0	6,258,091	700,266	35,383	14,099	0	0	802,219	1,436,669	272,416	55,037	316,853	15,169	0
4		ACCESS CHARGE EXPENSE	2,891,000	A-10, LN 8a+8b	0	2,891,000	0	0	0	0	0	0	0	0	0	0	0	0
5		CUSTOMER OPERATIONS EXPENSE	12,767,753	A-11, LN 31	0	4,505,073	413,509	20,894	752,317	0	0	473,713	848,358	160,862	136,638	167,487	8,018	5,280,881
6		TOTAL BIG THREE EXPENSES	59,843,984		0	34,205,877	4,480,391	198,493	779,251	0	0	5,135,192	6,579,577	1,312,742	367,931	1,431,490	72,158	5,280,881
7		% DISTRIBUTION	100.0000%		0.0000%	57.1584%	7.4868%	0.3317%	1.3021%	0.0000%	0.0000%	8.5810%	10.9946%	2.1936%	0.6148%	2.3920%	0.1206%	8.8244%
8	6710	CORPORATE OPERATING EXPENSE																
		EXECUTIVE AND PLANNING	258,716	LN 7	0	147,878	19,369	858	3,369	0	0	22,200	28,445	5,675	1,591	6,189	312	22,830
9	6720	GENERAL AND ADMINISTRATIVE	38,724,937	LN 7	0	22,134,563	2,899,253	128,444	504,252	0	0	3,322,974	4,257,633	849,473	238,088	926,315	46,693	3,417,249
10		TOTAL CORPORATE OPERATIONS	38,983,653		0	22,282,441	2,918,623	129,303	507,621	0	0	3,345,174	4,286,077	855,149	239,678	932,503	47,005	3,440,079
11		% DISTRIBUTION	100.0000%		0.0000%	57.1584%	7.4868%	0.3317%	1.3021%	0.0000%	0.0000%	8.5810%	10.9946%	2.1936%	0.6148%	2.3920%	0.1206%	8.8244%
12		EQUAL ACCESS EXPENSE	0	DIRECT			0											
13	7500	INTEREST EXPENSE																
		CAPITAL LEASE	11,779	A-3, LN 10	0	7,441	833	42	17	0	0	954	1,708	324	65	377	18	0
15		CUSTOMER DEPOSITS	32,112	A-3, LN 10	0	20,287	2,270	115	46	0	0	2,601	4,657	883	178	1,027	49	0
16		OTHER	14,352,669	A-3, LN 10	0	9,067,078	1,014,585	51,266	20,428	0	0	1,162,301	2,081,528	394,691	79,740	459,075	21,977	0
17		TOTAL	14,396,561		0	9,094,806	1,017,687	51,422	20,490	0	0	1,165,855	2,087,894	395,898	79,984	460,479	22,045	0
18		OTHER INCOME ADJUSTMENTS																
19		BASED ON PLANT	0	A-2, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		BASED ON EXPENSE	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		OPERATING TAXES																
23	7210	FEDERAL ITC AMORTIZATION	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	7210	STATE ITC AMORTIZATION	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	7240	OTHER OPERATING TAXES	9,926,238	A-3, LN 10	0	6,270,748	701,682	35,455	14,128	0	0	803,842	1,439,575	272,967	55,148	317,494	15,200	0
26	7243	OTHER OPERATING TAXES - DIRECT ASSIGN	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL OPERATING TAXES	9,926,238		0	6,270,748	701,682	35,455	14,128	0	0	803,842	1,439,575	272,967	55,148	317,494	15,200	0

\*\*PROPRIETARY INFORMATION\*\*

A-1, 1 of 1

SUMMARY OF REVENUE REQUIREMENT BY ACCESS ELEMENT

A-1, 1 of 1

				COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS					
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS
												SWITCHING	TERM	FACILITY				
1		NET INVESTMENT FOR SETTLEMENTS	27,202,658	A-2,LN 34	0	22,721,555	1,978,382	4,897	33,286	0	0	0	1,516,962	626,092	258,180	63,305	0	0
2		RATE OF RETURN	11.2500%		11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	0.0000%
3		RETURN ON INVESTMENT	3,060,299	LN 1*LN 2	0	2,556,175	222,568	551	3,745	0	0	0	170,658	70,435	29,045	7,122	0	0
4		ALLOW FOR FUNDS USED DURING CONSTR	85,102	A-8,LN 28	0	70,580	5,760	18	142	0	0	0	5,640	1,925	802	235	0	0
5		NET RETURN FOR SETTLEMENTS	2,975,197	LN 3-LN 4	0	2,485,595	216,808	533	3,603	0	0	0	165,018	68,511	28,244	6,886	0	0
6		FEDERAL INCOME TAX	0	LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		LESS: FEDERAL ITC AMORTIZATION	0	A-12, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		NET FEDERAL INCOME TAX	0	LN 6-LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		STATE AND LOCAL INCOME TAX	693,778	LN 36	0	586,957	56,826	82	289	0	0	0	25,418	16,472	6,672	1,061	0	0
10		STATE ITC AMORTIZATION	0	A-12, LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		NET STATE AND LOCAL INCOME TAX	693,778	LN 9-LN 10	0	586,957	56,826	82	289	0	0	0	25,418	16,472	6,672	1,061	0	0
12		PROVISION FOR DEFERRED INCOME TAX	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		OPERATING EXPENSE & OTHER TAXES	22,680,448	A-8,LN 19	0	16,812,750	2,046,613	4,936	203,939	0	0	0	1,529,036	475,648	215,887	63,642	0	1,327,997
14		NONOPERATING EXP	0	A-8,LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		UNCOLLECTIBLES	0	A-8,LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		BASIS FOR GROSS RECEIPTS TAX	26,349,423		0	19,885,302	2,320,248	5,551	207,831	0	0	0	1,719,472	560,631	250,802	71,589	0	1,327,997
17		GROSS RECEIPTS TAX RATE	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18		GROSS RECEIPTS TAX	0	LN16*LN17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL REVENUE REQUIREMENT	26,349,423	LN16+LN18	0	19,885,302	2,320,248	5,551	207,831	0	0	0	1,719,472	560,631	250,802	71,589	0	1,327,997
*****																		
OPTIONAL GROSS UP INCOME TAX CALCULATION																		
20		RETURN ON INVESTMENT	3,060,299	LN 3	0	2,556,175	222,568	551	3,745	0	0	0	170,658	70,435	29,045	7,122	0	0
21		INTEREST AND RELATED ITEMS	1,975,159	A-12, 14+16	0	1,638,114	133,686	423	3,292	0	0	0	130,902	44,671	18,609	5,463	0	0
22		OTHER INCOME ADJUSTMENTS	0	A-12, LN 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TOTAL INCOME ADJUSTMENTS	1,975,159	LN21+LN22	0	1,638,114	133,686	423	3,292	0	0	0	130,902	44,671	18,609	5,463	0	0
24		RETURN LESS INCOME ADJ	1,085,140	LN20-LN23	0	918,061	88,882	128	452	0	0	0	39,756	25,764	10,436	1,659	0	0
25		FEDERAL ITC AMORTIZATION	0	A-12, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		FIT BASE	1,085,140		0	918,061	88,882	128	452	0	0	0	39,756	25,764	10,436	1,659	0	0
27		FEDERAL TAXABLE INCOME	1,085,140		0	918,061	88,882	128	452	0	0	0	39,756	25,764	10,436	1,659	0	0
28	0.00%	FEDERAL INCOME TAX	0	LN 27*FTR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29		FEDERAL SURTAX ALLOCATION	0	/LN 26	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		NET FEDERAL TAX BEFORE ITC AMORT	0	LN28-LN29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		STATE ITC AMORTIZATION	0	A-12, LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32		SIT BASE	1,085,140		0	918,061	88,882	128	452	0	0	0	39,756	25,764	10,436	1,659	0	0
33		STATE TAXABLE INCOME	1,778,918		0	1,505,018	145,709	210	741	0	0	0	65,174	42,237	17,108	2,720	0	0
34	39.00%	STATE INCOME TAX	693,778	LN 33*STR	0	586,957	56,826	82	289	0	0	0	25,418	16,472	6,672	1,061	0	0
35		STATE SURTAX ALLOCATION	0	/LN 32	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36		NET STATE INCOME TAX BEFORE ITC AMORT	693,778	LN34-LN35	0	586,957	56,826	82	289	0	0	0	25,418	16,472	6,672	1,061	0	0
37		FEDERAL TAX AT MAXIMUM RATE	584,306		0	494,341	47,860	69	244	0	0	0	21,407	13,873	5,619	893	0	0
38		ADDITIONAL INCOME ADJUSTMENT FOR FIT	1,085,140		0	918,061	88,882	128	452	0	0	0	39,756	25,764	10,436	1,659	0	0

\*\*PROPRIETARY INFORMATION\*\*

A-2, 1 of 1

SUMMARY OF TELEPHONE PLANT AND RESERVES

A-2, 1 of 1

						COMMON LINE		TRAFFIC SENSITIVE						SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS		
NET INVESTMENT SUMMARY																			
1	2110		GENERAL SUPPORT FACILITIES	11,808,995	A-3, LN 4	0	9,793,883	799,273	2,527	19,684	0	0	0	782,632	267,076	111,260	32,660	0	0
2	2210		CENTRAL OFFICE SWITCHING	5,227,036	A-4, LN 21+25			5,227,036	0				0	0				0	0
3	2220		OPERATOR SYSTEMS	738,249	A-4, LN 17			594,868	0	143,382	0		0	0				0	0
4	2230		CENTRAL OFFICE TRANSMISSION	10,171,610	A-4, LN 41	0	4,167,265	0	18,404				0	5,700,686		47,356	237,898	0	0
5	2310		INFORMATION ORIG/TERM	23,272	A-5, LN 10	0	23,272						0			0			
6	2410		CABLE AND WIRE FACILITIES	69,856,513	A-5, LN 21	0	67,148,073	0	0					1,945,382	763,059		0	0	0
7	2680		TANGIBLE ASSETS	548,876	A-3, LN 14	0	455,215	37,150	117	915	0	0	0	36,376	12,414	5,171	1,518	0	0
8	2690		INTANGIBLE ASSETS	173,961	A-3, LN 15	0	144,276	11,774	37	290	0	0	0	11,529	3,934	1,639	481	0	0
9			TOTAL PLANT IN SERVICE	98,548,512		0	81,731,983	6,670,101	21,086	164,271	0	0	0	6,531,223	2,228,806	928,485	272,557	0	0
10			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
11	2002		PROPERTY HELD FOR FUTURE USE	0	A-6, LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	2003		PLANT UNDER CONSTRUCTION	2,357,640	A-6, LN 13	0	1,955,327	159,573	504	3,930	0	0	0	156,251	53,321	22,213	6,521	0	0
13	XXXX		RESERVED FOR FUTURE USE	0	A-6, LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	2005		TELEPHONE PLANT ADJUSTMENT	0	A-6, LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15			TOTAL PROPERTY, PLANT & EQUIP.	100,906,152		0	83,687,310	6,829,674	21,590	168,201	0	0	0	6,687,474	2,282,127	950,698	279,078	0	0
16			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
17	3100		ACCUM DEPRECIATION - PLANT IN SERVICE	66,668,442	A-7, LN 9	0	55,131,180	4,375,136	15,188	123,189	0	0	0	4,704,270	1,496,928	626,236	196,316	0	0
18	3200		ACCUM DEPRECIATION - FUTURE USE	0	A-7, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3400		ACCUM AMORTIZATION - TANGIBLE PROPERTY	237,307	A-7, LN 17	0	196,812	16,062	51	396	0	0	0	15,727	5,367	2,236	656	0	0
20	3500		ACCUM AMORTIZATION - INTANGIBLE PROP.	41,770	A-7, LN 18	0	34,643	2,827	9	70	0	0	0	2,768	945	394	116	0	0
21	3600		ACCUM AMORTIZATION - TEL PLANT ADJ.	0	A-7, LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	4310		OTHER L/T LIAB - POST RET BENEFITS	8,367,376	/A-3, LN 10	0	6,939,549	566,333	1,790	13,948	0	0	0	554,541	189,239	78,834	23,142	0	0
23	4340		OPERATING DEFERRED INCOME TAX	0	A-7, LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	4370		OTHER DEFERRED CREDITS - NET	0	A-7, LN 40	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	4040		CUSTOMER DEPOSITS	688,067	/A-3, LN 10	0	570,654	46,571	147	1,147	0	0	0	45,601	15,562	6,483	1,903	0	0
26			NET TELEPHONE PLANT	24,903,189		0	20,814,472	1,822,746	4,405	29,453	0	0	0	1,364,566	574,086	236,516	56,945	0	0
27			% DISTRIBUTION	100.0000%		0.0000%	83.5816%	7.3193%	0.0177%	0.1183%	0.0000%	0.0000%	0.0000%	5.4795%	2.3053%	0.9497%	0.2287%	0.0000%	0.0000%
28	1220		MATERIALS AND SUPPLIES	467,139	A-3, LN 16	0	387,425	31,618	100	779	0	0	0	30,959	10,565	4,401	1,292	0	0
29	1402		RTB STOCK	0	A-3, LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	1410		NONCURRENT ASSETS - POST RET BENEFITS	630,413	A-3, LN 18	0	522,838	42,669	135	1,051	0	0	0	41,780	14,258	5,940	1,744	0	0
31	1439		EQUAL ACCESS EQUIPMENT	0	A-3, LN 8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	1500		OTHER JURISDICTIONAL ASSETS	0	A-3, LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	XXXX		CASH WORKING CAPITAL	1,201,917	/A-3, LN 10	0	996,819	81,350	257	2,003	0	0	0	79,656	27,183	11,324	3,324	0	0
34			NET TELEPHONE PLANT, M&S AND CASH WORKING CAPITAL	27,202,658		0	22,721,555	1,978,382	4,897	33,286	0	0	0	1,516,962	626,092	258,180	63,305	0	0
35			% DISTRIBUTION	100.0000%		0.0000%	83.5270%	7.2728%	0.0180%	0.1224%	0.0000%	0.0000%	0.0000%	5.5765%	2.3016%	0.9491%	0.2327%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-3, 1 of 1

GENERAL SUPPORT FACILITIES AND MISCELLANEOUS PLANT ALLOCATION

A-3, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS			TOTAL		
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	NON ACCESS
1a			BASIS FOR GENERAL SUPPORT FACILITIES																
			CENTRAL OFFICE EQUIPMENT	16,136,895	A-4,LN 42	0	4,167,265	5,821,904	18,404	143,382	0		0	5,700,686		47,356	237,898		0
1b			INFORMATION ORIG/TERM	23,272	A-5,LN 10	0	23,272									0			
1c			CABLE & WIRE FACILITIES	69,856,513	A-5,LN 21	0	67,148,073	0	0						1,945,382	763,059		0	0
1d			TOTAL	86,016,680		0	71,338,609	5,821,904	18,404	143,382	0		0	5,700,686	1,945,382	810,415	237,898	0	0
2			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%		0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
3a	2110		GENERAL SUPPORT ASSETS																
			ALLOCATED	11,808,995	/LN 1e	0	9,793,883	799,273	2,527	19,684	0		0	782,632	267,076	111,260	32,660	0	0
3b			BILLING NAME & ADDRESS (BNA)	0	DIRECT							0							
3c			DIRECT NON ACCESS	0	DIRECT														0
4			TOTAL GENERAL SUPPORT ASSETS	11,808,995		0	9,793,883	799,273	2,527	19,684	0	0	0	782,632	267,076	111,260	32,660	0	0
5			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
6			COE,IOT,CWF AND GENERAL SUPPORT	97,825,675		0	81,132,492	6,621,177	20,931	163,066	0	0	0	6,483,318	2,212,458	921,675	270,558	0	0
7			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
8	1439		EQUAL ACCESS EQUIPMENT	0	DIRECT			0											
9			COE,IOT,CWF,GENERAL SUPPORT																
			AND EQUAL ACCESS EQUIPMENT	97,825,675		0	81,132,492	6,621,177	20,931	163,066	0	0	0	6,483,318	2,212,458	921,675	270,558	0	0
10			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
11	2680		TANGIBLE ASSETS																
12			CAPITAL LEASES	43,055	LN 7	0	35,708	2,914	9	72	0	0	0	2,853	974	406	119	0	0
13			LEASEHOLD IMPROVEMENTS	505,821	LN 10	0	419,507	34,236	108	843	0	0	0	33,523	11,440	4,766	1,399	0	0
14			TOTAL	548,876		0	455,215	37,150	117	915	0	0	0	36,376	12,414	5,171	1,518	0	0
15	2690		INTANGIBLE ASSETS	173,961	LN 10	0	144,276	11,774	37	290	0	0	0	11,529	3,934	1,639	481	0	0
16	1220		MATERIALS AND SUPPLIES	467,139	LN 10	0	387,425	31,618	100	779	0	0	0	30,959	10,565	4,401	1,292	0	0
17	1402		RTB STOCK	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	1410		NONCURRENT ASSETS - POST RET BENEFITS	630,413	LN 10	0	522,838	42,669	135	1,051	0	0	0	41,780	14,258	5,940	1,744	0	0
19	1500		OTHER JURISDICTIONAL ASSETS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20			COE,IOT,CWF,GEN SUPP & EQUAL ACCESS																
			FOR APPORTIONING PRESUBSCRIPTION	96,633,442		0	81,132,492	6,621,177	20,931	163,066	0	0	0	6,483,318	2,212,458				
21			% DISTRIBUTION	100.0000%		0.0000%	83.9590%	6.8518%	0.0217%	0.1687%	0.0000%	0.0000%	0.0000%	6.7092%	2.2895%				
22			COE,IOT & CWF EXCL CCL FOR ASSIGNING																
			CARRIER ACCESS BILLING EXPENSES	14,678,071				5,821,904	18,404	143,382	0		0	5,700,686	1,945,382	810,415	237,898	0	
23			% DISTRIBUTION	100.0000%				39.6640%	0.1254%	0.9768%	0.0000%		0.0000%	38.8381%	13.2537%	5.5213%	1.6208%	0.0000%	

\*\*PROPRIETARY INFORMATION\*\*

A-4, 1 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 1 of 2

					COMMON LINE		LOCAL SWITCHING				TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	NON ACCESS	
ALLOCATION FACTORS																			
1		STANDARD WORK SECONDS																	
2		- MANUAL BOARDS	100.0000%	AL-1, LN 9			0.0000%		0.0000%	0.0000%								100.0000%	
3		- TSPS COMPLEX	100.0000%	AL-1, LN 10			4.7700%		95.2300%	0.0000%								0.0000%	
4		EQUIVALENT ACCESS LINES - MSG COE	100.0000%	AL-1, LN 2	0.0000%	100.0000%													
5		IX CIRCUIT TERMINATIONS - MSG COE	100.0000%	AL-1, LN 6								0.0000%	100.0000%						
CENTRAL OFFICE EQUIPMENT																			
6	2220	OPERATOR SYSTEMS																	
7		MANUAL SWITCHBOARDS	0	LN 2			0		0	0								0	
8		AUXILIARY SWITCHBOARDS																	
9		- DIRECTORY ASSISTANCE	0	DIRECT					0										
10		- INTERCEPT	0	DIRECT			0												
11		- OTHER	0	DIRECT														0	
12		SERVICE OBSERVING BOARDS	602,903	LN 27			588,412	0	14,491	0		0	0					0	
13		TSPS																	
14		- OPERATOR	135,346	LN 3			6,456		128,890	0								0	
15		- RTA	0	LN 27			0	0	0	0		0	0					0	
16		- OTHER	0	LN 27			0	0	0	0		0	0					0	
17		TOTAL OPERATOR SYSTEMS	738,249				594,868	0	143,382	0		0	0					0	
2210 TANDEM SWITCHING EQUIPMENT																			
18		ACCESS	0	DIRECT								0							
19		NON ACCESS	0	DIRECT														0	
20		TANDEM SWITCHED TRANSPORT	0	DIRECT									0						
21		TOTAL TANDEM SWITCH	0									0	0					0	
2210 LOCAL SWITCHING EQUIPMENT																			
22a		ACCESS - TS	5,227,036	DIRECT			5,227,036												
22b		ACCESS - NTS	0	DIRECT			0												
23		EQUAL ACCESS	0	DIRECT			0												
24		SS7 SWITCHING	0	DIRECT				0											
25		TOTAL LOCAL SWITCH	5,227,036				5,227,036	0											
26		TOTAL CAT1 EXCL SVC OBS, CAT 2 AND 3	5,362,383				5,233,492	0	128,890	0		0	0					0	
27		% DISTRIBUTION	100.0000%	LN 26			97.5964%	0.0000%	2.4036%	0.0000%		0.0000%	0.0000%					0.0000%	

\*\*PROPRIETARY INFORMATION\*\*

A-4, 2 of 2

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 2 of 2

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT		CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS	
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
28	2230		CENTRAL OFFICE TRANSMISSION																
29			EXCHANGE WIDEBAND	0	DIRECT									0				0	
30			EXCHANGE TRUNK - BASIC	0	DIRECT									0				0	
31			EXCHANGE TRUNK - SPECIAL	0	DIRECT									0				0	
32			SUBSCRIBER LINE	4,214,621	LN 4/DIRECT		0	4,167,265								47,356			
33			INTEREXCHANGE CIRCUIT																
34			- FURNISHED OTHERS	0	DIRECT									0				0	
35a			- ACCESS - WIDEBAND	0	DIRECT									0				0	
35b			- ACCESS - BASIC	5,172,331	LN 5/DIRECT									4,934,433				237,898	
35c			- ACCESS - TANDEM MULTIPLEX	0	DIRECT								0					0	
35d			- ACCESS - VOICE GRADE MULTIPLEX	0	DIRECT			0										0	
36			- ACCESS - SS7	18,404	DIRECT				18,404										
37			- NON ACCESS	0	DIRECT														0
38			TOTAL IX CIRCUIT	5,190,735				0	18,404				0	4,934,433				237,898	0
39			HOST/REMOTE CIRCUIT	766,253	DIRECT									766,253				0	
40			EQUIPMENT RENTED OTHERS	0	DIRECT														0
41			TOTAL CENTRAL OFFICE TRANSMISSION	10,171,610			0	4,167,265	0	18,404			0	5,700,686		47,356	237,898		0
42			TOTAL CENTRAL OFFICE EQUIPMENT	16,136,895			0	4,167,265	5,821,904	18,404	143,382	0	0	5,700,686		47,356	237,898		0
43			% DISTRIBUTION	100.0000%			0.0000%	25.8245%	36.0782%	0.1141%	0.8885%	0.0000%	0.0000%	35.3270%		0.2935%	1.4742%		0.0000%
-----																			
COE RATIOS																			
44			OPERATOR SYSTEMS	100.0000%	LN 17			80.5782%	0.0000%	19.4218%	0.0000%		0.0000%	0.0000%					0.0000%
45			TANDEM SWITCHING	0.0000%	LN 21								0.0000%	0.0000%					0.0000%
46			LOCAL SWITCHING	100.0000%	LN 25			100.0000%	0.0000%										0.0000%
47			CENTRAL OFFICE SWITCHING	100.0000%	LN 21+25			100.0000%	0.0000%				0.0000%	0.0000%					0.0000%
48			CENTRAL OFFICE TRANSMISSION	100.0000%	LN 41	0.0000%	40.9696%	0.0000%	0.1809%				0.0000%	56.0451%		0.4656%	2.3388%		0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-5, 1 of 1

INFORMATION ORIGIN/TERMINATION AND CABLE AND WIRE FACILITIES

A-5, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE				SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	
1		ALLOCATION FACTORS															
2		EQUIVALENT ACCESS LINES - MSG CWF	100.0000%	AL-1.LN 4	0.0000%	100.0000%											
		IX CIRCUIT MILES - MSG CWF	100.0000%	AL-1.LN 8											100.0000%		
3	2310	INFORMATION ORIG/TERM															
4		OTHER IOT EQUIPMENT															
5		PUBLIC INTEREST PAYSTATION EQUIP	0	DIRECT		0											
6		COINLESS PUBLIC TELEPHONE	0	DIRECT	0												
7		OTHER	23,272	DIRECT		23,272									0		
8		SUBTOTAL	23,272		0	23,272									0		
9		NEW CUSTOMER PREMISE EQUIP	0	DIRECT		0									0		
10		TOTAL ORIG/TERM EQUIP	23,272		0	23,272									0		
11		% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%		
12	2410	CABLE AND WIRE FACILITIES															
13		SUBSCRIBER LINE	67,911,132	LN 1/DIRECT	0	67,148,073									763,059		
14		EXCHANGE WIDEBAND	0	DIRECT								0				0	
15a		EXCHANGE TRUNK - BASIC	0	DIRECT								0				0	
15b		EXCHANGE TRUNK - SPECIAL	0	DIRECT								0				0	
16		INTEREXCHANGE WIDEBAND	0	DIRECT								0				0	
17a		IX TRUNK - ACCESS	1,863,973	LN 2/DIRECT								1,863,973				0	
17b		IX TRUNK - SS7	0	DIRECT					0								
18		IX TRUNK - NON ACCESS	0	DIRECT													0
19		HOST/REMOTE	81,409	DIRECT									81,409			0	
20		EQUIPMENT FURNISHED OTHERS	0	DIRECT													0
21		TOTAL CABLE AND WIRE FACILITIES	69,856,513		0	67,148,073	0	0				1,945,382	763,059		0		0
22		% DISTRIBUTION	100.0000%		0.0000%	96.1229%	0.0000%	0.0000%				2.7848%	1.0923%		0.0000%		0.0000%
23		TOTAL CWF EXCLUDING CAT 1.3	2,708,440		0	0	0	0				1,945,382	763,059		0		0
24		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	0.0000%	0.0000%				71.8266%	28.1734%		0.0000%		0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-6, 1 of 1

OTHER TELECOMMUNICATIONS PLANT ALLOCATION

A-6, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS				
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT		CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS	
												SWITCHING	TERM	FACILITY		TERM	FACILITY	
1	2002	OTHER TELECOMMUNICATIONS PLANT																
2		PROPERTY HELD FOR FUTURE USE																
3		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	2003	PLANT UNDER CONSTRUCTION																
10		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		UNDISTRIBUTED	2,357,640	A-2,LN 10	0	1,955,327	159,573	504	3,930	0	0	0	156,251	53,321	22,213	6,521	0	0
14		TOTAL	2,357,640		0	1,955,327	159,573	504	3,930	0	0	0	156,251	53,321	22,213	6,521	0	0
15		% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
16	XXXX	RESERVED FOR FUTURE USE																
17		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
23	2005	TELECOMMUNICATIONS PLANT ADJUST.																
24		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
29		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*



A-7, 1 of 1

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES

A-7, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE				TANDEM SWITCHED TRANSPORT			SPECIAL ACCESS			TOTAL	
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	TOTAL NON ACCESS
1	3100	ACCUM DEPRECIATION - PLANT IN SERVICE																
2		GENERAL SUPPORT	7,311,727	A-3,LN 5	0	6,064,038	494,883	1,564	12,188	0	0	0	484,579	165,364	68,888	20,222	0	0
3		CENTRAL OFFICE SWITCHING EQUIPMENT	3,419,730	A-4,LN 47	0	0	3,419,730	0				0	0	0	0	0	0	0
4		OPERATOR SYSTEMS EQUIPMENT	571,524	A-4,LN 44	0	0	460,524	0	111,001	0		0	0	0	0	0	0	0
5		CENTRAL OFFICE TRANSMISSION	7,529,102	A-4,LN 48	0	3,084,641	0	13,623				0	4,219,691	0	35,053	176,094	0	0
6		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
7		INFORMATION ORIG/TERM	21,368	A-5,LN 11	0	21,368	0	0				0	0	0	0	0	0	0
8		CABLE AND WIRE FACILITIES	47,814,991	A-5,LN 22	0	45,961,133	0	0				0	0	1,331,564	522,294	0	0	0
9		TOTAL ACCUM DEPR - TPIS	66,668,442		0	55,131,180	4,375,136	15,188	123,189	0	0	0	4,704,270	1,496,928	626,236	196,316	0	0
10	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		TOTAL ACCUM DEPRECIATION	66,668,442		0	55,131,180	4,375,136	15,188	123,189	0	0	0	4,704,270	1,496,928	626,236	196,316	0	0
12		% DISTRIBUTION	100.0000%		0.0000%	82.6946%	6.5625%	0.0228%	0.1848%	0.0000%	0.0000%	0.0000%	7.0562%	2.2453%	0.9393%	0.2945%	0.0000%	0.0000%
ACCUMULATED AMORTIZATION																		
13	3400	TANGIBLE ASSETS																
14		CAPITAL LEASES	29,654	A-3,LN 10	0	24,594	2,007	6	49	0	0	0	1,965	671	279	82	0	0
15		LEASEHOLD IMPROVEMENTS	207,653	A-3,LN 10	0	172,219	14,055	44	346	0	0	0	13,762	4,696	1,956	574	0	0
16		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		TOTAL ACCUM AMORT - TANGIBLE	237,307		0	196,812	16,062	51	396	0	0	0	15,727	5,367	2,236	656	0	0
18	3500	INTANGIBLE ASSETS	41,770	A-3,LN 10	0	34,643	2,827	9	70	0	0	0	2,768	945	394	116	0	0
19	3600	TELEPHONE PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL ACCUM AMORTIZATION	279,077		0	231,455	18,889	60	465	0	0	0	18,496	6,312	2,629	772	0	0
21		% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
22	4100 &	NET OPERATING DEFERRED INC TAX																
23	4340	GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
25		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
26		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
27		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
28		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
29		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		TOTAL NET DEFERRED INC TAX	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
32	4360	OTHER DEFERRED CREDITS - NET																
33		GENERAL SUPPORT	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
35		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
36		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
37		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
38		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
39		UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		TOTAL OTHER DEFERRED CREDITS	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
41		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-8, 1 of 1

SUMMARY OF OPERATING EXPENSE AND TAX AND MISCELLANEOUS TAX ITEMS

A-8, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE				SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	
1	6110	OPERATING EXPENSE AND TAX	23,474	A-9, LN 6	0	19,468	1,589	5	39	0	0	0	1,556	531	221	65	0
2	6120	NETWORK SUPPORT EXPENSE	935,787	A-9, LN 7	0	776,102	63,337	200	1,560	0	0	0	62,019	21,164	8,817	2,588	0
3	6210	CENTRAL OFFICE EXPENSE	583,081	A-9, LN 15	0	107,013	321,868	473	12	0	0	0	146,390	0	1,216	6,109	0
4	6310	INFORMATION ORIG/TERM EXP	18,592	A-9, LN 22	0	18,592						0	0	0	0	0	0
5	6410	CABLE AND WIRE FACILITIES EXP	2,172,597	A-9, LN 24	0	2,088,362	0	0				0	0	60,503	23,732	0	0
6	6510	OTHER PLANT EXPENSE	19,724	A-10, LN 6	0	16,358	1,335	4	33	0	0	0	1,307	446	186	55	0
7	6530	NETWORK OPERATIONS EXPENSE	1,333,556	A-10, LN 7	0	1,105,995	90,260	285	2,223	0	0	0	88,380	30,160	12,564	3,688	0
8a	6540	ACCESS CHARGE EXPENSE	0	A-10, LN 8a													0
8b	6540	FEDERAL SUPPORT CHARGES	412,500	A-10, LN 8b		412,500	0					0	0	0	0	0	0
9	6610	MARKETING EXPENSE	849,853	A-11, LN 1	0	704,832	57,521	182	1,417	0	0	0	56,323	19,221	8,007	2,350	0
8	6620	SERVICES EXPENSE	1,405,139	A-11, LN29	0	290,144	94,099	297	100,801	0	0	0	92,139	31,443	22,730	3,749	0
11	6710	EXECUTIVE AND PLANNING EXP	37,323	A-12, LN 8	0	26,662	3,032	7	511	0	0	0	2,157	787	373	90	0
12	6720	GENERAL AND ADMINISTRATIVE EXP	5,586,544	A-12, LN 9	0	3,990,806	453,886	1,042	76,428	0	0	0	322,842	117,769	55,815	13,403	0
13		SUBTOTAL OPERATING EXPENSE	13,378,170		0	9,556,834	1,086,927	2,496	183,022	0	0	0	773,113	282,024	133,660	32,096	0
14		% DISTRIBUTION	100.0000%		0.0000%	71.4360%	8.1246%	0.0187%	1.3681%	0.0000%	0.0000%	0.0000%	5.7789%	2.1081%	0.9991%	0.2399%	0.0000%
15	6560	DEPRECIATION AND AMORTIZATION	7,949,916	A-10, LN 19+27	0	6,134,323	868,154	2,151	18,663	0	0	0	666,295	163,038	69,485	27,805	0
16	7200	OTHER OPERATING TAX	1,347,945	A-12, LN 25+26	0	1,117,929	91,234	288	2,247	0	0	0	89,334	30,486	12,700	3,728	0
17		EQUAL ACCESS EXPENSE	0	A-12, LN 12		0											0
18	7500	INTEREST ON CUSTOMER DEPOSITS	4,417	A-12, LN 15	0	3,663	299	1	7	0	0	0	293	100	42	12	0
19	5240	RENT REVENUES	0	A-10, LN 35	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL OPERATING EXP & TAX	22,680,448		0	16,812,750	2,046,613	4,936	203,939	0	0	0	1,529,036	475,648	215,887	63,642	0
21		% DISTRIBUTION	100.0000%		0.0000%	74.1288%	9.0237%	0.0218%	0.8992%	0.0000%	0.0000%	0.0000%	6.7416%	2.0972%	0.9519%	0.2806%	0.0000%
22	7370	NON OPERATING EXPENSE	0		0	0	0	0	0	0	0	0	0	0	0	0	0
23		ABANDONED CONSTRUCTION	0	/A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CONTRIBUTIONS	0	/A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL NON OPERATING EXP	0		0	0	0	0	0	0	0	0	0	0	0	0	0
25	5310	UNCOLLECTIBLES	0		0	0	0	0	0	0	0	0	0	0	0	0	0
26	5320	END USER MSG TOLL	0	/A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
27	5330	END USER COMMON LINE	0	DIRECT		0						0	0	0	0	0	0
28		IX CARRIER	0	/A-3, LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0
		TOTAL UNCOLLECTIBLES	0		0	0	0	0	0	0	0	0	0	0	0	0	0
29	7340	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	85,102	/A-3, LN 10	0	70,580	5,760	18	142	0	0	0	5,640	1,925	802	235	0

\*\*PROPRIETARY INFORMATION\*\*

A-9, 1 of 1

PLANT SPECIFIC EXPENSE ALLOCATION

A-9, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE							SPECIAL ACCESS					
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		TOTAL NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
1			BASIS FOR NETWORK SUPPORT EXPENSE																
2			GEN SUPPORT, COE, IOT AND C&WF	97,825,675	VARIOUS	0	81,132,492	6,621,177	20,931	163,066	0	0	0	6,483,318	2,212,458	921,675	270,558	0	0
3			EQUAL ACCESS EQUIPMENT	0	A-3,LN 8			0											
4			TOTAL	97,825,675		0	81,132,492	6,621,177	20,931	163,066	0	0	0	6,483,318	2,212,458	921,675	270,558	0	0
			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
5			PLANT SPECIFIC EXPENSES																
6			GENERAL SUPPORT EXPENSE																
7	6110		NETWORK SUPPORT	23,474	LN 4	0	19,468	1,589	5	39	0	0	0	1,556	531	221	65	0	0
8	6120		GENERAL SUPPORT	935,787	A-3,LN 5	0	776,102	63,337	200	1,560	0	0	0	62,019	21,164	8,817	2,588	0	0
9			TOTAL GENERAL SUPPORT EXP	959,261		0	795,570	64,926	205	1,599	0	0	0	63,574	21,695	9,038	2,653	0	0
			% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
10			CENTRAL OFFICE EXPENSE																
11	6210		CENTRAL OFFICE SWITCHING EXPENSE	321,819	A-4,LN 47	0	0	321,819	0	0	0		0	0	0	0	0	0	0
12	6220		OPERATOR SYSTEMS EXPENSE	61	A-4,LN 44	0	0	49	0	12	0		0	0	0	0	0	0	0
13	6230		CENTRAL OFFICE TRANSMISSION EXPENSE	261,201	A-4,LN 48	0	107,013	0	473	0	0		0	146,390	1,216	6,109			0
14	6230		COE EXPENSE - SS7 LEASE	0	DIRECT			0											
15			TOTAL CENTRAL OFFICE EXPENSE	583,081		0	107,013	321,868	473	12	0		0	146,390	1,216	6,109			0
16			% DISTRIBUTION	100.0000%		0.0000%	18.3530%	55.2013%	0.0811%	0.0020%	0.0000%		0.0000%	25.1063%	0.2086%	1.0477%			0.0000%
17	6310		INFORMATION ORIG/TERM EXPENSE																
18			PUBLIC INTEREST PAYSTATION EXPENSE	0	DIRECT		0												
19			COINLESS PAY TELEPHONE EXPENSE	0	DIRECT	0													
20			OTHER IOT EXPENSE	18,592	DIRECT		18,592									0			
21			CPE	0	DIRECT		0												
22			TOTAL INFORMATION ORIG/TERM EXP	18,592		0	18,592									0			
23			% DISTRIBUTION	100.0000%		0.0000%	100.0000%									0.0000%			
24	6410		CABLE AND WIRE FACILITIES EXPENSE																
25			TOTAL EXCL SS7	2,172,597	A-5,LN 22	0	2,088,362	0	0					60,503	23,732		0		0
26			SS7 LEASE	0	DIRECT				0										
27			TOTAL C&WF EXPENSE	2,172,597		0	2,088,362	0	0					60,503	23,732		0		0
28			% DISTRIBUTION	100.0000%		0.0000%	96.1229%	0.0000%	0.0000%					2.7848%	1.0923%		0.0000%		0.0000%
29			TOTAL PLANT SPECIFIC EXPENSE	3,733,531		0	3,009,538	386,794	678	1,611	0	0	0	209,965	82,198	33,986	8,762	0	0
30			% DISTRIBUTION	100.0000%		0.0000%	80.6084%	10.3600%	0.0182%	0.0431%	0.0000%	0.0000%	0.0000%	5.6238%	2.2016%	0.9103%	0.2347%	0.0000%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-10, 1 of 1

PLANT NON SPECIFIC EXPENSE ALLOCATION

A-10, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE					SPECIAL ACCESS			TOTAL	
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	CHANNEL MILEAGE TERM	FACILITY	NON ACCESS
1		CENTRAL OFFICE EQUIPMENT	16,136,895	A-4,LN 38	0	4,167,265	5,821,904	18,404	143,382	0		0	5,700,686		47,356	237,898		0
2		INFORMATION ORIG/TERM	23,272	A-5,LN 10	0	23,272									0			
3		CABLE AND WIRE FACILITIES	69,856,513	A-5,LN 21	0	67,148,073	0	0				0		1,945,382	763,059		0	0
4		TOTAL	86,016,680		0	71,338,609	5,821,904	18,404	143,382	0		0	5,700,686	1,945,382	810,415	237,898	0	0
5		% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%		0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
PLANT NONSPECIFIC EXPENSE																		
6	6510	OTHER PROP PLANT & EQUIP EXPENSE	19,724	LN 5	0	16,358	1,335	4	33	0		0	1,307	446	186	55	0	0
7	6530	NETWORK OPERATIONS EXPENSE	1,333,556	LN 5	0	1,105,995	90,260	285	2,223	0		0	88,380	30,160	12,564	3,688	0	0
8a	6540	ACCESS CHARGE EXPENSE	0	DIRECT														0
8b	6540	FEDERAL SUPPORT CHARGES	412,500	DIRECT		412,500	0					0	0	0	0	0	0	0
9	6560	DEPRECIATION EXPENSE																
10		GENERAL SUPPORT	765,268	A-3,LN 5	0	634,681	51,796	164	1,276	0	0	0	50,718	17,308	7,210	2,117	0	0
11		CENTRAL OFFICE SWITCHING EQUIPMENT	734,442	A-4,LN 47			734,442	0				0	0					0
12		OPERATOR SYSTEMS EQUIPMENT	88,141	A-4,LN 44			71,022	0	17,119	0		0	0					0
13		CENTRAL OFFICE TRANSMISSION	1,079,329	A-4,LN 48	0	442,196	0	1,953				0	604,911		5,025	25,244		0
14		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0		0	0		0	0		0
15		INFORMATION ORIG/TERM	19,468	A-5,LN 11	0	19,468									0			
16		CABLE AND WIRE FACILITIES	5,102,311	A-5,LN 22	0	4,904,487	0	0				0		142,090	55,734		0	0
17		TOTAL DEP EXP - PLANT IN SERVICE	7,788,959		0	6,000,833	857,260	2,117	18,394	0	0	0	655,628	159,398	67,969	27,360	0	0
18		PROPERTY HELD FOR FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL DEPRECIATION EXPENSE	7,788,959		0	6,000,833	857,260	2,117	18,394	0	0	0	655,628	159,398	67,969	27,360	0	0
20		% DISTRIBUTION	100.0000%		0.0000%	77.0428%	11.0061%	0.0272%	0.2362%	0.0000%	0.0000%	0.0000%	8.4174%	2.0465%	0.8726%	0.3513%	0.0000%	0.0000%
AMORTIZATION EXPENSE																		
21	6563	CAPITAL LEASE	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	6563	LEASEHOLD IMPROVEMENTS	24,357	A-3,LN 10	0	20,201	1,649	5	41	0	0	0	1,614	551	229	67	0	0
23	6563	UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		SUBTOTAL	24,357		0	20,201	1,649	5	41	0	0	0	1,614	551	229	67	0	0
25	6564	INTANGIBLE ASSETS	136,599	A-3,LN 10	0	113,289	9,245	29	228	0	0	0	9,053	3,089	1,287	378	0	0
26	6565	OTHER - TEL PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL AMORTIZATION EXPENSE	160,956		0	133,491	10,894	34	268	0	0	0	10,667	3,640	1,516	445	0	0
28		% DISTRIBUTION	100.0000%		0.0000%	82.9358%	6.7683%	0.0214%	0.1667%	0.0000%	0.0000%	0.0000%	6.6274%	2.2616%	0.9422%	0.2766%	0.0000%	0.0000%
29		TOTAL PLANT NON SPECIFIC EXPENSE	9,715,695		0	7,669,176	959,749	2,441	20,918	0	0	0	755,983	193,644	82,235	31,548	0	0
30		% DISTRIBUTION	100.0000%		0.0000%	78.9359%	9.8783%	0.0251%	0.2153%	0.0000%	0.0000%	0.0000%	7.7810%	1.9931%	0.8464%	0.3247%	0.0000%	0.0000%
RENT REVENUES																		
31	5240	GEN SUPPORT ASSETS	0	A-3,LN 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	5240	CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	5240	CABLE & WIRE FACILITIES	0	A-5,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	5240	UNDISTRIBUTED	0	A-3,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35		TOTAL RENT REVENUE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0

\*\*PROPRIETARY INFORMATION\*\*

A-11, 1 of 1

CUSTOMER OPERATIONS EXPENSE ALLOCATION

A-11, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE				SPECIAL ACCESS			TOTAL NON ACCESS
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE TERM	
1	6610	CUSTOMER OPERATIONS EXPENSES	849,853	A-3, LN 10	0	704,832	57,521	182	1,417	0	0	0	56,323	19,221	8,007	2,350	0
2		MARKETING															
3		TELEPHONE OPERATOR SERVICES															
4	6621	- CALL COMPLETION INCL DA	10,572	SWS-OPERATORS			0		0	0							10,572
5	6622	- OPERATOR SERVICES UNDER CONTRACT	0	DIRECT			0		0	0							0
6	6623	PUBLISHED DIRECTORY LISTINGS	97,699	DIRECT					97,699								0
7		ALL OTHER															
8	1.0	LOCAL BUSINESS OFFICE															
9		- END USER SVC ORDER PROCESSING															
10		- PRESUBSCRIPTION	0	A-3, LN 20	0	0	0	0	0	0	0	0	0	0			
11		- OTHER	241,408	AL-1, LN 12											8,462		232,946
12		- END USER PAYMENT & COLLECTION	344,568	AL-1, LN 13		255,493									0		89,075
13		- END USER BILLING INQUIRY	392,974	AL-1, LN 14		0									0		392,974
14		- IX CARRIER SVC ORDER PROCESSING	23,174	AL-1, LN 15	0	18,620	1,520	5	37	0	0	0	1,488	508	997		0
15		- IX CARRIER PAYMENT & COLLECTION	3,617	AL-1, LN 16	0	2,827	231	1	6	0	0	0	226	77	31		219
16		- IX CARRIER BILLING INQUIRY	9,076	AL-1, LN 17	0	7,292	595	2	15	0	0	0	583	199	390		0
17		- COIN COLLECT AND ADMIN - PUBLIC INTEREST	0	AL-1, LN 18	0	0											
18		SUBTOTAL LOCAL BUSINESS OFFICE	1,014,818		0	284,232	2,345	7	58	0	0	0	2,297	784	9,881		715,214
19	2.0	CUSTOMER SERVICES (REV ACCTG)															
20		- MESSAGE PROCESSING															
21		- TOLL TICKET PROCESSING	17,420	DIRECT													17,420
22		- LOCAL MESSAGE PROCESSING	0	DIRECT													0
23		- OTHER BILLING & COLLECTION															
24a		- BNA	0	DIRECT							0						
24b		- ALL OTHER	20,400	DIRECT													20,400
25		- END USER COMMON LINE	3,600	DIRECT		3,600											
26		- CARRIER ACCESS BILLING (CABS)															
27		- BNA	0	DIRECT							0						
28		- ALL OTHER	229,437	A-3, LN 22			91,004	288	2,241	0		0	89,109	30,409	12,668	3,719	0
29		SUBTOTAL CUSTOMER SERVICES	270,856		0	3,600	91,004	288	2,241	0	0	0	89,109	30,409	12,668	3,719	0
30		TOTAL CAT 1 AND CAT 2	1,285,674		0	287,832	93,349	295	2,299	0	0	0	91,405	31,192	22,549	3,719	0
31		% DISTRIBUTION	100.0000%		0.0000%	22.3876%	7.2607%	0.0230%	0.1788%	0.0000%	0.0000%	0.0000%	7.1095%	2.4262%	1.7538%	0.2892%	0.0000%
32	3.0	ALL OTHER CUSTOMER SERVICE	11,195	/LN 34	0	2,312	750	2	803	0	0	0	734	251	181	30	0
33		TOTAL SERVICES EXPENSE	1,405,139		0	290,144	94,099	297	100,801	0	0	0	92,139	31,443	22,730	3,749	0
34		% DISTRIBUTION	100.0000%		0.0000%	20.6487%	6.6967%	0.0212%	7.1737%	0.0000%	0.0000%	0.0000%	6.5573%	2.2377%	1.6176%	0.2668%	0.0000%
35		TOTAL CUSTOMER OPERATIONS EXPENSE	2,254,993		0	994,976	151,620	479	102,217	0	0	0	148,463	50,664	30,737	6,099	0
36		% DISTRIBUTION	100.0000%		0.0000%	44.1232%	6.7237%	0.0213%	4.5329%	0.0000%	0.0000%	0.0000%	6.5837%	2.2467%	1.3631%	0.2705%	0.0000%
37		CUSTOMER OPERATIONS EXCL MARKETING	1,393,944		0	287,832	93,349	295	99,998	0	0	0	91,405	31,192	22,549	3,719	0
38		% DISTRIBUTION	100.0000%		0.0000%	20.6487%	6.6967%	0.0212%	7.1737%	0.0000%	0.0000%	0.0000%	6.5573%	2.2377%	1.6176%	0.2668%	0.0000%

\*\*PROPRIETARY INFORMATION\*\*

A-12, 1 of 1

CORPORATE OPERATIONS EXPENSE ALLOCATION

A-12, 1 of 1

					COMMON LINE		LOCAL		TRAFFIC SENSITIVE						SPECIAL ACCESS			TOTAL	
LN	A/C		DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT			CHANNEL TERM	CHANNEL MILEAGE		NON ACCESS
													SWITCHING	TERM	FACILITY		TERM	FACILITY	
1			BIG THREE EXPENSES																
			PLANT SPECIFIC EXPENSE	3,733,531	A-9, LN 29	0	3,009,538	386,794	678	1,611	0	0	0	209,965	82,198	33,986	8,762	0	0
2			OTHER PLANT EXPENSE	19,724	A-10, LN 6	0	16,358	1,335	4	33	0	0	0	1,307	446	186	55	0	0
3			NETWORK OPERATIONS EXPENSE	1,333,556	A-10, LN 7	0	1,105,995	90,260	285	2,223	0	0	0	88,380	30,160	12,564	3,688	0	0
4			ACCESS CHARGE EXPENSE	412,500	A-10, LN 8a+8b	0	412,500	0	0	0	0	0	0	0	0	0	0	0	0
5			CUSTOMER OPERATIONS EXPENSE	2,254,993	A-11, LN 31	0	994,976	151,620	479	102,217	0	0	0	148,463	50,664	30,737	6,099	0	769,738
6			TOTAL BIG THREE EXPENSES	7,754,303		0	5,539,367	630,008	1,447	106,084	0	0	0	448,115	163,468	77,472	18,604	0	769,738
7			% DISTRIBUTION	100.0000%		0.0000%	71.4360%	8.1246%	0.0187%	1.3681%	0.0000%	0.0000%	0.0000%	5.7789%	2.1081%	0.9991%	0.2399%	0.0000%	9.9266%
8	6710		CORPORATE OPERATING EXPENSE																
			EXECUTIVE AND PLANNING	37,323	LN 7	0	26,662	3,032	7	511	0	0	0	2,157	787	373	90	0	3,705
9	6720		GENERAL AND ADMINISTRATIVE	5,586,544	LN 7	0	3,990,806	453,886	1,042	76,428	0	0	0	322,842	117,769	55,815	13,403	0	554,554
10			TOTAL CORPORATE OPERATIONS	5,623,867		0	4,017,468	456,918	1,049	76,938	0	0	0	324,999	118,556	56,187	13,493	0	558,259
11			% DISTRIBUTION	100.0000%		0.0000%	71.4360%	8.1246%	0.0187%	1.3681%	0.0000%	0.0000%	0.0000%	5.7789%	2.1081%	0.9991%	0.2399%	0.0000%	9.9266%
12			EQUAL ACCESS EXPENSE	0	DIRECT			0											
13	7500		INTEREST EXPENSE																
			CAPITAL LEASE	1,699	A-3, LN 10	0	1,409	115	0	3	0	0	0	113	38	16	5	0	0
14			CUSTOMER DEPOSITS	4,417	A-3, LN 10	0	3,663	299	1	7	0	0	0	293	100	42	12	0	0
15			OTHER	1,973,460	A-3, LN 10	0	1,636,704	133,571	422	3,290	0	0	0	130,789	44,632	18,593	5,458	0	0
16			TOTAL	1,979,576		0	1,641,777	133,985	424	3,300	0	0	0	131,195	44,771	18,651	5,475	0	0
17																			
18			OTHER INCOME ADJUSTMENTS																
19			BASED ON PLANT	0	A-2, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20			BASED ON EXPENSE	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21			TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
22			OPERATING TAXES																
23	7210		FEDERAL ITC AMORTIZATION	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	7210		STATE ITC AMORTIZATION	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	7240		OTHER OPERATING TAXES	1,347,945	A-3, LN 10	0	1,117,929	91,234	288	2,247	0	0	0	89,334	30,486	12,700	3,728	0	0
26	7243		OTHER OPERATING TAXES - DIRECT ASSIGN	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27			TOTAL OPERATING TAXES	1,347,945		0	1,117,929	91,234	288	2,247	0	0	0	89,334	30,486	12,700	3,728	0	0

\*\*PROPRIETARY INFORMATION\*\*

**2002 Annual Interstate Tariff Filing**

**Puerto Rico Telephone Company**

**Special Studies**

**NONRECURRING COSTS  
SUMMARY**

Ln	Activity	2W VG	4W VG	Low Speed DDS	56 KPBS DDS	DS-1	DS-3
1	Billing Rate Codification	\$1.45	\$1.45	\$1.45	\$2.17	\$2.17	\$2.17
2	Entry to Order Control System	7.25	7.25	7.25	7.25	7.25	7.25
3	Special Facility (SF) and Order Number Assignment	7.01	7.01	7.01	7.01	7.01	7.01
4	Entry to FMS System	21.80	21.80	21.80	21.80	21.80	21.80
5	Assignment of Local Facilities Pairs	12.32	12.32	12.32	12.32	2.05	2.05
6	Circuit Layout (B1)	50.17	50.17	50.17	75.26	75.26	75.26
7	Outside Plant Facilities Testing	0.00	0.00	0.00	0.00	0.00	0.00
8	Assignment Facilities Assignment	23.15	23.15	23.15	23.15	69.44	92.58
9	Installation Coordination	23.40	23.40	88.12	88.12	23.40	23.40
10	Transmission Facilities Installation	59.18	59.18	59.18	59.18	138.08	197.25
11	Field Installation	85.14	85.14	63.86	63.86	0.00	0.00
12	Final Testing	31.93	28.38	42.57	42.57	42.57	255.42
13	Order Completion	1.45	1.45	1.45	1.45	1.45	1.45
14	Entry to Billing, Maintenance Order Control Systems and ICSC	0.00	0.00	0.00	0.00	0.00	0.00
15	Automatic Test Entry	10.64	10.64	10.64	10.64	10.64	10.64
15a	Service Order F/U & Coordination	44.92	44.92	44.92	44.92	44.92	44.92
16	Manual Partial Test	4.26	4.26	35.09	35.09	35.09	35.09
16a	Service Order Entry Review	4.26	4.26	4.26	4.26	4.26	4.26
17	<b>Total Nonrecurring Cost - per circuit</b>	<b>\$388.30</b>	<b>\$384.75</b>	<b>\$473.22</b>	<b>\$499.03</b>	<b>\$460.29</b>	<b>\$805.35</b>
18	Less Service Order Cost (Lines 1+2+3+4+13+14+15a+16a)	\$88.13	\$88.13	\$88.13	\$88.86	\$88.86	\$88.86
19	Total Installation Cost (L17-L18)	\$300.17	\$296.62	\$385.09	\$410.17	\$371.43	\$716.50
20	CT/Circuit ratio (1996)	1.5414	1.6037	1.6351	1.6323	1.8537	1.5000
21	Installation cost per CT (L19/L20)	\$194.74	\$184.96	\$235.51	\$251.28	\$200.37	\$477.67
22	Average of Line 18	\$88.00	\$88.00	\$88.00	\$89.00	\$89.00	\$89.00
23	Average of Line 21	\$189.85	\$189.85	\$243.40	\$243.40	\$200.00	\$478.00



**Puerto Rico Telephone Company  
Optional Features & Functions Study  
Cost Calculations**

<u>Service</u> (a)	<u>Equipment Cost</u> (b)	<u>Equipment Capitalization</u> (c)	<u>Direct Labor Assg.</u> (d)	<u>Investment per OFF (Cols b +c+ d) /OFF</u> (e)	<u>Revenue Requirement Factor</u> (f)	<u>Monthly Revenue Requirement (Cols.e x f/12)</u> (g)	<u>Proposed Rate</u> (h)
TG 2-W Bridging	\$985.33	\$245.25	\$37.40	\$316.99	0.2891	\$7.64	\$7.60
TG 4-W Bridging	\$985.33	\$245.25	\$37.40	\$316.99	0.2891	\$7.64	\$7.60
VG 2-W Bridging	\$985.33	\$245.25	\$37.40	\$316.99	0.2891	\$7.64	\$7.60
VG 4-W Bridging	\$985.33	\$245.25	\$37.40	\$316.99	0.2891	\$7.64	\$7.60
Data 2-W Bridging	\$199.83	\$49.74	\$16.72	\$266.29	0.2891	\$6.42	\$6.40
Data 4-W Bridging	\$199.83	\$49.74	\$16.72	\$266.29	0.2891	\$6.42	\$6.40
PA Bridging	\$985.33	\$245.25	\$37.40	\$316.99	0.2891	\$7.64	\$7.60
DDS Bridging	\$199.83	\$49.74	\$16.72	\$266.29	0.2891	\$6.42	\$6.40
C-Conditioning	\$213.80	\$53.22	\$21.05	\$288.07	0.2891	\$6.94	\$6.90
D Conditioning	\$213.80	\$53.22	\$21.05	\$288.07	0.2891	\$6.94	\$6.90
Cust. Spec. Receive	\$246.82	\$61.43	\$45.43	\$353.68	0.2891	\$8.52	\$8.50
Improve Loss 2-W	\$265.56	\$66.10	\$4.67	\$336.32	0.2891	\$8.10	\$8.10
Improve Loss 4-W	\$210.56	\$52.41	\$3.77	\$266.73	0.2891	\$6.43	\$6.40
Muxing VG to TG	\$5,248.56	\$1,306.37	\$323.17	\$6,878.09	0.2891	\$165.73	\$165.70
Signalling Capability	\$686.37	\$170.84	\$36.47	\$893.68	0.2891	\$21.53	\$21.50
PA Gain Conditioning	\$191.00	\$47.54	\$138.30	\$376.84	0.2891	\$9.08	\$9.10
PA Stereo	\$176.50	\$43.93	\$138.30	\$358.73	0.2891	\$8.64	\$8.60
CSU 2.4 Kbps	\$695.00	\$172.99	\$37.92	\$905.91	0.2891	\$21.83	\$21.80
CSU 4.8 Kbps	\$695.00	\$172.99	\$37.92	\$905.91	0.2891	\$21.83	\$21.80
CSU 9.6 Kbps	\$695.00	\$172.99	\$37.92	\$905.91	0.2891	\$21.83	\$21.80
CSU 56.0 Kbps	\$695.00	\$172.99	\$37.92	\$905.91	0.2891	\$21.83	\$21.80
MUX DS1 to Voice	\$5,248.56	\$1,306.37	\$318.68	\$6,873.60	0.2891	\$165.62	\$165.60
MUX DS1 to DS0	\$7,264.56	\$1,808.15	\$39.23	\$9,111.93	0.2891	\$219.55	\$219.60
MUX DS0 to Sub 20	\$7,264.56	\$1,808.15	\$323.17	\$9,395.87	0.2891	\$226.39	\$226.40
MUX DS0 to Sub 10	\$7,264.56	\$1,808.15	\$323.17	\$9,395.87	0.2891	\$226.39	\$226.40
MUX DS0 to Sub 5	\$7,264.56	\$1,808.15	\$323.17	\$9,395.87	0.2891	\$226.39	\$226.40
Mux DS3 to DS1	\$11,319.51	\$2,817.43	\$237.21	\$14,374.14	0.2891	\$346.35	\$346.30
Loop Transfer Arrg. 4 Port	\$1,424.00	\$354.43	\$323.17	\$2,101.60	0.2891	\$50.64	\$50.60
NCTE 1.544 Mbps	\$1,889.00	\$470.17	\$132.72	\$2,491.89	0.2891	\$60.04	\$60.00
Auto Loop Transfer	\$1,326.00	\$330.04	\$132.72	\$1,788.76	0.2891	\$43.10	\$43.10

**Puerto Rico Telephone Company**  
**Relative Index Study**  
**1999**  
**Summary**

<u>Service</u>	<u>Incremental Costs</u>	<u>Index</u>
Voice Grade 2 Wire	\$505.28	
Voice Grade 4 Wire	\$669.93	1.33
Program Audio 1 (3.5Khz)	\$627.94	1.24
Program Audio 2 (5.0+ Khz)	\$0.00	0.00
Digital Data	\$723.35	1.43
High Capacity DS1	\$2,189.33	4.33

**Puerto Rico Telephone Company  
1999 Labor Rate Study**

<b>Number of Labor Class Labor Class Description</b>	U-0895001 Labor Class 1 Administrative Office Clerk	U-0765024 Labor Class 2 Equal Access Office Clerk	U-0795003 Labor Class 3 Librarian	G-0835032 Labor Class 4 Secretary A/G	U-0865010 Labor Class 5 Special Service Office Clerk III	U-0965017 Labor Class 6 Marketing Service Order clerk II	U-0965020 Labor Class 7 ICSC General Office clerk II	HN-1083021 Labor Class 8 Master Console Table Controller I
1 Average Hourly Wage	\$16.13	\$12.59	\$14.35	\$13.44	\$19.59	\$18.70	\$12.82	\$14.88
2 Direct Supervision Loading	2.71	2.71	6.54	2.71	6.54	6.54	2.71	6.54
3 Social Security	1.23	0.96	1.10	1.03	1.50	1.43	0.98	1.14
4 Unemployment Loading	0.61	0.48	0.55	0.43	0.74	0.71	0.49	0.48
5 Relief and Pension Loading	10.31	8.05	9.17	12.73	12.52	11.95	8.19	9.45
6 General Supervision loading	0.97	0.55	2.71	0.97	2.71	2.71	0.97	2.71
<b>7 Total Loaded Labor Rate</b>	<b>\$31.97</b>	<b>\$25.33</b>	<b>\$34.40</b>	<b>\$31.30</b>	<b>\$43.59</b>	<b>\$42.04</b>	<b>\$26.16</b>	<b>\$35.19</b>
Sum Lines 1 - 7								

**Puerto Rico Telephone Company  
1999 Labor Rate Study**

<b>Number of Labor Class Labor Class Description</b>	HN-1085013 Labor Class 9 Special Facility Service Assistance II	U-1165001 Labor Class 10 Peripheral Equipment Operator	H-1166007 Labor Class 11 Special Service Installer III	U-1166009 Labor Class 12 Central Office Equip. Installer / Tester	HN-1183016 Labor Class 13 C.O. Trunk Facilities Verification Coordinator	HN-1185039 Labor Class 14 Service Assistance III	HE-1282025 Labor Class 15 Special Service Operation Coordinator	HN-1283014 Labor Class 16 Field Electronic Technician III
1 Average Hourly Wage	\$18.68	\$16.39	\$17.32	\$19.12	\$19.16	\$20.11	\$24.52	\$22.26
2 Direct Supervision Loading	6.54	6.54	6.54	6.54	6.54	6.54	2.71	6.54
3 Social Security	1.43	1.25	1.33	1.46	1.47	1.54	1.88	1.70
4 Unemployment Loading	0.60	0.62	0.55	0.61	0.61	0.64	0.51	0.71
5 Relief and Pension Loading	11.86	10.48	11.00	12.14	12.17	12.77	12.90	14.13
6 General Supervision loading	2.71	2.71	2.71	2.71	2.71	2.71	0.97	2.71
<b>7 Total Loaded Labor Rate</b>	<b>\$41.81</b>	<b>\$37.99</b>	<b>\$39.45</b>	<b>\$42.57</b>	<b>\$42.64</b>	<b>\$44.30</b>	<b>\$43.49</b>	<b>\$48.05</b>
Sum Lines 1 - 7								

**Puerto Rico Telephone Company  
1999 Labor Rate Study**

<b>Number of Labor Class Labor Class Description</b>	HN-1283023 Labor Class 17 Master Console Table Controller II	HE-1382006 Labor Class 18 Engineer Trainee B	HN-1383004 Labor Class 19 Circuit Designer III	HN-1383016 Labor Class 20 Special Service Maintenance and Transmission Technician	HN-1482036 Labor Class 21 Operation Support Technician III	HE-1483007 Labor Class 22 Trunk Translation Technician	HE-1483009 Labor Class 23 C.O. Electronic Technician III	HE-1582005 Labor Class 24 Engineer Trainee D
1 Average Hourly Wage	\$21.07	\$19.20	\$23.16	\$21.54	\$24.36	\$28.64	\$31.33	\$26.24
2 Direct Supervision Loading	6.54	2.71	6.54	6.54	2.71	2.71	2.71	2.71
3 Social Security	1.61	1.47	1.77	1.65	1.86	2.19	2.40	2.01
4 Unemployment Loading	0.67	0.40	0.74	0.69	0.78	0.60	0.66	0.55
5 Relief and Pension Loading	13.38	10.10	14.70	13.68	15.47	15.06	16.48	13.80
6 General Supervision loading	2.71	0.97	2.71	2.71	0.97	0.97	0.97	0.97
<b>7 Total Loaded Labor Rate</b>	<b>\$45.98</b>	<b>\$34.84</b>	<b>\$49.62</b>	<b>\$46.79</b>	<b>\$46.15</b>	<b>\$50.17</b>	<b>\$54.55</b>	<b>\$46.29</b>
Sum Lines 1 - 7								

**Puerto Rico Telephone Company  
1999 Labor Rate Study**

<b>Number of Labor Class Labor Class Description</b>	U-0965002 Labor Class 25 Facility Assigner Clerk III	Labor Class 26 Supervisor	Labor Class 27 Manager	Labor Class 28 Director	U-116602 Labor Class 29 Switch Worker III	HN-1183011 Labor Class 31 Electronic Technician II	H-1383019 Labor Class 32 Radio Communication and Maintenance Technician III
1 Average Hourly Wage	\$18.14	\$26.37	\$36.19	\$47.74	\$19.66	\$14.60	\$21.30
2 Direct Supervision Loading	6.54	2.71	0.97	0.82	6.54	2.71	2.71
3 Social Security	1.39	2.02	2.77	3.65	1.50	1.12	1.63
4 Unemployment Loading	0.69	0.40	0.54	0.72	0.75	0.47	0.68
5 Relief and Pension Loading	11.59	13.29	18.24	24.06	12.56	9.27	13.52
6 General Supervision loading	2.71	0.97	0.82	0.92	2.71	0.97	0.97
<b>7 Total Loaded Labor Rate</b>	<b>\$41.05</b>	<b>\$45.75</b>	<b>\$59.54</b>	<b>\$77.92</b>	<b>\$43.72</b>	<b>\$29.14</b>	<b>\$40.81</b>
Sum Lines 1 - 7							

**Puerto Rico Telephone Company  
1999 Additional Engineering**

**I. Additional Engineering**

<u>Labor Class</u>	<u>Description</u>	(A) <u>Hourly</u>	(B) <u>Half Hour</u>	(C) <u>Overtime</u>	(D) <u>Premium Time</u>
24	Engineer Trainee D	\$46.29	\$23.14	\$34.72	\$46.29
18	Engineer Trainee B	\$34.84	\$17.42	\$26.13	\$34.84
29	Switch Worker III	\$43.72	\$21.86	\$32.79	\$43.72
13	CO Trunk Facilities Coordinator	\$42.64	\$21.32	\$31.98	\$42.64
	Average	\$41.87	\$20.94	\$31.41	\$41.87

**II. Installation and Repair**

<u>Labor Class</u>	<u>Description</u>	<u>Hourly</u>	<u>Half Hour</u>	<u>Overtime</u>	<u>Premium Time</u>
30	Repair Service Supervisor	\$45.75	\$22.88	\$34.32	\$45.75
12	Installer/ Tester Central Office	\$42.57	\$21.29	\$31.93	\$42.57
	Average	\$44.16	\$22.08	\$33.12	\$44.16

**III. Stand by Testing**

<u>Labor Class</u>	<u>Description</u>	<u>Hourly</u>	<u>Half Hour</u>	<u>Overtime</u>	<u>Premium Time</u>
31	Electronic Technician II	\$29.14	\$14.57	\$21.85	\$29.14
12	Installer/ Tester Central Office	\$42.57	\$21.29	\$31.93	\$42.57
	Average	\$35.86	\$17.93	\$26.89	\$35.86

**IV. Testing and Maintenance with other Telephone Companies, or other labor  
Installation and Repair Technician**

<u>Labor Class</u>	<u>Description</u>	<u>Hourly</u>	<u>Half Hour</u>	<u>Overtime</u>	<u>Premium Time</u>
12	Installer/ Tester Central Office	\$42.57	\$21.29	\$31.93	\$42.57
	Average	\$42.57	\$21.29	\$31.93	\$42.57

**V. Testing and Maintenance with other Telephone Companies, or other labor  
Central Office Maintenance Technician**

<u>Labor Class</u>	<u>Description</u>	<u>Hourly</u>	<u>Half Hour</u>	<u>Overtime</u>	<u>Premium Time</u>
32	Radio Communication and Maintenance Technician III	\$40.81	\$20.41	\$30.61	\$40.81
31	Electronic Technician II	\$29.14	\$14.57	\$21.85	\$29.14
	Average	\$34.98	\$17.49	\$26.23	\$34.98

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(A) Hourly Rates from Volume 3, Exhibit 4

(B) Column A / 2

(C) Column B \* 1.5

(D) Column B \* 2

**Puerto Rico Telephone Company  
Capitalized Loading Study  
for the tariff period 1999-2000**

<b>Loading Class Description</b>	<b>Central Office Equipment <u>Loading Factor</u></b>	<b>Cable and Wire Facilities <u>Loading Factor</u></b>
1. Materials & Supplies	0.36%	8.52%
2. Transportation	1.02%	0.79%
3. Contract Work	0.48%	54.50%
4. Protection & Insurance	1.50%	1.50%
5. Taxes	6.60%	6.60%
6. Interest During Construction	N/A	N/A
7. Privileges & Permits	N/A	N/A
8. Engineering	14.93%	16.15%
9. Other	<u>N/A</u>	<u>N/A</u>
10. Total Capitalized loadings (SUM OF LINES 1 THRU 10)	<u><u>24.89%</u></u>	<u><u>88.06%</u></u>



**PRTC DS3 Direct Cost Study**

	CPR or Vendor Data
A. 1. OC3 Unit Cost (fully equipped)	\$38,615
2. Installation Cost	\$15,575
3. Sub Total	\$54,190
4. Direct Cost Factor	0.2177
5. Monthly Direct Revenue Requirement	\$983.05
B. 1. Aerial Fiber Cost per foot for 24 fibers	\$3.26
2. Installation Cost per foot	\$0.00
3. Sub Total	\$3.26
4. % of Fibers dedicated to DS3	100%
5. Fiber cost per DS3	\$3.26
6. Average loop length (ft)	8,325
7. Sub Total	\$27,140
8. Direct Cost Factor	0.2177
9. Monthly Direct Revenue Requirement	\$492
C. 1. Total Loop (CT) Rate	\$1,475.37
A. 1. Buried Fiber Cost per foot for 48 fibers	\$14.38
2. Installation Cost per foot	\$0.00
3. Sub Total	\$14.38
4. % of Fibers dedicated to DS3	8.3%
5. Fiber cost per DS3	\$1.20
6. Average # of Route feet per Airline Mile	6,583
7. Sub Total	\$7,889
8. Direct Cost Factor	0.2177
9. Monthly Direct Revenue Requirement	\$143.10
A. 1. OC48 Unit Cost (fully equipped)	\$214,528
2. Cross Connect	\$776,567
3. Installation Cost	\$103,836
4. Sub Total	\$1,094,931
5. % DS3 to Total	2.08%
6. Sub Total	\$22,811
7. Direct Cost Factor	0.2177
8. Monthly Direct Revenue Requirement	\$413.81

**2002 Annual Interstate Tariff Filing**

**Puerto Rico Telephone Company**

**Demand**

**Puerto Rico Telephone Company**  
**June 17, 2002 Annual Access Charge Tariff Filing**  
**Summary of Prospective Demand**

**Volume 4**  
**Section 1**

	<u>PRTC Central</u>	<u>PRTC</u>	<u>Total</u>
<b>TS Switching</b>			
Minutes	323,844,708	2,303,006,545	2,626,851,253
DA Msgs	0	3,184,320	3,184,320
<b>Telegraph Service</b>			
2w CT	0	176	176
4w CT	0	7	7
CMF per mile	0	358	358
CMT	0	110	110
<b>Voice Grade</b>			
2w CT	2,361	439	2,800
4w CT	2,050	10,697	12,747
CMF per mile	1,388	84,614	86,001
CMT	141	10,185	10,326
Bridging Port 2w voice	0	0	0
Bridging Port 4w voice	954	117	1,071
<b>Voice Grade Opt. Features &amp; Functions</b>			
Telemetry, etc., etc. per channel supervision	0	44	44
Telemetry etc. per channel passive channel conn.	0	0	0
Type C conditioning per pt of term.	1,734	9,983	11,717
Improved return loss 2w	0	48	48
Improved return loss 4w	320	8	328
Customer specified Receive Level	0	336	336
Voice grade multiplexing to telegraph per arrang.	0	18	18
Voice grade Type D data capability	1,673	11,075	12,748
Voice grade signaling capability per termination	1,214	202	1,416
<b>Signaling Network Access Link (SS7)</b>			
CMF per mile	0	0	0
CMT per mile	0	0	0
Entrance Facility per facility	0	0	0
STP port: NECA	0	147	147
<b>Program Audio Service: Domestic</b>			
CT 200-3500 hz	0	0	0
CT 100-5000 hz	0	0	0
CT 50-8000 HZ	1	4	5
CT 50-15000 hz	0	0	0
CMF 200-3500 hz	24,629	0	24,629
CMF 100-5000 hz	0	0	0
CMF 50-8000 HZ	0	0	0
CMF 50-1500 hz	0	0	0
CMT 200-3500 hz	3,932	0	3,932
CMT 100-500 hz	1	0	1
CMT 50-8000 HZ	0	0	0
CMT 50-1500 hz	0	0	0
Audio Bridging, Distribution Amplifier per port	0	0	0
Audio gain conditioning per service	0	0	0
Stereo per service	0	0	0
<b>Digital Data Service</b>			
Public Packet Switching Network Interface Arrang.	0	0	0
CT 19.2	0	38	38
CT 64	18	1,463	1,481
CMF 19.2	0	57	57
CMF 64	180	6,584	6,763
CMT 19.2	0	29	29
CMT 64	18	1,156	1,174

**Puerto Rico Telephone Company**  
**June 17, 2002 Annual Access Charge Tariff Filing**  
**Summary of Prospective Demand**

**Volume 4**  
**Section 1**

	<u>PRTC Central</u>	<u>PRTC</u>	<u>Total</u>
<b>Digital Data Service</b>			
CT 2.4	0	55	55
CT 4.8	0	19	19
CT 9.6	0	351	351
CT 56	431	9,429	9,860
CMF 2.4	0	45	45
CMF 4.8	0	0	0
CMF 9.6	0	2,272	2,272
CMF 56	2,432	57,862	60,293
CMT 2.4	0	0	0
CMT 4.8	0	28	28
CMT 9.6	0	307	307
CMT 56	359	7,841	8,200
Digital data loop transfer arrange. per 4 port	0	4	4
Digital data : bridging per port	0	0	0
<b>Channel Service Units per termination</b>			
CSU 2.4	0	4	4
CSU 4.8	0	0	0
CSU 9.6	0	24	24
CSU 56	23	186	209
<b>High Capacity Service</b>			
CT 1.544	176	18,142	18,318
CT 44.736	0	968	968
HC CMF per mile	1,588	109,888	111,476
HC CMT	219	21,295	21,514
<b>High Capacity Service</b>			
CMF 44.736	0	1,689	1,689
CMT 44.736	0	482	482
Multiplexing DS-3 - DS-1	1	497	498
Multiplexing DS-1 - voice	0	740	740
Multiplexing DS-1 - DS-0	3	594	597
DS-0 subrates: up to 20 2.4 kps	0	0	0
DS-0 subrates: up to 10 4.8 kps	0	0	0
DS-0 subrates: up to 5 9.6 kps	0	0	0
<b>Mixed Usage-Carriers</b>			
Auto loop transfer	0	0	0
Transfer arrange. per 4 port	0	8	8
Network CT equip. 1.544 per pt of term	0	117	117
Network CT equip. 1.544 per pt of term, auto loop transfer	0	0	0
<b>Non Recurring Charges</b>			
NRC DDS ALL	32	300	332
NRC HC CT 1.544	19	345	364
NRC HC44.736 CT	0	16	16
NRC CT PA ALL	0	0	0
NRC 2W/4W CT	10	284	295
Telegraph 2W/4W	0	0	0
SERVICE ORDER	24	1,018	1,042
NRC DES CHG	0	0	0
NRC INTERIM NXX	0	0	0
NRC SERV. DES. CHG	0	0	0
NRC SW INSTALL	0	77	77
NRC SW ORDER	16	129	145
NRC SW VG 2W	0	0	0

**Puerto Rico Telephone Company**  
**June 17, 2002 Annual Access Charge Tariff Filing**  
**Summary of Prospective Demand**

**Volume 4**  
**Section 1**

	<u>PRTC Central</u>	<u>PRTC</u>	<u>Total</u>
NRC SW VG 4W	0	36	36
NRC SW DS1	6	190	196
NRC SW DS3	0	3	3
NRC PRESUB	7,644	155,755	163,399
NRC UNAUTH PIC	73	1,764	1,837
NRC TRUNK ACTIVATION	0	202	202
800 DB BASIC	17,730,524	1,560,951,983	1,578,682,507
DTT VG TOTAL	65	0	65
DTT DS1 TOTAL	395	3,659	4,054
DTT DS3 TOTAL	0	60	60
DTF VG TOTAL	442	0	442
DTF DS1 TOTAL	5,546	46,898	52,443
DTF DS3 TOTAL	0	167	167
EFAC - 2W	0	0	0
EFAC - 4W	0	0	0
EFAC - DS1	0	177	177
EFAC - DS3	0	161	161
DT MUX DS1-VG	0	3	3
DT MUX DS3-DS1	0	22	22

**MINUTES OF USE FORECAST 2002-2003**

<b>TIME</b>	<b>PRTC</b>	<b>PRCC</b>	<b>TOTAL COMPANY</b>
Jan-98	159,051,298	22,445,872	181,497,170
Feb-98	131,000,476	18,026,222	149,026,698
Mar-98	145,400,759	19,930,474	165,331,233
Apr-98	143,974,533	22,366,776	166,341,309
May-98	148,343,387	20,371,166	168,714,553
Jun-98	142,674,606	19,874,241	162,548,847
Jul-98	168,706,313	21,970,310	190,676,623
Aug-98	146,629,957	22,793,073	169,423,030
Sep-98	136,758,482	19,455,632	156,214,114
Oct-98	163,009,123	23,410,976	186,420,099
Nov-98	131,354,038	19,412,897	150,766,935
Dec-98	236,772,794	32,548,801	269,321,595
Jan-99	213,345,569	30,545,328	243,890,897
Feb-99	147,394,646	19,590,607	166,985,253
Mar-99	174,988,837	22,955,654	197,944,491
Apr-99	179,262,055	25,086,385	204,348,440
May-99	169,899,645	27,017,541	196,917,186
Jun-99	175,222,372	26,401,517	201,623,889
Jul-99	188,856,291	27,846,976	216,703,267
Aug-99	183,592,028	26,957,431	210,549,459
Sep-99	191,214,864	28,357,237	219,572,101
Oct-99	185,697,961	26,274,147	211,972,108
Nov-99	192,195,329	26,051,447	218,246,776
Dec-99	194,017,971	27,503,061	221,521,032
Jan-00	194,609,439	28,197,960	222,807,399
Feb-00	184,378,750	26,630,192	211,008,942
Mar-00	195,123,374	28,172,321	223,295,695
Apr-00	179,714,854	25,743,043	205,457,897
May-00	201,994,103	29,188,193	231,182,296
Jun-00	204,950,749	29,333,830	234,284,579
Jul-00	176,343,226	25,262,014	201,605,240
Aug-00	173,472,168	24,908,080	198,380,248
Sep-00	158,104,098	23,546,628	181,650,726
Oct-00	187,504,326	26,493,425	213,997,751
Nov-00	172,472,368	24,372,505	196,844,873
Dec-00	198,771,599	27,453,555	226,225,154
Jan-01	165,754,516	22,323,907	188,078,423
Feb-01	161,965,563	21,319,858	183,285,421
Mar-01	175,360,092	23,327,580	198,687,672
Apr-01	170,220,172	24,118,553	194,338,725
May-01	166,940,896	23,358,225	190,299,121
Jun-01	154,243,898	24,158,134	178,402,032
Jul-01	167,551,365	24,313,870	191,865,235
Aug-01	169,062,209	25,682,319	194,744,528
Sep-01	165,991,317	24,002,911	189,994,228
Oct-01	184,027,079	25,814,225	209,841,304
Nov-01	178,838,229	23,460,749	202,298,978
Dec-01	182,059,640	24,749,732	206,809,372

**MINUTES OF USE FORECAST 2002-2003**

<b>TIME</b>	<b>PRTC</b>	<b>PRCC</b>	<b>TOTAL COMPANY</b>
Jan-02	184,459,503	25,623,961	210,083,463
Feb-02	185,604,955	26,014,715	211,619,670
Mar-02	186,354,204	26,211,777	212,565,981
Apr-02	186,979,873	26,332,778	213,312,651
May-02	187,567,887	26,424,204	213,992,091
Jun-02	188,145,267	26,504,236	214,649,504
Jul-02	188,720,504	26,579,961	215,300,465
Aug-02	189,296,268	26,654,133	215,950,401
Sep-02	189,873,402	26,727,825	216,601,227
Oct-02	190,452,174	26,801,454	217,253,628
Nov-02	191,032,672	26,875,181	217,907,854
Dec-02	191,614,928	26,949,071	218,564,000
Jan-03	192,198,955	27,023,149	219,222,104
Feb-03	192,784,760	27,097,424	219,882,184
Mar-03	193,372,351	27,171,901	220,544,252
Apr-03	193,961,732	27,246,582	221,208,314
May-03	194,552,910	27,321,467	221,874,377
Jun-03	195,145,889	27,396,559	222,542,448
Jul-03	195,740,676	27,471,856	223,212,532
Aug-03	196,337,276	27,547,361	223,884,637
Sep-03	196,935,694	27,623,073	224,558,767
Oct-03	197,535,936	27,698,993	225,234,929
Nov-03	198,138,008	27,775,122	225,913,129
Dec-03	198,741,914	27,851,460	226,593,374

1998	1,853,675,766	262,606,440	2,116,282,206
1999	2,195,687,568	314,587,331	2,510,274,899
2000	2,227,439,054	319,301,746	2,546,740,800
2001	2,042,014,976	286,630,063	2,328,645,039
2002	2,260,101,638	317,699,296	2,577,800,934
2003	2,345,446,102	329,224,946	2,674,671,048
TY 2003	2,303,006,545	323,844,708	2,626,851,253

Dependent Variable: LOG(PRTC)				
Method: Least Squares				
Date: 06/13/02 Time: 13:07				
Sample(adjusted): 1998:02 2001:12				
Included observations: 47 after adjusting endpoints				
Convergence achieved after 3 iterations				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	18.89144521	0.050749048	372.252205	1.30E-78
TIME	0.003043274	0.001814718	1.67699532	0.100634967
AR(1)	0.313091578	0.143203859	2.18633478	0.034153951
R-squared	0.197760853	Mean dependent var		18.96456064
Adjusted R-squared	0.161295437	S.D. dependent var		0.126572763
S.E. of regression	0.115916368	Akaike info criterion		-1.410193957
Sum squared resid	0.59121059	Schwarz criterion		-1.292099429
Log likelihood	36.13955799	F-statistic		5.423244153
Durbin-Watson stat	2.030323361	Prob(F-statistic)		0.007846658
Inverted AR Roots	0.31			



Dependent Variable: LOG(PRCC)				
Method: Least Squares				
Date: 06/13/02 Time: 13:09				
Sample(adjusted): 1998:02 2001:12				
Included observations: 47 after adjusting endpoints				
Convergence achieved after 3 iterations				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	16.94752498	0.058284294	290.773444	6.80E-74
TIME	0.002744661	0.002073224	1.32386119	0.192386128
AR(1)	0.387562017	0.139330702	2.78159811	0.007935004
R-squared	0.226220768	Mean dependent var		17.01381816
Adjusted R-squared	0.191048985	S.D. dependent var		0.131195331
S.E. of regression	0.117999317	Akaike info criterion		-1.374574216
Sum squared resid	0.612648906	Schwarz criterion		-1.256479688
Log likelihood	35.30249407	F-statistic		6.43188225
Durbin-Watson stat	1.99377978	Prob(F-statistic)		0.003544668
Inverted AR Roots	0.39			

Puerto Rico Telephone Company  
June 17, 2002 Annual Access Charge Tariff Filing  
Summary of Peospective Demand Changes  
Special Access Service

Volume 4  
Section 5

Description	PRTC Central			PRTC			PRTC COMBINED		
Account	PYCOS	Forecast	% Chg	PYCOS	Forecast	% Chg	PYCOS	Forecast	% Chg
Telegraph Service									
2w CT	0	0	0.00%	194	176	-9.68%	194	176	-9.68%
4w CT	0	0	0.00%	8	7	-12.50%	8	7	-12.50%
CMF per mile	0	0	0.00%	421	358	-14.89%	421	358	-14.89%
CMT	0	0	0.00%	124	110	-11.76%	124	110	-11.76%
Voice Grade	0	0		0	0				
2w CT	2,625	2,361	-10.07%	487	439	-9.87%	3,112	2,800	-10.04%
4w CT	2,091	2,050	-1.95%	12,751	10,697	-16.11%	14,842	12,747	-14.12%
CMF per mile	1,098	1,388	26.36%	100,421	84,614	-15.74%	101,520	86,001	-15.29%
CMT	361	141	-60.87%	11,690	10,185	-12.88%	12,051	10,326	-14.32%
Bridging Port 2w voice	0	0	0.00%	0	0	0.00%	0	0	0.00%
Bridging Port 4w voice	995	954	-4.10%	123	117	-5.08%	1,118	1,071	-4.21%
Voice Grade Opt. Features & Functions	0	0		0	0				
Telemetry, etc., etc. per channel supervision	0	0	0.00%	55	44	-20.75%	55	44	-20.75%
Telemetry etc. per channel passive channel conn.	0	0	0.00%	0	0	0.00%	0	0	0.00%
Type C conditioning per pt of term.	1,774	1,734	-2.30%	11,591	9,983	-13.87%	13,366	11,717	-12.34%
Improved return loss 2w	0	0	0.00%	48	48	0.00%	48	48	0.00%
Improved return loss 4w	320	320	0.00%	8	8	0.00%	328	328	0.00%
Customer specified Receive Level	0	0	0.00%	375	336	-10.31%	375	336	-10.31%
Voice grade multiplexing to telegraph per arrang.	0	0	0.00%	18	18	0.00%	18	18	0.00%
Voice grade Type D data capability	1,673	1,673	0.00%	12,811	11,075	-13.55%	14,484	12,748	-11.98%
Voice grade signaling capability per termination	489	1,214	148.29%	206	202	-2.03%	695	1,416	103.76%
Signaling Network Access Link (SS7)	0	0		0	0				
CMF per mile	0	0	0.00%	0	0	0.00%	0	0	0.00%
CMT per mile	0	0	0.00%	0	0	0.00%	0	0	0.00%
Entrance Facility per facility	0	0	0.00%	0	0	0.00%	0	0	0.00%
STP port: NECA	0	0	0.00%	130	147	13.71%	130	147	13.71%
Program Audio Service: Domestic	0	0		0	0				
CT 200-3500 hz	0	0	0.00%	0	0	0.00%	0	0	0.00%
CT 100-5000 hz	0	0	0.00%	0	0	0.00%	0	0	0.00%
CT 50-8000 HZ	1	1	0.00%	4	4	0.00%	5	5	0.00%
CT 50-15000 hz	0	0	0.00%	0	0	0.00%	0	0	0.00%
CMF 200-3500 hz	26,909	24,629	-8.47%	0	0	0.00%	26,909	24,629	-8.47%
CMF 100-5000 hz	0	0	0.00%	0	0	0.00%	0	0	0.00%
CMF 50-8000 HZ	0	0	0.00%	0	0	0.00%	0	0	0.00%
CMF 50-1500 hz	0	0	0.00%	0	0	0.00%	0	0	0.00%
CMT 200-3500 hz	3,968	3,932	-0.90%	0	0	0.00%	3,968	3,932	-0.90%
CMT 100-500 hz	1	1	0.00%	0	0	0.00%	1	1	0.00%
CMT 50-8000 HZ	0	0	0.00%	0	0	0.00%	0	0	0.00%
Program Audio Service: Domestic	0	0		0	0				
CMT 50-1500 hz	0	0	0.00%	0	0	0.00%	0	0	0.00%
Audio Bridging, Distribution Amplifier per port	0	0	0.00%	0	0	0.00%	0	0	0.00%

Puerto Rico Telephone Company  
**June 17, 2002 Annual Access Charge Tariff Filing**  
**Summary of Peospective Demand Changes**  
**Special Access Service**

Volume 4  
Section 5

Description	PRTC Central			PRTC			PRTC COMBINED		
Account	PYCOS	Forecast	% Chg	PYCOS	Forecast	% Chg	PYCOS	Forecast	% Chg
<b>Program Audio Service: Domestic</b>									
Audio gain conditioning per service	0	0	0.00%	0	0	0.00%	0	0	0.00%
Stereo per service	0	0	0.00%	0	0	0.00%	0	0	0.00%
<b>Digital Data Service</b>	0	0		0	0				
Public Packet Switching Network Interface Arrang.	0	0	0.00%	0	0	0.00%	0	0	0.00%
CT 19.2	0	0	0.00%	36	38	5.88%	36	38	5.88%
CT 64	18	18	0.00%	1,387	1,463	5.50%	1,404	1,481	5.43%
CMF 19.2	0	0	0.00%	52	57	10.00%	52	57	10.00%
CMF 64	180	180	0.00%	6,470	6,584	1.76%	6,649	6,763	1.71%
CMT 19.2	0	0	0.00%	28	29	3.70%	28	29	3.70%
CMT 64	18	18	0.00%	1,115	1,156	3.66%	1,133	1,174	3.60%
CT 2.4	0	0	0.00%	52	55	6.00%	52	55	6.00%
CT 4.8	0	0	0.00%	18	19	5.88%	18	19	5.88%
CT 9.6	0	0	0.00%	345	351	1.82%	345	351	1.82%
CT 56	431	431	0.00%	8,820	9,429	6.91%	9,250	9,860	6.59%
CMF 2.4	0	0	0.00%	44	45	2.38%	44	45	2.38%
CMF 4.8	0	0	0.00%	0	0	0.00%	0	0	0.00%
CMF 9.6	0	0	0.00%	2,193	2,272	3.57%	2,193	2,272	3.57%
CMF 56	2,432	2,432	0.00%	56,698	57,862	2.05%	59,129	60,293	1.97%
CMT 2.4	0	0	0.00%	0	0	0.00%	0	0	0.00%
CMT 4.8	0	0	0.00%	22	28	28.57%	22	28	28.57%
CMT 9.6	0	0	0.00%	304	307	1.03%	304	307	1.03%
CMT 56	359	359	0.00%	7,740	7,841	1.30%	8,100	8,200	1.24%
Digital data loop transfer arrange. per 4 port	0	0	0.00%	4	4	0.00%	4	4	0.00%
Digital data : bridging per port	0	0	0.00%	0	0	0.00%	0	0	0.00%
<b>Channel Service Units per termination</b>	0	0		0	0				
CSU 2.4	0	0	0.00%	8	4	-50.00%	8	4	-50.00%
CSU 4.8	0	0	0.00%	0	0	0.00%	0	0	0.00%
CSU 9.6	0	0	0.00%	53	24	-54.90%	53	24	-54.90%
CSU 56	23	23	0.00%	213	186	-12.75%	236	209	-11.50%
<b>High Capacity Service</b>	0	0		0	0				
CT 1.544	176	176	0.00%	17,433	18,142	4.07%	17,608	18,318	4.03%
CT 44.736	0	0	0.00%	850	968	13.88%	850	968	13.88%
HC CMF per mile	1,588	1,588	0.00%	107,873	109,888	1.87%	109,462	111,476	1.84%
HC CMT	219	219	0.00%	20,654	21,295	3.10%	20,874	21,514	3.07%
CMF 44.736	0	0	0.00%	1,545	1,689	9.36%	1,545	1,689	9.36%
CMT 44.736	0	0	0.00%	465	482	3.65%	465	482	3.65%
<b>High Capacity Service</b>	0	0		0	0				
Multiplexing DS-3 - DS-1	1	1	0.00%	483	497	3.03%	484	498	3.02%
Multiplexing DS-1 - voice	0	0	0.00%	723	740	2.31%	723	740	2.31%
Multiplexing DS-1 - DS-0	14	3	-76.92%	658	594	-9.84%	672	597	-11.20%
DS-0 subrates: up to 20 2.4 kps	0	0	0.00%	0	0	0.00%	0	0	0.00%
DS-0 subrates: up to 10 4.8 kps	0	0	0.00%	0	0	0.00%	0	0	0.00%
DS-0 subrates: up to 5 9.6 kps	0	0	0.00%	0	0	0.00%	0	0	0.00%

Puerto Rico Telephone Company  
**June 17, 2002 Annual Access Charge Tariff Filing**  
**Summary of Peospective Demand Changes**  
**Special Access Service**

Volume 4  
Section 5

Description	PRTC Central			PRTC			PRTC COMBINED		
Account	PYCOS	Forecast	% Chg	PYCOS	Forecast	% Chg	PYCOS	Forecast	% Chg
<b>High Capacity Service</b>									
Auto loop transfer	0	0	0.00%	0	0	0.00%	0	0	0.00%
Transfer arrange. per 4 port	0	0	0.00%	22	8	-61.90%	22	8	-61.90%
Network CT equip. 1.544 per pt of term	0	0	0.00%	149	117	-21.68%	149	117	-21.68%
Network CT equip. 1.544 per pt of term, auto loop transfer	0	0	0.00%	0	0	0.00%	0	0	0.00%
	0	0		0	0				
NRC DDS ALL	29	32	10.71%	292	300	2.87%	321	332	3.58%
NRC HC CT 1.544	16	19	20.00%	336	345	2.48%	352	364	3.26%
NRC HC44.736 CT	0	0	0.00%	11	16	36.36%	11	16	36.36%
NRC CT PA ALL	0	0	0.00%	0	0	0.00%	0	0	0.00%
NRC 2W/4W CT	8	10	25.00%	317	284	-10.23%	325	295	-9.32%
Telegraph 2W/4W	0	0	0.00%	0	0	0.00%	0	0	0.00%
SERVICE ORDER	19	24	27.78%	959	1,018	6.10%	978	1,042	6.52%
NRC DES CHG	0	0	0.00%	0	0	0.00%	0	0	0.00%
NRC INTERIM NXX	0	0	0.00%	0	0	0.00%	0	0	0.00%
NRC SERV. DES. CHG	0	0	0.00%	0	0	0.00%	0	0	0.00%
NRC SW INSTALL	0	0	0.00%	72	77	7.25%	72	77	7.25%
NRC SW ORDER	11	16	36.36%	96	129	34.18%	108	145	34.41%
NRC SW VG 2W	0	0	0.00%	0	0	0.00%	0	0	0.00%
NRC SW VG 4W	0	0	0.00%	32	36	9.68%	32	36	9.68%
NRC SW DS1	4	6	50.00%	107	190	78.25%	111	196	77.19%
NRC SW DS3	0	0	0.00%	2	3	50.00%	2	3	50.00%
NRC PRESUB	8,135	7,644	-6.04%	65,927	155,755	136.25%	74,062	163,399	120.62%
NRC UNAUTH PIC	88	73	-16.67%	601	1,764	193.57%	689	1,837	166.77%
NRC TRUNK ACTIVATION	0	0	0.00%	150	202	34.67%	150	202	34.67%
800 DB BASIC	16,983,262	17,730,524	4.40%	1,493,733,955	1,560,951,983	4.50%	1,510,717,216	1,578,682,507	4.50%
DTT VG TOTAL	60	65	8.77%	0	0	0.00%	60	65	8.77%
DTT DS1 TOTAL	381	395	3.56%	3,526	3,659	3.76%	3,907	4,054	3.74%
DTT DS3 TOTAL	0	0	0.00%	57	60	3.64%	57	60	3.64%
DTF VG TOTAL	431	442	2.67%	0	0	0.00%	431	442	2.67%
DTF DS1 TOTAL	5,473	5,546	1.34%	46,232	46,898	1.44%	51,705	52,443	1.43%
DTF DS3 TOTAL	0	0	0.00%	162	167	3.23%	162	167	3.23%
EFAC - 2W	0	0	0.00%	0	0	0.00%	0	0	0.00%
EFAC - 4W	0	0	0.00%	0	0	0.00%	0	0	0.00%
EFAC - DS1	0	0	0.00%	164	177	7.64%	164	177	7.64%
EFAC - DS3	0	0	0.00%	155	161	4.05%	155	161	4.05%
DT MUX DS1-VG	0	0	0.00%	3	3	0.00%	3	3	0.00%
DT MUX DS3-DS1	0	0	0.00%	21	22	5.00%	21	22	5.00%

	<b>Tariff Period</b>	<b>PYCOS</b>	<b>Anualized %Change</b>
<b>PRTC Combined MOU</b>	<b>2,626,851,253</b>	<b>2,328,645,039</b>	<b>8.36%</b>
<b>PRTC Study Area MOU</b>	<b>2,303,006,545</b>	<b>2,042,014,976</b>	<b>8.35%</b>
<b>PRTC Central Study Area MOU</b>	<b>323,844,708</b>	<b>286,630,063</b>	<b>8.48%</b>
<b>PRTC Combined Tandem MOU</b>	<b>1,644,934,255</b>	<b>1,458,197,523</b>	<b>8.36%</b>

Puerto Rico Telephone Company 2002-2003 Annual Access Charge Tariff Filing						
	A	B	C	D	E	F
	<u>% Remote MOU's</u>	<u>Reg ALOH</u>	<u>Remote ALOH</u>	<u>Term per MOU</u>	<u>Term per CKT</u>	<u>% Tandem</u>
PRTC	11.47%	31.48	10.36	2.00	2.00	62.53%
PRTC - Central	8.10%	19.01	7.78	2.00	2.00	63.31%
Combined	11.05%	29.86	10.12	2.00	2.00	62.62%

Source: 2000 Annual tariff filing

**2002 Annual Interstate Tariff Filing**

**Puerto Rico Telephone Company**

**Rate Development**

**PRTC Combined Study Area**

**Traffic Sensitive - Switched**

**Premium**

Local Switching	0.005644
Information Surcharge	0.000000
Directory Assistance	\$0.57

**NonPremium**

Local Switching	0.00254
Information Surcharge	0.000000
Directory Assistance	n/a

**Tandem Switched**

Termination	0.000805
Facility	0.000164
Tandem Switching	0.009139

**Direct Trunked**

VG Termination	\$5.65
VG Facility	\$1.41
DS1 Termination	\$55.41
DS1 Facility	\$13.57
DS1 Multiplexing	\$165.90
DS3 Termination	\$462.07
DS3 Facility	\$132.98
DS3 Multiplexing	\$346.30

**Entrance Facility**

VG2W	\$12.72
VG4W	\$20.35
DS1	\$67.85
DS3	\$1,398.25

**Traffic Sensitive - Special**

Service	Channel	Channel Mileage	
	Termination	Facility	Termination
Telegraph 2 Wire	\$12.72	\$1.41	\$5.65
Telegraph 4 Wire	\$20.35	\$1.41	\$5.65
Voice Grade 2 Wire	\$12.72	\$1.41	\$5.65
Voice Grade 4 Wire	\$20.35	\$1.41	\$5.65
Program Audio 3.5 khz	\$27.99	\$1.41	\$5.65
Program Audio 5.0 khz	\$27.71	\$2.54	\$11.31
Program Audio 8.0 khz	\$29.12	\$4.24	\$16.96
Program Audio 15 khz	\$27.99	\$5.37	\$22.62
Digital Data 2.4 Kbps	\$25.44	\$1.41	\$5.65
Digital Data 4.8 Kbps	\$25.44	\$1.41	\$5.65
Digital Data 9.6 Kbps	\$25.44	\$1.41	\$5.65
Digital Data 19.2 Kbps	\$25.44	\$1.41	\$5.65
Digital Data 56 Kbps	\$25.44	\$2.83	\$11.31
Digital Data 64 Kbps	\$25.44	\$2.83	\$11.31
High Capacity 1.54 Mbps	\$67.85	\$13.57	\$55.41
High Capacity 44.736 Mbps	\$1,398.25	\$132.98	\$462.07



Traffic Sensitive Rate Development  
Switched Access  
**Nonrecurring Revenues**

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PRTC Combined Study Area

Line		(A) Rate	(B) Test Period Demand	(C) (A x B) Revenues
1.	Switched Access Service Order & Misc Order	\$33.00	145	\$4,774
2.	Interim NXX Translation	\$33.00	0	\$0
3.	Service Date Change, Design Change	\$33.00	0	\$0
4.	Switched Access Trunk Conversion/Activation	\$180.00	202	\$36,360
5.	Switched Access Installation Voice Grade 2 Wire	\$168.91	0	\$0
6.	Switched Access Installation Voice Grade 4 Wire	\$168.91	0	\$0
7.	Switched Access Installation High Capacity DS1	\$208.47	196	\$40,916
8.	Switched Access Installation High Capacity DS3	\$455.49	3	\$1,428
9.	Presubscription	\$5.00	163,399	\$816,996
10.	Unauthorized PIC Change	\$35.65	1,837	\$65,494
11.	Total Non-Recurring Revenue Requirement			<u>\$965,969</u>

Sources:

Col (A) - Current Rate  
Col (B) - Vol 4  
Col (C) - Col (A) x Col (B)

Traffic Sensitive Rate Development  
Switched Access  
**Local Switching Rate Development**

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PRTC Combined Study Area

Line		Source	Quantity
1.	<b>Local Switching Revenue Requirement</b> plus Equal Access Revenue Requirement plus SS7 Revenue Requirement	Exhibit 1, Ln A9, Col (B)	\$14,826,647
2.	Premium Minutes of Use	Vol 4	2,626,851,253
3.	Non-Premium Minutes of Use	n/a	0
4.	Weighted Minutes	Ln 2+ (Ln 3 * 45%)	2,626,851,253
5.	Premium Local Switching Rate	(Ln 1 / Ln 4)	0.005644
6.	Non-Premium Local Switching Rate	(Ln 5 * 45%)	0.002540

**Information Surcharge Rate Development**

		Source	Quantity
7.	Information Surcharge Revenue Requirement	Not Applicable	\$0
8.	Premium Minutes	Vol 4	2,626,851,253
9.	Non-Premium Minutes	n/a	0
10	Weighted Minutes	Ln 8 + (Ln 9 * 45%)	2,626,851,253
11.	Prem Information Surcharge Rate per Minute	(Ln 7 / Ln 10)	0.000000
12.	NPrem Information Surcharge Rate per Minute	(Ln 11 * 45%)	0.000000

**Directory Assistance Rate Development**

		Source	Quantity
13.	Directory Assistance Revenue Requirement	Exhibit 1, Ln A9, Col (C)	\$1,819,202
14.	Directory Assistance Messages	Vol 4	3,184,320
15.	DA Rate per Msg	(Ln 13 / Ln 14)	\$0.57

Traffic Sensitive Rate Development  
Switched Access  
**Miscellaneous Data**

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PRTC Combined Study Area

Line		Source	Quantity
1.	Percent Remote MOUs	Vol 4, Section 6	11.05%
2.	Switched Average Length of Haul (ALOH)	Vol 4, Section 6	29.81
3.	Remote / Host ALOH	Vol 4, Section 6	10.12
4.	Adjusted Switched ALOH	$((\text{Page 3, Ln2} + \text{Ln 3}) * \text{Ln2}) - (\text{Ln 1} * \text{Ln16}) * \text{Ln 3} / (\text{Page 3, Ln2} + \text{Ln3} - (\text{Ln1} * \text{Ln16}))$	32.26
5.	Avg # of Terminations per MOU	Vol 4, Section 6	2.000
6.	Avg # of Terminations per Circuit	Vol 4, Section 6	2.000
7.	# of Terminations per Remote MOU	Vol 4, Section 6	2
8.	Minutes per voice grade equivalent	Vol 4, Section 6	7,489
<b>Tandem Switching Rate Development</b>			
9.	Tandem Switching Revenue Requirement	Exhibit 1, Ln A.10, Col C	\$14,690,711
10.	Allocation to Tandem Switching Rate		100.0%
11.	Tandem Switching Revenue Requirement	Line 10 * Ln 9	\$14,690,711
12.	Trunk Port Investment		\$1,623,297
13.	Transport RRO Factor		0.2105
14.	Trunk Port Revenue Requirement	Line 12 * Line 13	\$341,667
15.	Rate Making Revenue Requirement	Line 11 + Line 14	\$15,032,377
16.	Total Local Switching MOUs	Page 3, Ln 2 + Ln 3	2,626,851,253
17.	Total Tandem Switching MOUs	Ln 16 * Vol 4, Section 6, Col F	1,644,934,255
18.	Tandem Switching Rate	Line 15 / Line 17	0.009139
<b>Tandem Switched Transport Rate Calculation</b>			
19.	DS1/DS3 Dedicated Transport Term. Rate (DTT)	$19c * 19d + 19e * 19f$	\$61.30
19a.	DS1 DTTs	Vol 4	4,054
19b.	DS3 DTTs	Vol 4	60
19c.	DS1 Percentage	$\text{Ln 19a} / (\text{Ln 19a} + \text{Ln 19b})$	98.55%
19d.	DS1 Rate	Exhibit 2, Page 1	\$55.41
19e.	DS3 Percentage	1 - Ln 19c	1.45%
19f.	DS3 Rate	Exhibit 2, Page 1	\$462.07
20.	DS1/DS3 Dedicated Transport Facility Rate (DTF)	$20c * 20d + 20e * 20f$	\$13.95
20a.	DS1 DTFs	Vol 4	52,443
20b.	DS3 DTFs	Vol 4	167.2
20c.	DS1 Percentage	$\text{Ln 20a} / (\text{Ln 20a} + \text{Ln 20b})$	99.68%
20d.	DS1 Rate	Exhibit 2, Page 1	\$13.57
20e.	DS3 Percentage	1 - Ln 20c	0.32%
20f.	DS3 Rate	Exhibit 2, Page 1	\$132.98
21.	Wtd. DS1/DS3 MOU per Voice Grade Equiv. - Term.	$\text{Ln8} * \text{Ln 19c} * 24 + \text{Ln8} * \text{Ln19e} * 28$	250,014
22.	Wtd. DS1/DS3 MOU per Voice Grade Equiv. - Fac.	$\text{Ln8} * \text{Ln 20c} * 24 + \text{Ln8} * \text{Ln20e} * 28$	195,159
23.	Tandem Switched Termination (TST) Rate	Line 19 / Line 21	0.000245
24.	Tandem Switched Facility (TSF) Rate	Line 20 / Line 22	0.000071

Line 12 = From PRTC Transmittal No. 27, filed January 20, 1998, Exhibit F, Line D.3.

Line 13 = From Volume 2, Total Transmission Rev Req divided by Total Transmission Total Plant in Service

Line 21 =  $\text{Ln 19c} * \text{Ln 8} * 24 \text{ vg equiv} + \text{Ln 19e} * \text{Ln 8} * 24 \text{ vg equiv} * 28 \text{ DS1}$

Line 22 =  $\text{Ln 20c} * \text{Ln 8} * 24 \text{ vg equiv} + \text{Ln 20e} * \text{Ln 8} * 24 \text{ vg equiv} * 28 \text{ DS1}$

Traffic Sensitive Rate Development  
Switched Access  
**Direct Trunked Transport Revenues**

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PRTC Combined Study Area

Line	Source	Quantity
1.	VG Dedicated Transport Termination Rate (DTT)	Page 20, Ln 5,Col(E) \$5.65
2.	VG Dedicated Transport Facility Rate (DTF)	Page 20, Ln 5,Col(C) \$1.41
3.	DS1 Dedicated Transport Termination Rate (DTT)	Page 4, Line 19d \$55.41
4.	DS1 Dedicated Transport Facility Rate (DTF)	Page 4, Line 20d \$13.57
5.	DS3 Dedicated Transport Termination Rate (DTT)	Page 4, Line 19f \$462.07
6.	DS3 Dedicated Transport Facility Rate (DTF)	Page 4, Line 20f \$132.98
7.	Direct Trunked VG Terminations	Vol 4 65
8.	Direct Trunked VG Miles	Vol 4 442
9.	Direct Trunked DS1 Terminations	Vol 4 4,054
10.	Direct Trunked DS1 Miles	Vol 4 52,443
11.	Direct Trunked DS3 Terminations	Vol 4 60
12.	Direct Trunked DS3 Miles	Vol 4 167
13.	Derived Direct MOUs	See Note 1 514,411,135
14.	Direct Trunked Termination Revenues	(Ln1*Ln7+Ln3*Ln9+Ln5*Ln11) \$252,497
15.	Direct Trunked Facility Revenues	(Ln2*Ln8+Ln4*Ln10+Ln6*Ln12) \$734,513
16.	DS1 to Voice Mux	Vol 4 3
17.	DS3 to DS1 Mux	Vol 4 22
18.	Multiplexing Revenue	(Ln 16 * Pg 9,Ln29)+(Ln 17*Pg 9,Ln 28) \$8,120
19.	Total Direct Trunked Transport Revenues	(Ln 14+Ln15+Ln 18) <u>\$995,130</u>
<i>(Note 1:Ln 7*Pg 4, Ln 8+Ln 9*Pg 4, Ln 8 *24+Ln 11*Pg4, Ln 8 *24 * 28)/2</i>		
<b>Entrance Facility Revenues</b>		
20.	VG2W Entrance Facility Rate	Page 20,Ln4,Col(A) \$12.72
21.	VG4W Entrance Facility Rate	Page 20,Ln5,Col(A) \$20.35
22.	DS1 Entrance Facility Rate	Page 20,Ln16,Col(A) \$67.85
23.	DS3 Entrance Facility Rate	Page 20,Ln17,Col(A) \$1,398.25
24.	VG 2W Entrance Facilities	Volume 4 0
25.	VG 4W Entrance Facilities	Volume 4 0
26.	DS1 Entrance Facilities	Volume 4 177
27.	DS3 Entrance Facilities	Volume 4 <u>161</u>
28.	Total Entrance Facility Revenues	(Ln20*Ln24+Ln21*Ln25+Ln 22*Ln26+Ln23*Ln27) <u>\$237,002</u>
<b>Tandem Switched Transport Revenues</b>		
29.	Remote MOUs	Page 4, Ln 1*Page 4, Ln16 290,267,063
30.	Remote to Host ALOH	Page 4, Ln 3 10.12
31.	TST Revenues Remote to Host	Ln 29*Page 4, Ln 7*Page 4, Ln 23 \$142,231
32.	TSF Revenues Remote to Host	Ln 29*Ln 30*Page 4, Ln24 <u>\$208,563</u>
33.	Total Revenues Remote to Host	Line 31+Line 32 \$350,794
34.	Tandem Switched Transport MOUs	Page 4, Ln16 - Ln13 2,112,440,118
35.	# of Terms per End Office/Host MOU	((Pg4 Ln16*Pg4 Ln 5)-(Ln 29*Pg4Ln7))/Ln 34 2.212
36.	Adjusted Switched ALOH	Page 4, Ln 4 32.26
37.	TST Revenues from End Office/Host	Ln 34*Ln 35*Page 4 ,Ln 23 \$1,144,926
38.	TSF Revenues from End Office/Host	Ln 34*Ln 36*Page 4, Ln 24 <u>\$4,837,864</u>
39.	Total Revenues from End Office/Host	Line 37+Line 38 \$5,982,791
40.	Total Tandem Switched Transport Revenues	Line 33+Line 39 <u>\$6,333,584</u>

**Adjustment to TST and TSF Rates**

Line		Source	Quantity
1	Host/Remote COE Investment	Vol 2	\$5,711,966
2	Host/Remote CWF Investment	Vol 2	\$8,846,961
3	Total Host/Remote Investment	Ln 1 + Ln 2	\$14,558,926
4	Host / Remote Rev Req	Vol 1-2 PRTC TRP, COS-1(P)	\$3,503,748
5	Host / Remote Revenues	Page 5, Ln 33	\$350,794
6	Revenue shortfall	Ln 4 - Ln 5	\$3,152,954
7	% H/R COE Investment to Total H/R/ Investment	Ln 1/ Ln 3	39.2%
8	% H/R CWF Investment to Total H/R/ Investment	Ln 2/ Ln 3	60.8%
9	Revenue Shortfall Assigned TST Rate	Ln 7 * Ln 6	\$1,237,012
10	Revenue Shortfall Assigned TSF Rate	Ln 8 * Ln 6	\$1,915,942
11	Total Number of TSTs	(Pg 5, Ln 29*Pg 4, Ln 7)+ (Pg 5, Ln 34*Pg 5, Ln 35)	5,253,702,506
12	Increase in TST Rate	Ln 9 /Ln 11	0.000235
13	Total Number of TSFs	(Pg 5, Ln 29*Pg 5, Ln 30)+ (Pg 5, Ln 34*Pg 5, Ln 36)	71,076,437,632
14	Increase in TSF Rate	Ln 10/Ln 13	0.000027
15	TST Rate post Host Remote Addition	Pg 4, Ln 23+Ln 12	0.000480
16	TSF Rate post Host Remote Addition	Pg 4, Ln 24+Ln 14	0.000098

**800 Database Query Rate Development**

Line		Source	Quantity
17.	Basic Query Charge per Query	Current Rate	0.004141
18.	Total Basic Queries	Vol 4	1,578,682,507
19.	Total 800 Data Base Revenues	Ln 17 * Ln 18	\$6,537,324

Traffic Sensitive Rate Development  
Switched Access  
Transport Rate Development

Volume 5 Page 7 of 22

Line	Description	Interim Rate (A)	Demand (B)	Revenue (C) (A x B)	% of Revenue (D) (C / AA)	Remaining Transport Revenue (E) (D x BB)	Adjusted Revenue (F) (C + E)	Proposed Rate (G) ((F / C) + B)	% Rate Change (H) (G / A)	Price Out (I) (B xG)
<b>Tandem Switched</b>										
1	Termination	\$ 0.000480	5,253,702,506	\$ 2,521,777	26.581%	\$ 1,708,593	\$ 4,230,370	\$ 0.000805	67.71%	\$ 4,229,231
2	Facility	\$ 0.000098	71,076,437,632	\$ 6,965,491	73.419%	\$ 4,719,367	\$ 11,684,858	\$ 0.000164	67.35%	\$ 11,656,536
3	<b>Total</b>			<b>\$ 9,487,268</b>		<b>\$ 6,427,960</b>	<b>\$ 15,915,228</b>			<b>\$ 15,885,766</b>
4	Tandem Switching	\$ 0.009139	1,644,934,255	\$ 15,033,054				\$ 0.009139	0.00%	\$ 15,033,054
<b>Entrance Facility</b>										
5	VG2W	\$12.72	0	\$ -				\$ 12.72	0.00%	\$ -
6	VG4W	\$20.35	0	\$ -				\$ 20.35	0.00%	\$ -
7	DS1	\$67.85	177	\$ 11,983				\$ 67.85	0.00%	\$ 11,983
8	DS3	\$1,398.25	161	\$ 225,020				\$ 1,398.25	0.00%	\$ 225,020
9	<b>Total</b>			<b>\$ 237,003</b>						<b>\$ 237,003</b>
<b>Direct Trunked</b>										
10	VG Termination	\$5.65	65	\$ 366				\$ 5.65	0.00%	\$ 366
11	VG Facility	\$1.41	442	\$ 623				\$ 1.41	0.00%	\$ 623
12	DS1 Termination	\$55.41	4,054	\$ 224,607				\$ 55.41	0.00%	\$ 224,607
13	DS1 Facility	\$13.57	52,443	\$ 711,656				\$ 13.57	0.00%	\$ 711,656
14	DS1 Multiplexing	\$165.90	3	\$ 520				\$ 165.90	0.00%	\$ 520
15	DS3 Termination	\$462.07	60	\$ 27,523				\$ 462.07	0.00%	\$ 27,523
16	DS3 Facility	\$132.98	167	\$ 22,234				\$ 132.98	0.00%	\$ 22,234
17	DS3 Multiplexing	\$346.30	22	\$ 7,600				\$ 346.30	0.00%	\$ 7,600
18	<b>Total</b>			<b>\$ 995,129</b>						<b>\$ 995,130</b>
19	<b>Sum Total</b>		<b>AA</b>	<b>\$ 25,752,454</b>		<b>\$ 6,427,960</b>	<b>\$ 15,915,228</b>			<b>\$ 32,150,953</b>
20	<b>NRC &amp; 800 Revenues</b>			<b>\$ 7,503,293</b>			<b>\$ 7,503,293</b>			<b>\$ 7,503,293</b>
21	<b>Total</b>			<b>\$ 33,255,747</b>			<b>\$ 23,418,521</b>			<b>\$ 39,654,246</b>
22	<b>Transport RRQ</b>			<b>\$ 39,683,707</b>						
23	<b>Remaining Transport Costs</b>		<b>BB</b>	<b>\$ 6,427,960</b>						

Sources:

Col (A) - PRTC PRTC Transmittal # 41	Col (E) - Col D x BB
Col (B) - Exhibit 2	Col (F) - Col C + Col E
Col (C) - PRTC Annual Filling Transmittal # 40	Col (G) - (Col E / Col B) + Col A
Col (C) - Col A x Col B	Col (H) - Col G / Col A
Col (D) - Col C / AA	Col (I) - Col B x Col G

Development of Direct Cost Factor

TRP Line	Element	Total Sp Access	Indirect	Direct
100	Network Access	\$7,617,947	\$2,641,512	\$5,057,656
110	Uncollect	\$0	\$0	\$0
150	Misc	\$0	\$0	\$0
160	Net Revenue	\$7,406,125	\$2,641,512	\$5,057,656
170	Plant Spc	\$1,342,010	\$407,813	\$934,197
180	Non-Plant Spc	\$420,077	\$420,077	\$0
190	Depr/Amort	\$2,635,886	\$317,097	\$2,318,789
200	Cust Oper	\$361,308	\$0	\$361,308
220	Corp Oper	\$1,302,634	\$1,302,634	\$0
240	Oth Exp Adj	(\$98,128)	(\$98,128)	\$0
250	Taxes other FIT	\$295,494	\$35,548	\$259,946
260	Total Exp & Oth Tax	\$6,259,282	\$2,385,041	\$3,874,241
270	Adj FIT	\$0	\$0	\$0
280	Amort ITC	\$0	\$0	\$0
290	FIT	\$0	\$0	\$0
300	Tot Exp & Tax	\$6,259,282	\$2,385,041	\$3,874,241
310	GSF	\$3,950,190	\$3,950,190	\$0
320	CO-Sw	\$0	\$0	\$0
330	CO-Trans	\$23,369,397	\$0	\$23,369,397
340	C&WF	\$5,964,360	\$0	\$5,964,360
350	IOT	\$0	\$0	\$0
360	Amort Assets	\$60,802	\$60,802	\$0
370	TPIS	\$33,344,749	\$4,010,992	\$29,333,758
380	Depr/Amort Res	\$21,387,413	\$2,572,906	\$18,814,507
390	Accum Def Inc Tax	\$0	\$0	\$0
400	Oth Rate Base Adj	\$841,660	\$841,660	\$0
410	Rate Base	\$10,194,168	\$2,279,746	\$10,519,250
420	Return	\$1,146,844	\$256,471	\$1,183,416
430	ROR	11.25%	11.25%	11.25%
440	Network Access	\$ 7,848,793	66.39%	\$ 5,210,918

Direct Revenue Requirement (Line 100)	\$ 5,210,918
Direct Cost Factor (Line 100 / (Line 370))	0.172418

Sources:  
Total Special Access Column from Vol 2

Special Access  
Nonrecurring Revenues

Volume 5 Page 9 of 22

PRTC Combined Study Area		(A)	(B)	(C)=(A)*(B)
		Rate	Test Period Demand	Test Period Revenues
<b>Installation/Provisions</b>				
1.	Voice Grade 2W/4W	\$189.85	295	\$55,947
2.	Digital Data	\$243.40	332	\$80,884
3.	High Capacity 1.544	\$200.00	364	\$72,732
4.	High Capacity 44.736	\$478.00	16	\$7,493
<b>Orders</b>				
5.	Special Access Orders	\$88.00	1,042	\$91,684
6.	Date Change / Design Change	\$33.00	0	\$0
7.	Total NRC Revenues			\$308,740
<b>Optional Feature and Function Revenues</b>		Rate	Demand	Revenues
8.	Bridging 2W Voice	\$7.60	0	\$0
9.	Bridging 4W Voice	\$7.60	1,071	\$8,141
10.	Telemetry, etc., etc. per channel supervision	\$0.00	44	\$0
11.	Telemetry etc. per channel passive channel conn.	\$0.00	0	\$0
12.	Type C conditioning per pt of term.	\$6.90	11,717	\$80,844
13.	Improved return loss 2w	\$8.10	48	\$389
14.	Improved return loss 4w	\$6.40	328	\$2,100
15.	Customer specified Receive Level	\$8.50	336	\$2,860
16.	Voice grade multiplexing to telegraph per arrang.	\$165.70	18	\$2,944
17.	Voice grade Type D data capability	\$6.90	12,748	\$87,961
18.	Voice grade signaling capability per point of term	\$21.50	1,416	\$30,443
19.	Audio Bridging, Distribution Amplifier per port	\$0.00	0	\$0
20.	Audio gain conditioning per service	\$9.10	0	\$0
21.	Stereo per service	\$8.60	0	\$0
22.	Digital data loop transfer arrange. per 4 port	\$0.00	4	\$0
23.	Digital data : bridging per port	\$6.40	0	\$0
24.	CSU 2.4	\$21.80	0	\$0
25.	CSU 4.8	\$21.80	24	\$523
26.	CSU 9.6	\$21.80	209	\$4,556
27.	CSU 56	\$21.80	0	\$0
28.	Multiplexing DS-3 - DS-1	\$346.30	498	\$172,618
29.	Multiplexing DS-1 - voice	\$165.90	740	\$122,743
30.	Multiplexing DS-1 - DS-0	\$219.60	597	\$131,034
31.	DS-0 subrates: up to 20 2.4 kps	\$226.40	0	\$0
32.	DS-0 subrates: up to 10 4.8 kps	\$226.40	0	\$0
33.	DS-0 subrates: up to 5 9.6 kps	\$226.40	0	\$0
34.	Auto loop transfer	\$43.10	0	\$0
35.	Transfer arrange. per 4 port	\$50.60	8	\$423
36.	NCTE. 1.544 per pt of term	\$60.00	117	\$7,022
37.	NCTE 1.544 per pt of term, auto loop transfer	\$60.00	0	\$0
38.	Total OFF Revenues			\$654,602
39.	% of Special Access Revenue Requirement defined as "Direct"			0.66391
40.	Total "Direct" OFF Revenues (Ln 38*Ln 39)			\$434,599

Sources:

Col (A) Rates from Annual Filing Transmittal # 40  
Col (B) Vol 4  
Col ( C ) - Col (A) x Col (B)  
Ln 39 = Page 8, Ln 100 Direct / Ln 100 Total



Special Access  
**DS3 Direct Costs**

		PRTC Combined Study Area				
		Rate	Direct RRQ	Demand	Direct Revs	Total Revs
		(A)	(B)	(C)	(D)	(E)
1.	Channel Termination Rate	\$1,398.25	0.66391	968	\$898,608	\$1,353,501
2.	Channel Mileage Facility	\$132.98	0.66391	1,689	\$149,092	\$224,565
3.	Channel Mileage Termination	\$462.07	0.66391	482	\$147,824	\$222,656
4.	Total				\$1,195,524	\$1,800,723

Sources:

Col (B) - Page 9, Ln 39  
 Col (C) - Vol 4  
 Col (D) - Col (A) \* Col (B) \* Col (C)  
 Col (E) - Col (A) \* Col (C)

Special Access  
**Special Access Revenue Requirement Allocation Proportion**  
**Based on Investment Relationships**

PRTC Combined Study Area

	(A) Channel Termination COE	(B) Channel Termination C&WF	(C) Channel Mileage Facility	(D) Channel Mileage Termination	(E)=Sum (A) thru (D) Total Special Investment
1. Percent of Total	0.020159	0.284034	0.367613	0.328195	1.00

Sources:

Line 1 from PRTC Transmittal No. 19, filed June 16, 1997, Volume 5, Page 11, Line 5.

**Special Access Revenue Requirement Adjustment**

	(A) CT-COE	(B) CT-CWF	(C) CMF	(D) CMT	(E) Total
2. Direct Special Rev Req				\$	5,210,918
3. Rev Req Allocation	\$105,047	\$1,480,078	\$1,915,601	\$1,710,197	\$5,210,923
4. CT Percentage	7%	93%	n/a	n/a	
5. Less: NRC Revenues	(\$21,612)	(\$287,128)	n/a	n/a	(\$308,740)
6. Less: OFF "Direct" Revs	n/a	n/a	n/a	(\$434,599)	(\$434,599)
7. Less: ICB "Direct" Revs	none	none	none	none	none
8. Less: DS3 "Direct" Revs	(\$62,903)	(\$835,705)	(\$149,092)	(\$147,824)	(\$1,195,524)
9. Rate Making Rev Req	\$20,533	\$357,246	\$1,766,509	\$1,127,773	\$3,272,060

Sources:

Line 2	Page 8, Line 440, Direct Column
Line 3	Line 1* Line 2 Col (E)
Line 4	Line 3 Cols (A) or (B)/Line 3 Cols (A)+(B)
Line 5	Page 9, Line 7 * Line 4
Line 6	Page 9, Line 40
Line 8	Page 10 Col (D)
Line 9	Sum (Ln2 thru Ln 8)

Special Access  
Distribution of CT-COE Unit Costs

Volume 5 Page 12 of 22

PRTC Combined Study Area					
(A)	(B)	(C)=A*B	(D)	(E)	(F)
Relative	Test Period	Annualized	CT-COE		CT-COE
Index	Demand	Weighted	Direct	Factor	Rate
Service		Demand	Rev Req		
Telegraph 2 Wire	1.0000	176	176		\$0.18
Telegraph 4 Wire	1.3300	7	10		\$0.24
Voice Grade 2 Wire	1.0000	2,800	2,800		\$0.18
Voice Grade 4 Wire	1.3300	12,747	16,953		\$0.24
Program Audio 3.5 khz	1.2400	0	0		\$0.22
Program Audio 5.0 khz	1.2400	0	0		\$0.22
Program Audio 8.0 khz	1.2400	5	6		\$0.22
Program Audio 15 khz	1.2400	0	0		\$0.22
Digital Data 2.4 Kbps	1.4300	55	79		\$0.25
Digital Data 4.8 Kbps	1.4300	19	27		\$0.25
Digital Data 9.6 Kbps	1.4300	351	502		\$0.25
Digital Data 19.2 Kbps	1.4300	38	54		\$0.25
Digital Data 56 Kbps	1.4300	9,860	14,099		\$0.25
Digital Data 64 Kbps	1.4300	1,481	2,117		\$0.25
High Capacity 1.54 Mbps	4.3300	18,318	79,316		\$0.77
		116,139	\$20,533	0.17679	

Distribution of CT-CWF Unit Costs					
(A)	(B)	(C)=A*B	(D)	(E)	(F)
Loop	Annual	Annualized	CT-CWF		CT-CWF
Equivalency	Demand	Weighted	Revenue	Factor	Rate
Service		Demand	Requirement		
Telegraph 2 Wire	1.0000	176	176		\$3.07
Telegraph 4 Wire	2.0000	7	15		\$6.15
Voice Grade 2 Wire	1.0000	2,800	2,800		\$3.07
Voice Grade 4 Wire	2.0000	12,747	25,494		\$6.15
Program Audio 3.5 khz	2.0000	0	0		\$6.15
Program Audio 5.0 khz	2.0000	0	0		\$6.15
Program Audio 8.0 khz	2.0000	5	10		\$6.15
Program Audio 15 khz	2.0000	0	0		\$6.15
Digital Data 2.4 Kbps	2.0000	55	111		\$6.15
Digital Data 4.8 Kbps	2.0000	19	38		\$6.15
Digital Data 9.6 Kbps	2.0000	351	702		\$6.15
Digital Data 19.2 Kbps	2.0000	38	75		\$6.15
Digital Data 56 Kbps	2.0000	9,860	19,719		\$6.15
Digital Data 64 Kbps	2.0000	1,481	2,962		\$6.15
High Capacity 1.54 Mbps	3.5000	18,318	64,112		\$10.76
		116,213	\$357,246	3.07406	

Source:

Col (A)	Volume 3	Col (E)	Total Col (D) / Total Col (C)
Col (B)	Volume 4, Section 1	Col (F)	Col (E) * Col (A)
Col (D)	Page 11, Line 9, Col (A) for CT-COE and Col (B) for CT-CWF		

Special Access  
CT Unit Costs

	(A) CT-COE Portion of CT Rate	PRTC Combined Study Area (B) CT-CWF Portion of CT Rate	(C)=(A)+(B) Total CT Rate
Telegraph 2 Wire	\$0.18	\$3.07	\$3.25
Telegraph 4 Wire	\$0.24	\$6.15	\$6.38
Voice Grade 2 Wire	\$0.18	\$3.07	\$3.25
Voice Grade 4 Wire	\$0.24	\$6.15	\$6.38
Program Audio 3.5 khz	\$0.22	\$6.15	\$6.37
Program Audio 5.0 khz	\$0.22	\$6.15	\$6.37
Program Audio 8.0 khz	\$0.22	\$6.15	\$6.37
Program Audio 15 khz	\$0.22	\$6.15	\$6.37
Digital Data 2.4 Kbps	\$0.25	\$6.15	\$6.40
Digital Data 4.8 Kbps	\$0.25	\$6.15	\$6.40
Digital Data 9.6 Kbps	\$0.25	\$6.15	\$6.40
Digital Data 19.2 Kbps	\$0.25	\$6.15	\$6.40
Digital Data 56 Kbps	\$0.25	\$6.15	\$6.40
Digital Data 64 Kbps	\$0.25	\$6.15	\$6.40
High Capacity 1.54 Mbps	\$0.77	\$10.76	\$11.52

Source:

Cols (A) - Page 12, Col (F) Cols (B) - Page 12, Col (F) Cols (C) - Col A + Col B
--

Special Access  
**Distribution of CMF Unit Costs**  
PRTC Combined Study Area

	(A)	(B)	(C)=A*B	(D)	(E)	(F)
Service	Allocation Ratio	Test Period Demand	Annualized Weighted Demand	CMF Revenue Requirement	Factor	CMF Rate
Telegraph 2 Wire/4 Wire	1.0000	358	358			\$1.30
Voice Grade 2W / 4W	1.0000	86,001	86,001			\$1.30
Program Audio 3.5 khz	1.0000	24,629	24,629			\$1.30
Program Audio 5.0 khz	0.0000	0	0			\$0.00
Program Audio 8.0 khz	3.0000	0	0			\$3.89
Program Audio 15 khz	4.0000	0	0			\$5.19
Digital Data 2.4 Kbps	1.0000	45	45			\$1.30
Digital Data 4.8 Kbps	1.0000	0	0			\$1.30
Digital Data 9.6 Kbps	1.0000	2,272	2,272			\$1.30
Digital Data 19.2 Kbps	1.0000	57	57			\$1.30
Digital Data 56 Kbps	2.0000	60,293	120,587			\$2.59
Digital Data 64 Kbps	2.0000	6,763	13,526			\$2.59
High Capacity 1.54 Mbps	10.0000	111,476	1,114,764			\$12.97
			1,362,240	\$1,766,509	1.29677	

**Distribution of CMT Unit Costs**

	(A)	(B)	(C)=A*B	(D)	(E)	(F)
Service	Allocation Ratio	Test Period Demand	Annualized Weighted Demand	CMT Revenue Requirement	Factor	CMT Rate
Telegraph 2 Wire/4 Wire	1.0000	110	110			\$4.54
Voice Grade 2W / 4W	1.0000	10,326	10,326			\$4.54
Program Audio 3.5 khz	1.0000	3,932	3,932			\$4.54
Program Audio 5.0 khz	2.0000	1	2			\$9.07
Program Audio 8.0 khz	3.0000	0	0			\$13.61
Program Audio 15 khz	4.0000	0	0			\$18.14
Digital Data 2.4 Kbps	1.0000	0	0			\$4.54
Digital Data 4.8 Kbps	1.0000	28	28			\$4.54
Digital Data 9.6 Kbps	1.0000	307	307			\$4.54
Digital Data 19.2 Kbps	1.0000	29	29			\$4.54
Digital Data 56 Kbps	2.0000	8,200	16,400			\$9.07
Digital Data 64 Kbps	2.0000	1,174	2,347			\$9.07
High Capacity 1.54 Mbps	10.0000	21,514	215,145			\$45.36
			248,626	\$1,127,773	4.53602	

Source:

Col (A)	Allocation ratios based on utilization of channels on a carrier except for Metallic Service which is generally provisioned over a physical 2 wire facility.
Col (B)	Volume 4, Section 1
Col (D)	Page 11, Line 9, Col ( C) for CMF and Col (D) for CMT
Col (E)	Total Col (D) / Total Col ( C)
Col (F)	Col (E)*Col(A)

Special Access  
**Development of Recurring Special Access Revenue Requirement**

Volume 5 Page 15 of 22

PRTC Combined Study Area				Quantity
		Source		
Line 1	Total Revenue Requirement	Page 8, Line 500, Total Col.	\$	7,848,793
Line 2	Less: NRC Revenues	Page 9, Line 7		\$308,740
Line 3	Less: Total OFF Revenues	Page 9, Line 38		\$654,602
Line 4	Less: Total DS3 Revenues	Page 10, Col E		\$1,800,723
Line 5	Less: Total ICB Revenues	None		\$0
Line 6	<u>Total Recurring Revenue Requirement</u>	Ln1 - (Ln2 + Ln3 + Ln4+ Ln 5)	<u>\$</u>	<u>5,084,728</u>

Special Access  
**Calculation of Channel Termination Weighted Demand**  
PRTC Combined Study Area

Volume 5 Page 16 of 22

	(A) Index	(B) Demand	(C) Weighted Demand
Telegraph 2 Wire	4.50000	176	790
Telegraph 4 Wire	7.20000	7	53
Voice Grade 2 Wire	4.50000	2,800	12,598
Voice Grade 4 Wire	7.20000	12,747	91,778
Program Audio 3.5 khz	9.90000	0	0
Program Audio 5.0 khz	9.80000	0	0
Program Audio 8.0 khz	10.30000	5	54
Program Audio 15 khz	9.90000	0	0
Digital Data 2.4 Kbps	9.00000	55	498
Digital Data 4.8 Kbps	9.00000	19	169
Digital Data 9.6 Kbps	9.00000	351	3,160
Digital Data 19.2 Kbps	9.00000	38	339
Digital Data 56 Kbps	9.00000	9,860	88,736
Digital Data 64 Kbps	9.00000	1,481	13,327
High Capacity 1.54 Mbps	24.00000	18,318	439,627
			651,129

Sources:

Col (B) - Vol 4

Col (C) - Col A x Col B

Special Access  
**Calculation of Channel Mileage Facility Weighted Demand**  
 PRTC Combined Study Area

	(A) Index	(B) Demand	(C) Weighted Demand
Telegraph 2 Wire/4 Wire	0.50000	358	179
Voice Grade 2W / 4W	0.50000	86,001	43,001
Program Audio 3.5 khz	0.50000	24,629	12,314
Program Audio 5.0 khz	0.90000	0	0
Program Audio 8.0 khz	1.50000	0	0
Program Audio 15 khz	1.90000	0	0
Digital Data 2.4 Kbps	0.50000	45	22
Digital Data 4.8 Kbps	0.50000	0	0
Digital Data 9.6 Kbps	0.50000	2,272	1,136
Digital Data 19.2 Kbps	0.50000	57	29
Digital Data 56 Kbps	1.00000	60,293	60,293
Digital Data 64 Kbps	1.00000	6,763	6,763
High Capacity 1.54 Mbps	4.80000	111,476	535,087
			<hr/> 658,825

## Sources:

Col (B) - Vol 4

Col (C) - Col A x Col B



Special Access  
**Calculation of Channel Mileage Termination Weighted Demand**

Volume 5 Page 18 of 22

PRTC Combined Study Area

	(A) Index	(B) Demand	(C) Weighted Demand
Telegraph 2 Wire/4 Wire	2.00000	110	219
Voice Grade 2W / 4W	2.00000	10,326	20,651
Program Audio 3.5 khz	2.00000	3,932	7,865
Program Audio 5.0 khz	4.00000	1	4
Program Audio 8.0 khz	6.00000	0	0
Program Audio 15 khz	8.00000	0	0
Digital Data 2.4 Kbps	2.00000	0	0
Digital Data 4.8 Kbps	2.00000	28	56
Digital Data 9.6 Kbps	2.00000	307	614
Digital Data 19.2 Kbps	2.00000	29	59
Digital Data 56 Kbps	4.00000	8,200	32,800
Digital Data 64 Kbps	4.00000	1,174	4,694
High Capacity 1.54 Mbps	19.60000	21,514	421,683
			488,647

Sources:

Col (B) - Vol 4

Col (C) - Col A x Col B

Special Access  
**Calculation of Initial Monthly  
Voice Grade 2W Channel Termination Rate**

Volume 5 Page 19 of 22

PRTC Combined Study Area

		Source	Quantity
Line 1.	CT Weighted Demand	Page 16, Tot Col(C)	651,129
Line 2.	CMF Weighted Demand	Page 17, Tot Col(C)	658,825
Line 3.	CMT Weighted Demand	Page 18, Tot Col(C)	488,647
Line 4.	Total Weighted Demand	Ln 1 + Ln 2 + Ln 3	<u>1,798,601</u>
Line 5.	Total Recurring Special Access Revenue Requirement	Page 15, Ln 6	\$5,084,728
Line 6.	Initial VG2W CT Rate	Ln 5 / Ln 4	\$2.83

Special Access  
Calculation of Monthly Special Access Rates

Volume 5 Page 20 of 22

PRTC Combined Study Area						
	(A) CT	(B) CT	(C) CMF	(D) CMF	(E) CMT	(F) CMT
Service	Rate	Revenue	Rate	Revenue	Rate	Revenue
1. Telegraph 2 Wire	\$12.72	\$2,233	\$1.41	\$505	\$5.65	\$620
2. Telegraph 4 Wire	\$20.35	\$149	\$1.41		\$5.65	
4. Voice Grade 2 Wire	\$12.72	\$35,610	\$1.41	\$121,262	\$5.65	\$58,340
5. Voice Grade 4 Wire	\$20.35	\$259,400	\$1.41		\$5.65	
6. Program Audio 3.5 khz	\$27.99	\$0	\$1.41	\$34,726	\$5.65	\$22,218
7. Program Audio 5.0 khz	\$27.71	\$0	\$2.54	\$0	\$11.31	\$12
8. Program Audio 8.0 khz	\$29.12	\$152	\$4.24	\$0	\$16.96	\$0
9. Program Audio 15 khz	\$27.99	\$0	\$5.37	\$0	\$22.62	\$0
10. Digital Data 2.4 Kbps	\$25.44	\$1,409	\$1.41	\$63	\$5.65	\$0
11. Digital Data 4.8 Kbps	\$25.44	\$479	\$1.41	\$0	\$5.65	\$159
12. Digital Data 9.6 Kbps	\$25.44	\$8,932	\$1.41	\$3,203	\$5.65	\$1,736
13. Digital Data 19.2 Kbps	\$25.44	\$957	\$1.41	\$81	\$5.65	\$165
14. Digital Data 56 Kbps	\$25.44	\$250,828	\$2.83	\$170,630	\$11.31	\$92,743
15. Digital Data 64 Kbps	\$25.44	\$37,671	\$2.83	\$19,140	\$11.31	\$13,273
16. High Capacity 1.54 Mbps	\$67.85	\$1,242,863	\$13.57	\$1,512,735	\$55.41	\$1,192,116
17. High Capacity 44.736 Mb	\$1,398.25	\$1,353,501	\$132.98	\$224,565	\$462.07	\$222,656
		\$3,194,184		\$2,086,912		\$1,604,038

Sources:

Col (A) = Page 19, Ln 6 \* Page 16 Col (A)  
Col (B) = Col (A) \* Page 16 Col (B)  
Col (C) = Page 19, Ln 6 \* Page 17 Col (A)  
Col (D) = Col (C) \* Page 17 Col (B)  
Col (E) = Page 19, Ln 6 \* Page 18 Col (A)  
Col (F) = Col (E) \* Page 18 Col (B)

Special Access  
**Prescribed Channel Termination**  
**Telegraph and Voice Grade 2W / 4W Rate Relationship**

Volume 5 Page 21 of 22

	PRTC Combined Study Area						
	A	B	C	D	E	F	G
			A x B		B x D		F x D
Telegraph	Proposed CT Rate	Demand	Revenue	Prescribed Relationship	Weighted Relationship	tot ( C ) / tot (E)	Rate Relationship
Two Wire	\$12.72	175.56	\$2,233	1.0	175.56	12.72001	\$12.72
Four Wire	\$20.35	7.315	\$149	1.6	11.704	12.72001	\$20.35
			\$2,382		187.264		
Voice	a	b	c=a*b	d	e=b*d	f=	(g)=f*d
Grade		Demand	Revenue	Prescribed Relationship	Weighted Relationship	tot (c)/tot (e)	Rate Relationship
Two Wire	\$12.72	2,800	\$35,610	1.0	2,800	12.71890	\$12.72
Four Wire	\$20.35	12,747	\$259,400	1.6	20,395	12.71890	\$20.35
			\$295,010		23,195		

Source:

Col A	Page 20, Col (A)	Col E	Col B x Col D
Col B	Page 16, Col (B)	Col F	Tot Col C / Tot Col E
Col C	Col (A)*Col (B)	Col G	Col F x Col D
Col D	Prescribed 2W/4W CT Rate Relationship		

PRTC Combined Study Area

**Voice Grade to Hi Cap DS1**

Config	Element	(A) Voice Grade 4 Wire	(B) Hi-Cap 1.544 Mbps
2	CT	\$40.70	\$135.70
10	CMF	\$14.10	\$135.70
2	CMT	\$11.30	\$110.82
Total Config		\$66.10	\$382.22

DS1 to VG 4W Crossover (Total Col (B)/Total Col (A)) 5.78

Col (A) = Config Column \* VG4W Rates from Page 20  
Col (B) = Config Column Hi Cap 1.544 Rates from Page 20

**Transport Benchmark**

Config	Element	(A) DS1	(B) DS3
2	CT	\$135.70	\$2,796.49
10	CMF	\$135.70	\$1,329.80
2	CMT	\$110.82	\$924.14
1	MUX	n/a	\$346.30
Total Config		\$382.22	\$5,396.73

DS3 to DS1 Crossover (Total Col (B)/Total Col (A)) 14.12

Col (A) = Config Column \* DS1 Rates from Page 20  
Col (B) = Config Column \* DS3 Rates from Page 10

**PRTC Combined Study Area**

**Traffic Sensitive - Switched**

**Premium**

Local Switching	0.005283
Information Surcharge	0.000000
Directory Assistance	\$0.53

**NonPremium**

Local Switching	0.002377
Information Surcharge	0.000000
Directory Assistance	n/a

**Tandem Switched**

Termination	0.00122
Facility	0.000243
Tandem Switching	0.011878

**Direct Trunked**

VG Termination	\$5.10
VG Facility	\$1.27
DS1 Termination	\$49.94
DS1 Facility	\$12.23
DS1 Multiplexing	\$165.90
DS3 Termination	\$462.07
DS3 Facility	\$132.98
DS3 Multiplexing	\$346.30

**Entrance Facility**

VG2W	\$11.47
VG4W	\$18.35
DS1	\$61.15
DS3	\$1,398.25

**Traffic Sensitive - Special**

Service	Channel	Channel Mileage	
	Termination	Facility	Termination
Telegraph 2 Wire	\$11.47	\$1.27	\$5.10
Telegraph 4 Wire	\$18.35	\$1.27	\$5.10
Voice Grade 2 Wire	\$11.47	\$1.27	\$5.10
Voice Grade 4 Wire	\$18.35	\$1.27	\$5.10
Program Audio 3.5 khz	\$25.23	\$1.27	\$5.10
Program Audio 5.0 khz	\$24.97	\$2.29	\$10.19
Program Audio 8.0 khz	\$26.24	\$3.82	\$15.29
Program Audio 15 khz	\$25.23	\$4.84	\$20.38
Digital Data 2.4 Kbps	\$22.93	\$1.27	\$5.10
Digital Data 4.8 Kbps	\$22.93	\$1.27	\$5.10
Digital Data 9.6 Kbps	\$22.93	\$1.27	\$5.10
Digital Data 19.2 Kbps	\$22.93	\$1.27	\$5.10
Digital Data 56 Kbps	\$22.93	\$2.55	\$10.19
Digital Data 64 Kbps	\$22.93	\$2.55	\$10.19
High Capacity 1.54 Mbps	\$61.15	\$12.23	\$49.94
High Capacity 44.736 Mbps	\$1,398.25	\$132.98	\$462.07

Traffic Sensitive Rate Development  
Switched Access  
**Nonrecurring Revenues**

PRTC Combined Study Area

Line		(A) Rate	(B) Test Period Demand	(C) (A x B) Revenues
1.	Switched Access Service Order & Misc Order	\$33.00	145	\$4,785
2.	Interim NXX Translation	\$33.00	0	\$0
3.	Service Date Change, Design Change	\$33.00	0	\$0
4.	Switched Access Trunk Conversion/Activation	\$180.00	202	\$36,360
5.	Switched Access Installation Voice Grade 2 Wire	\$168.91	0	\$0
6.	Switched Access Installation Voice Grade 4 Wire	\$168.91	0	\$0
7.	Switched Access Installation High Capacity DS1	\$208.47	196	\$40,860
8.	Switched Access Installation High Capacity DS3	\$455.49	3	\$1,366
9.	Presubscription	\$5.00	163,399	\$816,996
10.	Unauthorized PIC Change	\$35.65	1,837	\$65,489
11.	Total Non-Recurring Revenue Requirement			<u>\$965,857</u>

Sources:

Col (A) - Current Rate  
Col (B) - Vol 4  
Col (C) - Col (A) x Col (B)

Traffic Sensitive Rate Development  
Switched Access  
**Local Switching Rate Development**

PRTC Combined Study Area

Line		Source	Quantity
1.	<b>Local Switching Revenue Requirement</b> plus Equal Access Revenue Requirement plus SS7 Revenue Requirement	Exhibit 1, Ln A9, Col (B)	\$13,878,642
2.	Premium Minutes of Use	Vol 4	2,626,851,253
3.	Non-Premium Minutes of Use	n/a	0
4.	Weighted Minutes	Ln 2+ (Ln 3 * 45%)	2,626,851,253
5.	Premium Local Switching Rate	(Ln 1 / Ln 4)	0.005283
6.	Non-Premium Local Switching Rate	(Ln 5 * 45%)	0.002377

**Information Surcharge Rate Development**

		Source	Quantity
7.	Information Surcharge Revenue Requirement	Not Applicable	\$0
8.	Premium Minutes	Vol 4	2,626,851,253
9.	Non-Premium Minutes	n/a	0
10.	Weighted Minutes	Ln 8 + (Ln 9 * 45%)	2,626,851,253
11.	Prem Information Surcharge Rate per Minute	(Ln 7 / Ln 10)	0.000000
12.	NPrem Information Surcharge Rate per Minute	(Ln 11 * 45%)	0.000000

**Directory Assistance Rate Development**

		Source	Quantity
13.	Directory Assistance Revenue Requirement	Exhibit 1, Ln A9, Col (C)	\$1,702,884
14.	Directory Assistance Messages	Vol 4	3,184,320
15.	DA Rate per Msg	(Ln 13 / Ln 14)	\$0.53



Traffic Sensitive Rate Development  
Switched Access  
Miscellaneous Data

PRTC Combined Study Area		Source	Quantity
1.	Percent Remote MOUs	Vol 4, Section 6	11.05%
2.	Switched Average Length of Haul (ALOH)	Vol 4, Section 6	29.81
3.	Remote / Host ALOH	Vol 4, Section 6	10.12
4.	Adjusted Switched ALOH	$((\text{Page 3, Ln2} + \text{Ln 3}) * \text{Ln2}) - (\text{Ln 1} * \text{Ln16}) * \text{Ln 3} / (\text{Page 3, Ln2} + \text{Ln3} - (\text{Ln1} * \text{Ln16}))$	32.26
5.	Avg # of Terminations per MOU	Vol 4, Section 6	2.000
6.	Avg # of Terminations per Circuit	Vol 4, Section 6	2.000
7.	# of Terminations per Remote MOU	Vol 4, Section 6	2
8.	Minutes per voice grade equivalent	Vol 4, Section 6	7,489
<b>Tandem Switching Rate Development</b>			
9.	Tandem Switching Revenue Requirement	Exhibit 1, Ln A.10, Col C	\$19,197,365
10.	Allocation to Tandem Switching Rate		100.0%
11.	Tandem Switching Revenue Requirement	Line 10 * Ln 9	\$19,197,365
12.	Trunk Port Investment		\$1,623,297
13.	Transport RRO Factor		0.2105
14.	Trunk Port Revenue Requirement	Line 12 * Line 13	\$341,667
15.	Rate Making Revenue Requirement	Line 11 + Line 14	\$19,539,032
16.	Total Local Switching MOUs	Page 3, Ln 2 + Ln 3	2,626,851,253
17.	Total Tandem Switching MOUs	Ln 16 * Vol 4, Section 6, Col F	1,644,934,255
18.	Tandem Switching Rate	Line 15 / Line 17	0.011878
<b>Tandem Switched Transport Rate Calculation</b>			
19.	DS1/DS3 Dedicated Transport Term. Rate (DTT)	$19c * 19d + 19e * 19f$	\$55.91
19a.	DS1 DTTs	Vol 4	4,054
19b.	DS3 DTTs	Vol 4	60
19c.	DS1 Percentage	$\text{Ln 19a} / (\text{Ln 19a} + \text{Ln 19b})$	98.55%
19d.	DS1 Rate	Exhibit 2, Page 1	\$49.94
19e.	DS3 Percentage	$1 - \text{Ln 19c}$	1.45%
19f.	DS3 Rate	Exhibit 2, Page 1	\$462.07
20.	DS1/DS3 Dedicated Transport Facility Rate (DTF)	$20c * 20d + 20e * 20f$	\$12.61
20a.	DS1 DTFs	Vol 4	52,443
20b.	DS3 DTFs	Vol 4	167.2
20c.	DS1 Percentage	$\text{Ln 20a} / (\text{Ln 20a} + \text{Ln 20b})$	99.68%
20d.	DS1 Rate	Exhibit 2, Page 1	\$12.23
20e.	DS3 Percentage	$1 - \text{Ln 20c}$	0.32%
20f.	DS3 Rate	Exhibit 2, Page 1	\$132.98
21.	Wtd. DS1/DS3 MOU per Voice Grade Equiv. - Term.	$\text{Ln8} * \text{Ln 19c} * 24 + \text{Ln8} * \text{Ln19e} * 28$	250,014
22.	Wtd. DS1/DS3 MOU per Voice Grade Equiv. - Fac.	$\text{Ln8} * \text{Ln 20c} * 24 + \text{Ln8} * \text{Ln20e} * 28$	195,159
23.	Tandem Switched Termination (TST) Rate	Line 19/Line 21	0.000224
24.	Tandem Switched Facility (TSF) Rate	Line 20/Line 22	0.000065

Line 12 = From PRTC Transmittal No. 27, filed January 20, 1998, Exhibit F, Line D.3.

Line 13 = From Volume 2, Total Transmission Rev Req divided by Total Transmission Total Plant in Service

Line 21 =  $\text{Ln 19c} * \text{Ln 8} * 24 \text{ vg equiv} + \text{Ln 19e} * \text{Ln 8} * 24 \text{ vg equiv} * 28 \text{ DS1}$

Line 22 =  $\text{Ln 20c} * \text{Ln 8} * 24 \text{ vg equiv} + \text{Ln 20e} * \text{Ln 8} * 24 \text{ vg equiv} * 28 \text{ DS1}$

Traffic Sensitive Rate Development  
Switched Access  
**Direct Trunked Transport Revenues**

Vol 5A TIC Rev Req Calc Only Page 5 of 22

PRTC Combined Study Area

Line	Source	Quantity
1.	VG Dedicated Transport Termination Rate (DTT)	Page 20, Ln 5,Col(E)
2.	VG Dedicated Transport Facility Rate (DTF)	Page 20, Ln 5,Col(C)
3.	DS1 Dedicated Transport Termination Rate (DTT)	Page 4, Line 19d
4.	DS1 Dedicated Transport Facility Rate (DTF)	Page 4, Line 20d
5.	DS3 Dedicated Transport Termination Rate (DTT)	Page 4, Line 19f
6.	DS3 Dedicated Transport Facility Rate (DTF)	Page 4, Line 20f
7.	Direct Trunked VG Terminations	Vol 4
8.	Direct Trunked VG Miles	Vol 4
9.	Direct Trunked DS1 Terminations	Vol 4
10.	Direct Trunked DS1 Miles	Vol 4
11.	Direct Trunked DS3 Terminations	Vol 4
12.	Direct Trunked DS3 Miles	Vol 4
13.	Derived Direct MOUs	See Note 1
14.	Direct Trunked Termination Revenues	$(Ln1*Ln7+Ln3*Ln9+Ln5*Ln11)$
15.	Direct Trunked Facility Revenues	$(Ln2*Ln8+Ln4*Ln10+Ln6*Ln12)$
16.	DS1 to Voice Mux	Vol 4
17.	DS3 to DS1 Mux	Vol 4
18.	Multiplexing Revenue	$(Ln 16 * Pg 9, Ln29)+(Ln 17*Pg 9, Ln 28)$
19.	Total Direct Trunked Transport Revenues	$(Ln 14+Ln15+Ln 18)$
<i>(Note 1:Ln 7*Pg 4, Ln 8+Ln 9*Pg 4, Ln 8 *24+Ln 11*Pg4, Ln 8 *24 *28)/2</i>		
<b>Entrance Facility Revenues</b>		
20.	VG2W Entrance Facility Rate	Page 20,Ln4,Col(A)
21.	VG4W Entrance Facility Rate	Page 20,Ln5,Col(A)
22.	DS1 Entrance Facility Rate	Page 20,Ln16,Col(A)
23.	DS3 Entrance Facility Rate	Page 20,Ln17,Col(A)
24.	VG 2W Entrance Facilities	Volume 4
25.	VG 4W Entrance Facilities	Volume 4
26.	DS1 Entrance Facilities	Volume 4
27.	DS3 Entrance Facilities	Volume 4
28.	Total Entrance Facility Revenues	$(Ln20*Ln24+Ln21*Ln25+Ln 22*Ln26+Ln23*Ln27)$
<b>Tandem Switched Transport Revenues</b>		
29.	Remote MOUs	Page 4, Ln 1*Page 4, Ln16
30.	Remote to Host ALOH	Page 4, Ln 3
31.	TST Revenues Remote to Host	$Ln 29*Page 4, Ln 7*Page 4, Ln 23$
32.	TSF Revenues Remote to Host	$Ln 29*Ln 30*Page 4, Ln24$
33.	Total Revenues Remote to Host	Line 31+Line 32
34.	Tandem Switched Transport MOUs	Page 4, Ln16 - Ln13
35.	# of Terms per End Office/Host MOU	$((Pg4 Ln16*Pg4 Ln 5)-(Ln 29*Pg4Ln7))/Ln 34$
36.	Adjusted Switched ALOH	Page 4, Ln 4
37.	TST Revenues from End Office/Host	$Ln 34*Ln 35*Page 4 ,Ln 23$
38.	TSF Revenues from End Office/Host	$Ln 34*Ln 36*Page 4, Ln 24$
39.	Total Revenues from End Office/Host	Line 37+Line 38
40.	Total Tandem Switched Transport Revenues	Line 33+Line 39

Traffic Sensitive Rate Development  
Switched Access

PRTC Combined Study Area

**Adjustment to TST and TSF Rates**

Line	Source	Quantity
1	Host/Remote COE Investment	Vol 2
2	Host/Remote CWF Investment	Vol 2
3	Total Host/Remote Investment	Ln 1 + Ln 2
4	Host / Remote Rev Req	Vol 1-2 PRTC TRP, COS-1(P)
5	Host / Remote Revenues	Page 5, Ln 33
6	Revenue shortfall	Ln 4 - Ln 5
7	% H/R COE Investment to Total H/R/ Investment	Ln 1/ Ln 3
8	% H/R CWF Investment to Total H/R/ Investment	Ln 2/ Ln 3
9	Revenue Shortfall Assigned TST Rate	Ln 7 * Ln 6
10	Revenue Shortfall Assigned TSF Rate	Ln 8 * Ln 6
11	Total Number of TSTs	(Pg 5, Ln 29*Pg 4, Ln 7)+ (Pg 5, Ln 34*Pg 5, Ln 35)
12	Increase in TST Rate	Ln 9 / Ln 11
13	Total Number of TSFs	(Pg 5, Ln 29*Pg 5, Ln 30)+ (Pg 5, Ln 34*Pg 5, Ln 36)
14	Increase in TSF Rate	Ln 10/Ln 13
15	TST Rate post Host Remote Addition	Pg 4, Ln 23+Ln 12
16	TSF Rate post Host Remote Addition	Pg 4, Ln 24+Ln 14

**800 Database Query Rate Development**

Line	Source	Quantity
17.	Basic Query Charge per Query	Current Rate
18.	Total Basic Queries	Vol 4
19.	Total 800 Data Base Revenues	Ln 17 * Ln 18

Traffic Sensitive Rate Development  
Switched Access  
Transport Rate Development

Vol 5A TIC Rev Req Calc Only Page 7 of 22

Line	Description	Interim Rate (A)	Demand (B)	Revenue (C) (A x B)	% of Revenue (D) (C / AA)	Remaining Transport Revenue (E) (D x BB)	Adjusted Revenue (F) (C + E)	Proposed Rate (G) ((F / C) + B)	% Rate Change (H) (G / A)	Price Out (I) (B x G)
1	Tandem Switched Termination	\$ 0.000462	5,253,702,506	\$ 2,427,211	27.071%	\$ 3,982,370	\$ 6,409,581	\$ 0.001220	164.07%	\$ 6,409,517
2	Facility	\$ 0.000092	71,076,437,632	\$ 6,539,032	72.929%	\$ 10,728,710	\$ 17,267,742	\$ 0.000243	164.13%	\$ 17,271,574
3	Total			\$ 8,966,243		\$ 14,711,080	\$ 23,677,323			\$ 23,681,091
4	Tandem Switching	\$ 0.011878	1,644,934,255	\$ 19,538,529				\$ 0.011878	0.00%	\$ 19,538,529
5	Entrance Facility VG2W	\$11.47	0	\$ -				\$ 11.47	0.00%	\$ -
6	VG4W	\$18.35	0	\$ -				\$ 18.35	0.00%	\$ -
7	DS1	\$61.15	177	\$ 10,799				\$ 61.15	0.00%	\$ 10,799
8	DS3	\$1,398.25	161	\$ 225,020				\$ 1,398.25	0.00%	\$ 225,020
9	Total			\$ 225,819						\$ 235,820
10	Direct Trunked VG Termination	\$5.10	65	\$ 330				\$ 5.10	0.00%	\$ 330
11	VG Facility	\$1.27	442	\$ 561				\$ 1.27	0.00%	\$ 561
12	DS1 Termination	\$49.94	4,054	\$ 202,435				\$ 49.94	0.00%	\$ 202,435
13	DS1 Facility	\$12.23	52,443	\$ 641,382				\$ 12.23	0.00%	\$ 641,382
14	DS1 Multiplexing	\$165.90	3	\$ 520				\$ 165.90	0.00%	\$ 520
15	DS3 Termination	\$462.07	60	\$ 27,523				\$ 462.07	0.00%	\$ 27,523
16	DS3 Facility	\$132.98	167	\$ 22,234				\$ 132.98	0.00%	\$ 22,234
17	DS3 Multiplexing	\$346.30	22	\$ 7,600				\$ 346.30	0.00%	\$ 7,600
18	Total			\$ 902,585						\$ 902,585
19	Sum Total		AA	\$ 29,643,176		\$ 14,711,080	\$ 23,677,323			\$ 44,358,026
20	NRC & 800 Revenues			\$ 7,503,181			\$ 7,503,181			\$ 7,503,181
21	Total			\$ 37,146,357			\$ 31,180,504			\$ 51,861,207
22	Transport RRQ			\$ 51,857,437						
23	*** FORECAST TIC REVENUE REQUIREMENT****			\$ 14,711,080	BB					

Sources:

Col (A) - PRTC PRTC Transmittal # 41	Col (E) - Col D x BB
Col (B) - Exhibit 2	Col (F) - Col C + Col E
Col (C) - PRTC Annual Filling Transmittal # 40	Col (G) - (Col E / Col B) + Col A
Col (C) - Col A x Col B	Col (H) - Col G / Col A
Col (D) - Col C / AA	Col (I) - Col B x Col G

Development of Direct Cost Factor

TRP Line	Element	Total Sp Access	Indirect	Direct
100	Network Access	\$7,617,947	\$2,641,512	\$5,057,656
110	Uncollect	\$0	\$0	\$0
150	Misc	\$0	\$0	\$0
160	Net Revenue	\$7,406,125	\$2,641,512	\$5,057,656
170	Plant Spc	\$1,342,010	\$407,813	\$934,197
180	Non-Plant Spc	\$420,077	\$420,077	\$0
190	Depr/Amort	\$2,635,886	\$317,097	\$2,318,789
200	Cust Oper	\$361,308	\$0	\$361,308
220	Corp Oper	\$1,302,634	\$1,302,634	\$0
240	Oth Exp Adj	(\$98,128)	(\$98,128)	\$0
250	Taxes other FIT	\$295,494	\$35,548	\$259,946
260	Total Exp & Oth Tax	\$6,259,282	\$2,385,041	\$3,874,241
270	Adj FIT	\$0	\$0	\$0
280	Amort ITC	\$0	\$0	\$0
290	FIT	\$0	\$0	\$0
300	Tot Exp & Tax	\$6,259,282	\$2,385,041	\$3,874,241
310	GSF	\$3,950,190	\$3,950,190	\$0
320	CO-Sw	\$0	\$0	\$0
330	CO-Trans	\$23,369,397	\$0	\$23,369,397
340	C&WF	\$5,964,360	\$0	\$5,964,360
350	IOT	\$0	\$0	\$0
360	Amort Assets	\$60,802	\$60,802	\$0
370	TPIS	\$33,344,749	\$4,010,992	\$29,333,758
380	Depr/Amort Res	\$21,387,413	\$2,572,906	\$18,814,507
390	Accum Def Inc Tax	\$0	\$0	\$0
400	Oth Rate Base Adj	\$841,660	\$841,660	\$0
410	Rate Base	\$10,194,168	\$2,279,746	\$10,519,250
420	Return	\$1,146,844	\$256,471	\$1,183,416
430	ROR	11.25%	11.25%	11.25%
440	Network Access	\$ 7,346,947	66.39%	\$ 4,877,735

Direct Revenue Requirement (Line 100)	\$ 4,877,735
Direct Cost Factor (Line 100 / (Line 370))	0.172418

Sources:  
Total Special Access Column from Vol 2

**Special Access  
Nonrecurring Revenues**

PRTC Combined Study Area			
	(A)	(B)	(C)=(A)*(B)
Installation/Provisions	Rate	Test Period Demand	Test Period Revenues
1. Voice Grade 2W/4W	\$189.85	295	\$55,947
2. Digital Data	\$243.40	332	\$80,884
3. High Capacity 1.544	\$200.00	364	\$72,732
4. High Capacity 44.736	\$478.00	16	\$7,493
Orders			
5. Special Access Orders	\$88.00	1,042	\$91,684
6. Date Change / Design Change	\$33.00	0	\$0
7. Total NRC Revenues			\$308,740
<b>Optional Feature and Function Revenues</b>	<b>Rate</b>	<b>Demand</b>	<b>Revenues</b>
8. Bridging 2W Voice	\$7.60	0	\$0
9. Bridging 4W Voice	\$7.60	1,071	\$8,141
10. Telemetry, etc., etc. per channel supervision	\$0.00	44	\$0
11. Telemetry etc. per channel passive channel conn.	\$0.00	0	\$0
12. Type C conditioning per pt of term.	\$6.90	11,717	\$80,844
13. Improved return loss 2w	\$8.10	48	\$389
14. Improved return loss 4w	\$6.40	328	\$2,100
15. Customer specified Receive Level	\$8.50	336	\$2,860
16. Voice grade multiplexing to telegraph per arrang.	\$165.70	18	\$2,944
17. Voice grade Type D data capability	\$6.90	12,748	\$87,961
18. Voice grade signaling capability per point of term	\$21.50	1,416	\$30,443
19. Audio Bridging, Distribution Amplifier per port	\$0.00	0	\$0
20. Audio gain conditioning per service	\$9.10	0	\$0
21. Stereo per service	\$8.60	0	\$0
22. Digital data loop transfer arrange. per 4 port	\$0.00	4	\$0
23. Digital data : bridging per port	\$6.40	0	\$0
24. CSU 2.4	\$21.80	0	\$0
25. CSU 4.8	\$21.80	24	\$524
26. CSU 9.6	\$21.80	209	\$4,556
27. CSU 56	\$21.80	0	\$0
28. Multiplexing DS-3 - DS-1	\$346.30	498	\$172,618
29. Multiplexing DS-1 - voice	\$165.90	740	\$122,743
30. Multiplexing DS-1 - DS-0	\$219.60	597	\$131,034
31. DS-0 subrates: up to 20 2.4 kps	\$226.40	0	\$0
32. DS-0 subrates: up to 10 4.8 kps	\$226.40	0	\$0
33. DS-0 subrates: up to 5 9.6 kps	\$226.40	0	\$0
34. Auto loop transfer	\$43.10	0	\$0
35. Transfer arrange. per 4 port	\$50.60	8	\$423
36. NCTE. 1.544 per pt of term	\$60.00	117	\$7,022
37. NCTE 1.544 per pt of term, auto loop transfer	\$60.00	0	\$0
38. Total OFF Revenues			\$654,603
39. % of Special Access Revenue Requirement defined as "Direct"			0.66391
40. Total "Direct" OFF Revenues (Ln 38*Ln 39)			\$434,600

Sources:

Col (A) Current Rate  
Col (B) Demand from Vol 4  
Col ( C ) - Col (A) x Col (B)  
Ln 39 = Page 8, Ln 100 Direct / Ln 100 Total

Special Access  
**DS3 Direct Costs**

		PRTC Combined Study Area				
		Rate (A)	Direct RRQ (B)	Demand (C)	Direct Revs (D)	Total Revs (E)
1.	Channel Termination Rate	\$1,398.25	0.66391	968	\$898,608	\$1,353,501
2.	Channel Mileage Facility	\$132.98	0.66391	1,689	\$149,092	\$224,565
3.	Channel Mileage Termination	\$462.07	0.66391	482	\$147,824	\$222,656
4.	Total				\$1,195,524	\$1,800,723

Sources:

Col (B) - Page 9, Ln 39  
 Col (C) - Vol 4  
 Col (D) - Col (A) \* Col (B) \* Col (C)  
 Col (E) - Col (A) \* Col (C)

Special Access  
Special Access Revenue Requirement Allocation Proportion  
Based on Investment Relationships

PRTC Combined Study Area

	(A) Channel Termination COE	(B) Channel Termination C&WF	(C) Channel Mileage Facility	(D) Channel Mileage Termination	(E)=Sum (A) thru (D) Total Special Investment
1. Percent of Total	0.020159	0.284034	0.367613	0.328195	1.00

Sources:

Line 1 from PRTC Transmittal No. 19, filed June 16, 1997, Volume 5, Page 11, Line 5.

**Special Access Revenue Requirement Adjustment**

	(A) CT-COE	(B) CT-CWF	(C) CMF	(D) CMT	(E) Total
2. Direct Special Rev Req				\$	4,877,735
3. Rev Req Allocation	\$98,330	\$1,385,443	\$1,793,119	\$1,600,848	\$4,877,740
4. CT Percentage	7%	93%	n/a	n/a	
5. Less: NRC Revenues	(\$21,612)	(\$287,128)	n/a	n/a	(\$308,740)
6. Less: OFF "Direct" Revs	n/a	n/a	n/a	(\$434,600)	(\$434,600)
7. Less: ICB "Direct" Revs	none	none	none	none	none
8. Less: DS3 "Direct" Revs	(\$62,903)	(\$835,705)	(\$149,092)	(\$147,824)	(\$1,195,524)
9. Rate Making Rev Req	\$13,816	\$262,610	\$1,644,027	\$1,018,424	\$2,938,876

Sources:

Line 2	Page 8, Line 440, Direct Column
Line 3	Line 1* Line 2 Col (E)
Line 4	Line 3 Cols (A) or (B)/Line 3 Cols (A)+(B)
Line 5	Page 9, Line 7 * Line 4
Line 6	Page 9, Line 40
Line 8	Page 10 Col (D)
Line 9	Sum (Ln2 thru Ln 8)



Special Access  
Distribution of CT-COE Unit Costs

	(A)	(B)	(C)=A*B	(D)	(E)	(F)
Service	Relative Index	Test Period Demand	Annualized Weighted Demand	CT-COE Direct Rev Req	Factor	CT-COE Rate
Telegraph 2 Wire	1.0000	176	176			\$0.12
Telegraph 4 Wire	1.3300	7	10			\$0.16
Voice Grade 2 Wire	1.0000	2,800	2,800			\$0.12
Voice Grade 4 Wire	1.3300	12,747	16,953			\$0.16
Program Audio 3.5 khz	1.2400	0	0			\$0.15
Program Audio 5.0 khz	1.2400	0	0			\$0.15
Program Audio 8.0 khz	1.2400	5	6			\$0.15
Program Audio 15 khz	1.2400	0	0			\$0.15
Digital Data 2.4 Kbps	1.4300	55	79			\$0.17
Digital Data 4.8 Kbps	1.4300	19	27			\$0.17
Digital Data 9.6 Kbps	1.4300	351	502			\$0.17
Digital Data 19.2 Kbps	1.4300	38	54			\$0.17
Digital Data 56 Kbps	1.4300	9,860	14,099			\$0.17
Digital Data 64 Kbps	1.4300	1,481	2,117			\$0.17
High Capacity 1.54 Mbps	4.3300	18,318	79,316			\$0.52
			116,139	\$13,816	0.11896	

Distribution of CT-CWF Unit Costs

	(A)	(B)	(C)=A*B	(D)	(E)	(F)
Service	Loop Equivalency	Annual Demand	Annualized Weighted Demand	CT-CWF Revenue Requirement	Factor	CT-CWF Rate
Telegraph 2 Wire	1.0000	176	176			\$2.26
Telegraph 4 Wire	2.0000	7	15			\$4.52
Voice Grade 2 Wire	1.0000	2,800	2,800			\$2.26
Voice Grade 4 Wire	2.0000	12,747	25,494			\$4.52
Program Audio 3.5 khz	2.0000	0	0			\$4.52
Program Audio 5.0 khz	2.0000	0	0			\$4.52
Program Audio 8.0 khz	2.0000	5	10			\$4.52
Program Audio 15 khz	2.0000	0	0			\$4.52
Digital Data 2.4 Kbps	2.0000	55	111			\$4.52
Digital Data 4.8 Kbps	2.0000	19	38			\$4.52
Digital Data 9.6 Kbps	2.0000	351	702			\$4.52
Digital Data 19.2 Kbps	2.0000	38	75			\$4.52
Digital Data 56 Kbps	2.0000	9,860	19,719			\$4.52
Digital Data 64 Kbps	2.0000	1,481	2,962			\$4.52
High Capacity 1.54 Mbps	3.5000	18,318	64,112			\$7.91
			116,213	\$262,610	2.25974	

Source:

Col (A)	Volume 3	Col (E)	Total Col (D) / Total Col (C)
Col (B)	Volume 4, Section 1	Col (F)	Col (E) * Col (A)
Col (D)	Page 11, Line 9, Col (A) for CT-COE and Col (B) for CT-CWF		

Special Access  
CT Unit Costs

	(A) CT-COE Portion of CT Rate	PRTC Combined Study Area (B) CT-CWF Portion of CT Rate	(C)=(A)+(B) Total CT Rate
Telegraph 2 Wire	\$0.12	\$2.26	\$2.38
Telegraph 4 Wire	\$0.16	\$4.52	\$4.68
Voice Grade 2 Wire	\$0.12	\$2.26	\$2.38
Voice Grade 4 Wire	\$0.16	\$4.52	\$4.68
Program Audio 3.5 khz	\$0.15	\$4.52	\$4.67
Program Audio 5.0 khz	\$0.15	\$4.52	\$4.67
Program Audio 8.0 khz	\$0.15	\$4.52	\$4.67
Program Audio 15 khz	\$0.15	\$4.52	\$4.67
Digital Data 2.4 Kbps	\$0.17	\$4.52	\$4.69
Digital Data 4.8 Kbps	\$0.17	\$4.52	\$4.69
Digital Data 9.6 Kbps	\$0.17	\$4.52	\$4.69
Digital Data 19.2 Kbps	\$0.17	\$4.52	\$4.69
Digital Data 56 Kbps	\$0.17	\$4.52	\$4.69
Digital Data 64 Kbps	\$0.17	\$4.52	\$4.69
High Capacity 1.54 Mbps	\$0.52	\$7.91	\$8.42

Source:

Cols (A) - Page 12, Col (F)  
Cols (B) - Page 12, Col (F)  
Cols (C) - Col A + Col B

Special Access  
**Distribution of CMF Unit Costs**  
PRTC Combined Study Area

	(A)	(B)	(C)=A*B	(D)	(E)	(F)
Service	Allocation Ratio	Test Period Demand	Annualized Weighted Demand	CMF Revenue Requirement	Factor	CMF Rate
Telegraph 2 Wire/4 Wire	1.0000	358	358			\$1.21
Voice Grade 2W / 4W	1.0000	86,001	86,001			\$1.21
Program Audio 3.5 khz	1.0000	24,629	24,629			\$1.21
Program Audio 5.0 khz	0.0000	0	0			\$0.00
Program Audio 8.0 khz	3.0000	0	0			\$3.62
Program Audio 15 khz	4.0000	0	0			\$4.83
Digital Data 2.4 Kbps	1.0000	45	45			\$1.21
Digital Data 4.8 Kbps	1.0000	0	0			\$1.21
Digital Data 9.6 Kbps	1.0000	2,272	2,272			\$1.21
Digital Data 19.2 Kbps	1.0000	57	57			\$1.21
Digital Data 56 Kbps	2.0000	60,293	120,587			\$2.41
Digital Data 64 Kbps	2.0000	6,763	13,526			\$2.41
High Capacity 1.54 Mbps	10.0000	111,476	1,114,764			\$12.07
			1,362,240	\$1,644,027	1.20686	

**Distribution of CMT Unit Costs**

	(A)	(B)	(C)=A*B	(D)	(E)	(F)
Service	Allocation Ratio	Test Period Demand	Annualized Weighted Demand	CMT Revenue Requirement	Factor	CMT Rate
Telegraph 2 Wire/4 Wire	1.0000	110	110			\$4.10
Voice Grade 2W / 4W	1.0000	10,326	10,326			\$4.10
Program Audio 3.5 khz	1.0000	3,932	3,932			\$4.10
Program Audio 5.0 khz	2.0000	1	2			\$8.19
Program Audio 8.0 khz	3.0000	0	0			\$12.29
Program Audio 15 khz	4.0000	0	0			\$16.38
Digital Data 2.4 Kbps	1.0000	0	0			\$4.10
Digital Data 4.8 Kbps	1.0000	28	28			\$4.10
Digital Data 9.6 Kbps	1.0000	307	307			\$4.10
Digital Data 19.2 Kbps	1.0000	29	29			\$4.10
Digital Data 56 Kbps	2.0000	8,200	16,400			\$8.19
Digital Data 64 Kbps	2.0000	1,174	2,347			\$8.19
High Capacity 1.54 Mbps	10.0000	21,514	215,145			\$40.96
			248,626	\$1,018,424	4.09620	

Source:

Col (A)	Allocation ratios based on utilization of channels on a carrier except for Metallic Service which is generally provisioned over a physical 2 wire facility.
Col (B)	Volume 4, Section 1
Col (D)	Page 11, Line 9, Col ( C) for CMF and Col (D) for CMT
Col (E)	Total Col (D) / Total Col ( C)
Col (F)	Col (E)*Col(A)

Special Access  
**Development of Recurring Special Access Revenue Requirement**

		PRTC Combined Study Area		
		Source	Quantity	
Line 1	Total Revenue Requirement	Page 8, Line 500, Total Col.	\$	7,346,947
Line 2	Less: NRC Revenues	Page 9, Line 7		\$308,740
Line 3	Less: Total OFF Revenues	Page 9, Line 38		\$654,603
Line 4	Less: Total DS3 Revenues	Page 10, Col E		\$1,800,723
Line 5	Less: Total ICB Revenues	None		\$0
Line 6	<u>Total Recurring Revenue Requirement</u>	$Ln1 - (Ln2 + Ln3 + Ln4 + Ln5)$	<u>\$</u>	<u>4,582,880</u>

Special Access  
**Calculation of Channel Termination Weighted Demand**  
PRTC Combined Study Area

	(A) Index	(B) Demand	(C) Weighted Demand
Telegraph 2 Wire	4.50000	176	790
Telegraph 4 Wire	7.20000	7	53
Voice Grade 2 Wire	4.50000	2,800	12,598
Voice Grade 4 Wire	7.20000	12,747	91,778
Program Audio 3.5 khz	9.90000	0	0
Program Audio 5.0 khz	9.80000	0	0
Program Audio 8.0 khz	10.30000	5	54
Program Audio 15 khz	9.90000	0	0
Digital Data 2.4 Kbps	9.00000	55	498
Digital Data 4.8 Kbps	9.00000	19	169
Digital Data 9.6 Kbps	9.00000	351	3,160
Digital Data 19.2 Kbps	9.00000	38	339
Digital Data 56 Kbps	9.00000	9,860	88,736
Digital Data 64 Kbps	9.00000	1,481	13,327
High Capacity 1.54 Mbps	24.00000	18,318	439,627
			651,129

Sources:

Col (B) - Vol 4

Col (C) - Col A x Col B

Special Access  
**Calculation of Channel Mileage Facility Weighted Demand**  
 PRTC Combined Study Area

	(A) Index	(B) Demand	(C) Weighted Demand
Telegraph 2 Wire/4 Wire	0.50000	358	179
Voice Grade 2W / 4W	0.50000	86,001	43,001
Program Audio 3.5 khz	0.50000	24,629	12,314
Program Audio 5.0 khz	0.90000	0	0
Program Audio 8.0 khz	1.50000	0	0
Program Audio 15 khz	1.90000	0	0
Digital Data 2.4 Kbps	0.50000	45	22
Digital Data 4.8 Kbps	0.50000	0	0
Digital Data 9.6 Kbps	0.50000	2,272	1,136
Digital Data 19.2 Kbps	0.50000	57	29
Digital Data 56 Kbps	1.00000	60,293	60,293
Digital Data 64 Kbps	1.00000	6,763	6,763
High Capacity 1.54 Mbps	4.80000	111,476	535,087
			<u>658,825</u>

Sources:

Col (B) - Vol 4  
 Col (C) - Col A x Col B

Special Access  
Calculation of Channel Mileage Termination Weighted Demand

PRTC Combined Study Area

	(A) Index	(B) Demand	(C) Weighted Demand
Telegraph 2 Wire/4 Wire	2.00000	110	219
Voice Grade 2W / 4W	2.00000	10,326	20,651
Program Audio 3.5 khz	2.00000	3,932	7,865
Program Audio 5.0 khz	4.00000	1	4
Program Audio 8.0 khz	6.00000	0	0
Program Audio 15 khz	8.00000	0	0
Digital Data 2.4 Kbps	2.00000	0	0
Digital Data 4.8 Kbps	2.00000	28	56
Digital Data 9.6 Kbps	2.00000	307	614
Digital Data 19.2 Kbps	2.00000	29	59
Digital Data 56 Kbps	4.00000	8,200	32,800
Digital Data 64 Kbps	4.00000	1,174	4,694
High Capacity 1.54 Mbps	19.60000	21,514	421,683
			488,647

Sources:

Col (B) - Vol 4

Col (C) - Col A x Col B

Special Access  
**Calculation of Initial Monthly  
Voice Grade 2W Channel Termination Rate**

PRTC Combined Study Area

		Source	Quantity
Line 1.	CT Weighted Demand	Page 16, Tot Col(C)	651,129
Line 2.	CMF Weighted Demand	Page 17, Tot Col(C)	658,825
Line 3.	CMT Weighted Demand	Page 18, Tot Col(C)	488,647
Line 4.	Total Weighted Demand	Ln 1 + Ln 2 + Ln 3	1,798,601
Line 5.	Total Recurring Special Access Revenue Requirement	Page 15, Ln 6	\$4,582,880
Line 6.	Initial VG2W CT Rate	Ln 5 / Ln 4	\$2.55



Special Access  
Calculation of Monthly Special Access Rates

		PRTC Combined Study Area					
		(A) CT Rate	(B) CT Revenue	(C) CMF Rate	(D) CMF Revenue	(E) CMT Rate	(F) CMT Revenue
Service							
1.							
2.	Telegraph 2 Wire	\$11.47	\$2,014	\$1.27	\$455	\$5.10	\$560
3.	Telegraph 4 Wire	\$18.35	\$134	\$1.27		\$5.10	
4.	Voice Grade 2 Wire	\$11.47	\$32,111	\$1.27	\$109,222	\$5.10	\$52,661
5.	Voice Grade 4 Wire	\$18.35	\$233,906	\$1.27		\$5.10	
6.	Program Audio 3.5 khz	\$25.23	\$0	\$1.27	\$31,278	\$5.10	\$20,055
7.	Program Audio 5.0 khz	\$24.97	\$0	\$2.29	\$0	\$10.19	\$11
8.	Program Audio 8.0 khz	\$26.24	\$137	\$3.82	\$0	\$15.29	\$0
9.	Program Audio 15 khz	\$25.23	\$0	\$4.84	\$0	\$20.38	\$0
10.	Digital Data 2.4 Kbps	\$22.93	\$1,270	\$1.27	\$57	\$5.10	\$0
11.	Digital Data 4.8 Kbps	\$22.93	\$431	\$1.27	\$0	\$5.10	\$144
12.	Digital Data 9.6 Kbps	\$22.93	\$8,051	\$1.27	\$2,885	\$5.10	\$1,567
13.	Digital Data 19.2 Kbps	\$22.93	\$863	\$1.27	\$73	\$5.10	\$149
14.	Digital Data 56 Kbps	\$22.93	\$226,080	\$2.55	\$153,748	\$10.19	\$83,559
15.	Digital Data 64 Kbps	\$22.93	\$33,954	\$2.55	\$17,246	\$10.19	\$11,958
16.	High Capacity 1.54 Mbps	\$61.15	\$1,120,134	\$12.23	\$1,363,357	\$49.94	\$1,074,432
17.	High Capacity 44.736 Mb	\$1,398.25	\$1,353,501	\$132.98	\$224,565	\$462.07	\$222,656
			\$3,012,586		\$1,902,887		\$1,467,752

Sources:

Col (A) = Page 19, Ln 6 \* Page 16 Col (A)  
Col (B) = Col (A) \* Page 16 Col (B)  
Col (C) = Page 19, Ln 6 \* Page 17 Col (A)  
Col (D) = Col (C) \* Page 17 Col (B)  
Col (E) = Page 19, Ln 6 \* Page 18 Col (A)  
Col (F) = Col (E) \* Page 18 Col (B)

Special Access  
**Prescribed Channel Termination**  
**Telegraph and Voice Grade 2W / 4W Rate Relationship**

PRTC Combined Study Area

	A	B	C	D	E	F	G
			A x B		B x D	tot (C) / tot (E)	F x D
Telegraph	Proposed CT Rate	Demand	Revenue	Prescribed Relationship	Weighted Relationship		Rate Relationship
Two Wire	\$11.47	175.56	\$2,014	1.0	175.56	11.47044	\$11.47
Four Wire	\$18.35	7.315	\$134	1.6	11.704	11.47044	\$18.35
			<u>\$2,148</u>		<u>187.264</u>		
	a	b	c=a*b	d	e=b*d	f=	(g)=f*d
Voice		Demand	Revenue	Prescribed Relationship	Weighted Relationship	tot (c)/tot (e)	Rate Relationship
Two Wire	\$11.47	2,800	\$32,111	1.0	2,800	11.46891	\$11.47
Four Wire	\$18.35	12,747	\$233,906	1.6	20,395	11.46891	\$18.35
			<u>\$266,017</u>		<u>23,195</u>		

Source:

Col A	Page 20, Col (A)	Col E	Col B x Col D
Col B	Page 16, Col (B)	Col F	Tot Col C / Tot Col E
Col C	Col (A)*Col (B)	Col G	Col F x Col D
Col D	Prescribed 2W/4W CT Rate Relationship		

Special Access  
Crossover Analysis

PRTC Combined Study Area

Voice Grade to Hi Cap DS1

Config	Element	(A) Voice Grade 4 Wire	(B) Hi-Cap 1.544 Mbps
2	CT	\$36.70	\$122.30
10	CMF	\$12.70	\$122.30
2	CMT	\$10.20	\$99.88
Total Config		\$59.60	\$344.48

DS1 to VG 4W Crossover (Total Col (B)/Total Col (A)) 5.78

Col (A) = Config Column \* VG4W Rates from Page 20  
Col (B) = Config Column Hi Cap 1.544 Rates from Page 20

Transport Benchmark

Config	Element	(A) DS1	(B) DS3
2	CT	\$122.30	\$2,796.49
10	CMF	\$122.30	\$1,329.80
2	CMT	\$99.88	\$924.14
1	MUX	n/a	\$346.30
Total Config		\$344.48	\$5,396.73

DS3 to DS1 Crossover (Total Col (B)/Total Col (A)) 15.67

Col (A) = Config Column \* DS1 Rates from Page 20  
Col (B) = Config Column \* DS3 Rates from Page 10