

Promotion Description: Free Service for 2 Months			
Months of Promotion: 2.66			
Months of Discounted Rate: 2			
Months Customer Must Retain Service: 24			
Promotion Period: Start Jul-02 Stop Sep-02 Months Until Start Date 1			
Description	Current	Forecast	Promotion
1. DSL Rate	\$29.95	\$29.95	\$0.00
2. Average Monthly DSL Customer Growth Rate		12.00%	
3. Estimated Number of Customers Taking Promotion			5,289
4. Estimated Customer Retention After Promotion			75.00%
5. Estimated Monthly DSL Customers	33,698	37,742	
6. Estimated DSL Revenue Requirement		\$23,496,619	
7. Estimated Revenue Requirement Through Promotion		\$46,993,238	

Description	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Total
8. Monthly Revenue Requirement	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$1,958,052	\$46,993,238
Current DSL Revenue:																									
9. Current Customer Demand	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698	33,698
10. Current Rate	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95
11. Current Customer Revenues	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$1,009,255	\$24,222,122
Forecasted DSL Revenue Excluding Promotion:																									
12. Forecasted New Customer Demand	4,044	4,529	5,072	5,681	6,363	7,126	7,982	8,939	10,012	11,214	12,559	14,066	15,754	17,645	19,762	22,134	24,790	27,765	31,096	34,828	39,007	43,688	48,931	54,802	19,908
13. Forecasted Rate	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95
14. Forecasted New Customer Revenues	\$121,111	\$135,644	\$151,921	\$170,152	\$190,570	\$213,438	\$239,051	\$267,737	\$299,865	\$335,849	\$376,151	\$421,289	\$471,844	\$528,465	\$591,881	\$662,907	\$742,456	\$831,550	\$931,336	\$1,043,097	\$1,168,268	\$1,308,461	\$1,465,476	\$1,641,333	\$14,309,854
Forecasted DSL Promotion Revenue:																									
15. Promotion Customer Demand	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289	5,289
16. Promotion Rate For 2 Months	\$0.00	\$0.00	\$0.00	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$29.95	\$26.21
17. Promotion Customer Revenues	\$0	\$0	\$0	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$158,406	\$3,326,517
18. Total Revenues	\$1,130,366	\$1,144,899	\$1,161,176	\$1,337,812	\$1,358,231	\$1,381,099	\$1,406,712	\$1,435,398	\$1,467,526	\$1,503,510	\$1,543,812	\$1,588,950	\$1,639,505	\$1,696,126	\$1,759,542	\$1,830,568	\$1,910,116	\$1,999,211	\$2,098,997	\$2,210,757	\$2,335,929	\$2,476,121	\$2,633,137	\$2,808,994	\$41,858,493
19. Total Revenues less Revenue Requirement	-\$827,686	-\$813,153	-\$796,875	-\$620,239	-\$599,821	-\$576,953	-\$551,340	-\$522,654	-\$490,526	-\$454,542	-\$414,240	-\$369,102	-\$318,547	-\$261,926	-\$198,510	-\$127,484	-\$47,935	\$41,159	\$140,946	\$252,706	\$377,878	\$518,070	\$675,085	\$850,942	-\$5,134,746

-\$5,134,746

Notes:

- 1) Assumed equipment capacity can handle projected demand.
- 2)