

Illinois Consolidated Telephone Company  
Cost Support for DSL Promotional Filing  
Promotion Period: June 16, 2002 to August 31, 2002

Current DSL rate:	30.00
Current DSL Demand as of 3/16/2002	2,580
Current Estimated Monthly DSL Demand at 7/1/02:	2,700
Estimated Demand at 7/1/02	3,000

DSL Revenue Projection Disregarding Proposed DSL promotion:

Estimated Projected July 1, 2002 - June 30, 2004 DSL Revenue Requirement	1,997,306
Estimated Average Monthly Projected DSL Demand for July 1, 2002 - June 30, 2004 Tariff Period	4,180
Estimated Projected DSL Rate for July 1, 2002 - June 30, 2004 Tariff Period	20.00

	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
Monthly Revenue Requirement	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	1,997,306
Existing Customer Demand	2,700	2,828	2,956	3,084	3,212	3,340	3,468	3,596	3,724	3,852	3,980	4,108	4,236	4,364	4,492	4,620	4,748	4,876	5,004	5,132	5,260	5,388	5,516	5,644	4,172
Proposed Rate	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Estimated Revenues	54,000	56,560	59,120	61,680	64,240	66,800	69,360	71,920	74,480	77,040	79,600	82,160	84,720	87,280	89,840	92,400	94,960	97,520	100,080	102,640	105,200	107,760	110,320	112,880	2,002,560
Over/(Under) Rev Req	(29,221)	(26,661)	(24,101)	(21,541)	(18,981)	(16,421)	(13,861)	(11,301)	(8,741)	(6,181)	(3,621)	(1,061)	1,499	4,059	6,619	9,179	11,739	14,299	16,859	19,419	21,979	24,539	27,099	29,659	5,254

DSL Revenue Projection Including the Estimates for DSL Promotion:

Existing Customers :	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
Revenue Requirement	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	1,997,306
Existing Cust Demand	2,700	2,800	2,900	3,000	3,128	3,256	3,384	3,512	3,640	3,768	3,896	4,024	4,152	4,280	4,408	4,536	4,664	4,792	4,920	5,048	5,176	5,304	5,432	5,560	4,095
Proposed Rate	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Estimated Revenues	54,000	56,000	58,000	60,000	62,560	65,120	67,680	70,240	72,800	75,360	77,920	80,480	83,040	85,600	88,160	90,720	93,280	95,840	98,400	100,960	103,520	106,080	108,640	111,200	1,965,600
Over/(Under) Rev Req	(29,221)	(27,221)	(25,221)	(23,221)	(20,661)	(18,101)	(15,541)	(12,981)	(10,421)	(7,861)	(5,301)	(2,741)	(181)	2,379	4,939	7,499	10,059	12,619	15,179	17,739	20,299	22,859	25,419	27,979	(31,706)

Promotional Customers:

Promo Demand	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Promo Rate	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Promo Revenues	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	6,000	6,000	6,000	6,000	6,000	6,000	117,000
Combined Over/(Under)	(24,721)	(22,721)	(20,721)	(18,721)	(16,161)	(13,601)	(11,041)	(8,481)	(5,921)	(3,361)	(801)	1,759	4,319	6,879	9,439	11,999	14,559	17,119	21,179	23,739	26,299	28,859	31,419	33,979	85,294
Combined Avg Subs																									4,395

\* Assume 11% or 300 additional subscribers over current demand will take the promotion

\*\* To be Conservative, Assumed that 1/3 of these promotional customers (100) would have signed up for DSL eventually; Reflected in lower demand under promo option for Aug - Oct 2002