

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

ITEM NO.	RESPORG SERVICE/RATE ELEMENT	CURRENT RATES (a)	PROPOSED RATES (b)	\$ CHANGE (c) = (b-a)	% CHANGE (d) = (c/a)	REVENUE IMPACT (e)
1	Cust. Rcrd. Admn.	\$ 0.2219	\$ 0.2569	\$0.0350	15.78%	\$5,159,039
2	RESPORG Change	\$ 9.03	\$ 10.24	\$1.21	13.37%	\$65,839
3	Access: Dial-up	\$ 108.61	\$ 129.01	\$20.40	18.78%	\$127,216
4	Access: Ded. (non-MGI)	\$ 126.53	\$ 150.30	\$23.77	18.79%	\$9,888
5	Access: Ded. (MGI)	\$ 344.49	\$ 408.53	\$64.04	18.59%	\$14,569
6	Service Est. - First	\$ 2,117.31	\$ 2,295.77	\$178.46	8.43%	\$2,900
7	Service Est. - Add'l.	\$ 74.41	\$ 129.79	\$55.38	74.42%	\$32,397
8	Customer Reports	\$ 592.97	\$ 748.91	\$155.94	26.30%	\$30,876
9	MGI - Development	\$ 342,884.00	\$ 342,884.00	\$0.00	0.00%	\$0
10	MGI - Testing	\$ 212,015.00	\$ 212,015.00	\$0.00	0.00%	\$0
Net Impact						\$5,442,723

Notes:

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

TABLE 2
SMS/800 - REVENUE REQUIREMENT SUMMARY

ITEM NO	BUDGET ELEMENT	Past Year	Future Year	Future Period
		11/30/01 - 11/29/02 (a)	11/30/02 - 11/29/03 (b)	11/30/02 - 6/14/03 (c)
1	<i>SMS/800 Operation & Administration</i>	13,705,373	11,968,033	6,878,852
2	<i>Data Center Operation</i>	46,763,601	42,095,500	25,787,667
3	<i>Software Support</i>	19,792,029	19,165,100	10,354,100
4	<i>Total (items 1+2+3)</i>	80,261,003	73,228,633	43,020,619

Notes:

1. Column (a) reflects actual costs for period of November 30, 2001 through September 30, 2002 plus projected costs for period of October 1, 2002 through November 29, 2002.
2. Column (b) is the revenue requirement projected for the future year period of November 30, 2002 through November 29, 2003.
3. Column (c) is the revenue requirement projected for the future period of November 30, 2002 through June 14, 2003 (about seven months) reflected in the rates proposed with this tariff update.

TABLE 3
SMS/800 - DEMAND SUMMARY

ITEM NO.	SERVICE/RATE ELEMENT	Past Year	Future Year	Future Period
		<u>11/30/01 - 11/29/02</u>	<u>11/30/02 - 11/29/03</u>	<u>11/30/02 - 6/14/03</u>
		(a)	(b)	(c)
1	<i>Cust. Rcrd. Admn.</i>	288,018,207	271,142,795	147,346,077
2	<i>RESPORG Change</i>	92,585	100,365	54,531
3	<i>Access: Dial-up</i>	11,498	11,673	6,237
4	<i>Access: Ded. (non-MGI)</i>	785	768	416
5	<i>Access: Ded. (MGI)</i>	432	420	228
6	<i>Service Est. - First</i>	30	30	16
7	<i>Service Est. - Add'l.</i>	933	1,105	585
8	<i>Customer Reports</i>	638	311	198
9	<i>MGI - Development</i>	0	0	0
10	<i>MGI - Testing</i>	0	0	0

Table 3A
SMS/800: CRA Demand Data

	January	February	March	April	May	June	July	August	September	October	November	December	Total
1993					3,010,536	3,057,738	3,082,959	3,171,217	3,189,910	3,291,276	3,413,024	3,513,029	25,729,689
1994	3,530,146	3,641,213	3,920,350	3,994,509	4,027,382	4,299,018	4,533,949	4,833,080	5,047,818	5,264,202	5,481,648	5,657,047	54,230,362
1995	5,780,592	5,976,917	6,143,859	6,353,798	6,577,347	6,781,100	6,829,783	6,845,507	6,883,147	6,941,020	6,981,109	6,980,352	79,074,531
1996	6,689,437	6,935,024	7,337,266	7,664,377	7,880,087	8,160,941	8,439,726	8,738,184	9,046,918	9,343,158	9,666,104	9,950,184	99,851,406
1997	10,103,675	10,304,718	10,563,886	10,851,251	11,091,599	11,296,361	11,662,373	11,986,080	12,403,293	12,864,596	13,191,511	13,387,120	139,706,463
1998	13,588,577	13,787,956	13,985,025	14,317,589	14,785,536	15,086,551	15,358,650	15,653,090	15,942,127	16,195,303	16,500,143	16,730,285	181,930,832
1999	16,880,002	17,047,544	17,288,406	17,676,100	18,047,277	18,377,443	18,607,845	19,034,305	19,414,611	19,679,782	20,085,221	20,465,301	222,603,837
2000	20,811,924	21,154,106	21,316,195	21,643,967	21,923,011	22,160,717	22,388,709	22,790,689	23,251,813	23,514,618	23,894,584	24,094,945	268,945,278
2001	24,270,379	24,363,754	24,380,714	24,521,736	24,488,361	24,526,559	24,505,838	24,450,819	24,462,339	24,424,360	24,373,791	24,402,684	293,171,334
2002	24,454,646	24,486,725	24,500,170	24,558,595	24,373,991	23,979,741	23,847,039	23,550,362	23,486,099	23,273,497	23,060,895	22,932,224	286,503,984
2003	22,803,554	22,674,883	22,615,930	22,556,976	22,498,023	22,490,979	22,483,935	22,476,892	22,503,884	22,530,877	22,557,870	22,603,222	270,797,025
2004	22,648,574	22,693,926	22,745,325	22,796,725	22,848,125	22,896,951	22,945,778	22,994,605	23,035,675	23,076,745	23,117,815	23,158,884	274,959,128

Notes:

1. Demand quantities for May 1993 through August 2002 are actual amounts.
2. Demand quantities for September 2002 through December 2004 (in bold) are projected amounts.

TABLE 4
SMS/800 - DISTRIBUTION of REVENUE REQUIREMENT

		REVENUE REQUIREMENT					TOTAL WITHOUT	
ITEM NO.	RESPORG SERVICE/RATE ELEMENTS	<u>SMS/800 OPER & ADM</u>		DATA CENTER OPERATION	SOFTWARE SUPPORT	TOTAL REV REQ	<u>ALL OTHER OPER & ADM</u>	
		<i>Help Desk Operation</i>	<i>All Other Oper&Adm</i>				<u>\$</u>	<u>%</u>
		(a)	(b)	(c)	(d)	(e)=(a+b+c+d)	(f) = (a+c+d)	(g) = (f/fTotal)
	Total Rev Req =	997,376	5,881,476	25,787,667	10,354,100	43,020,619	37,139,143	
1	Cust. Rcrd. Admn.	590,848	5,175,287	22,509,729	9,579,270	37,855,133	32,679,847	87.993%
2	RESPORG Change	386,172	76,321	1,258	94,504	558,255	481,934	1.298%
3	Access: Dial-up		109,997	694,584		804,580	694,584	1.870%
4	Access: Ded. (non-MGI)		8,548	53,976		62,524	53,976	0.145%
5	Access: Ded. (MGI)		12,706	80,235		92,941	80,235	0.216%
6	Service Est. - First	20,357	5,100	5,802	6,047	37,306	32,206	0.087%
7	Service Est. - Add'l.		10,380	65,228	318	75,927	65,547	0.176%
8	Customer Reports		20,272	122,207	5,804	148,284	128,011	0.345%
9	MGI - Development		0	0	0	0	0	0%
10	MGI - Testing		0	0	0	0	0	0%
<u>SCP O/O ELEMENTS</u>								
11	Access: Non-MGI		1,576	9,949		11,525	9,949	0.027%
12	Access: MGI		50,714	320,237		370,951	320,237	0.862%
13	Record Trans.& Valid.		224,506	1,204,084	213,584	1,642,174	1,417,668	3.817%
14	Data Base Adm. & Ntwk. Mgmt. Support		186,069	720,377	454,573	1,361,018	1,174,949	3.164%
	TOTAL	997,376	5,881,476	25,787,667	10,354,100	43,020,619	37,139,143	100.000%

Notes:

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

TABLE 5
SMS/800 - COST DISTRIBUTION FACTORS

ITEM NO.	RESPORG SERVICE/RATE ELEMENT	HELP DESK TASK ORIENTED ANALYSIS (a)	SMS/800 LINES OF CODE ANALYSIS (b)	SMS PROCESSOR TRANSACTIONS ANALYSIS (c)	DATA CENTER COST DISTRIBN ANALYSIS (d)	SOFTWARE COST DISTRIBN ANALYSIS (e)
1	Cust. Rcrd. Admn.	59.240%	73.311%	89.693%	87.289%	92.517%
2	RESPORG Change	38.719%	3.858%	0.007%	0.005%	0.913%
3	Access: Dial-up				2.693%	
4	Access: Ded. (non-MGI)				0.209%	
5	Access: Ded. (MGI)				0.311%	
6	Service Est. - First	2.041%	0.130%	0.007%	0.022%	0.058%
7	Service Est. - Add'l.		0.130%		0.253%	0.003%
8	Customer Reports		0.237%	0.011%	0.474%	0.056%
9	MGI - Development					
10	MGI - Testing					
<u>SCP O/O ELEMENTS</u>						
11	Access: Non-MGI				0.039%	
12	Access: MGI				1.242%	
13	Record Trans.& Valid.		7.484%	6.433%	4.669%	2.063%
14	Data Base Adm. & Ntwk. Mgmt. Support		14.850%	3.849%	2.793%	4.390%
Total		100.000%	100.000%	100.000%	100.000%	100.000%

Notes:

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

TABLE 6
SMS/800 - RATE DEVELOPMENT

ITEM NO.	RESPORG SERVICE/RATE ELEMENT	REV. REQMT. (a)	DEMAND (b)	RATE (c) = (a/b)
1	Cust. Rcrd. Admn.	37,855,133	147,346,077	\$ 0.2569
2	RESPORG Change	558,255	54,531	\$ 10.24
3	Access: Dial-up	804,580	6,237	\$ 129.01
4	Access: Ded. (non-MGI)	62,524	416	\$ 150.30
5	Access: Ded. (MGI)	92,941	228	\$ 408.53
6	Service Est. - First	37,306	16	\$ 2,295.77
7	Service Est. - Add'l.	75,927	585	\$ 129.79
8	Customer Reports	148,284	198	\$ 748.91
9	MGI - Development (current rate)			\$ 342,884.00
10	MGI - Testing (current rate)			\$ 212,015.00
	RESPORG Rev Req	39,634,951		

Notes:

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