Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Illinois Consolidated Telephone Company	)	Transmittal No. 117

PETITION OF AT&T CORP.

Pursuant to Section 1.773 of the Commission's rules, 47 C.F.R. § 1.773, AT&T Corp. ("AT&T") submits this petition requesting the Commission to reject or, in the alternative, suspend and investigate Illinois Consolidated Telephone Company ("ICTC") Transmittal No. 117, filed April 16, 2003.[1] ICTC proposes a mid-course adjustment to its 2002 Annual Access Filing, which would significantly *increase* its local switching and special access rates, by 21.3% and 25.9% respectively, while reducing certain local transport rates by 14.3%. ICTC states that these revisions are necessary to reflect demand changes, and to adjust for over-earnings in local transport, under-earnings in local switching and special access and changes to its overall revenue

[1] A tariff is subject to rejection when it is *prima facia* unlawful, in that it demonstrably conflicts with the Communications Act or a Commission rule, regulation or order. *See, e.g., American Broadcasting Companies, Inc.* v. *AT&T*, 663 F.2d 133, 138 (D.C. Cir. 1980); *MCI* v. *AT&T*, 94 F.C.C.2d 332, 340-41 (1983). Suspension and investigation are appropriate where a tariff raises substantial issues of lawfulness. *See AT&T* (Transmittal No. 148), Memorandum Opinion and Order, 56 RR2d 1503 (1984); *ITT* (Transmittal No. 2191), 73 F.C.C.2d 709, 716 n.5 (1979) (citing *AT&T*, 46 F.C.C.2d 81, 86 (1974)).

requirement. As a result of these changes, ICTC proposes to increase access rates by $1.8 million.[2]

AT&T's analysis shows that ICTC improperly revised its recently-filed preliminary FCC Form 492 for the 2001/2002 monitoring period to reflect a reduced rate of return.[3] Furthermore, ICTC has significantly and anomalously reduced its local switching demand and has not provided verifiable support for the precipitous decline in its special access demand nor has it shown how its projected special access revenue requirements are related to its demand reductions. Finally, ICTC targets all of its proposed special access rate increases to the rate elements that comprise the non-DSL portion of its special access revenue requirement. Because DSL services have not received any proposed rate increases, it appears that ICTC may be cross-subsidizing its DSL services with carrier-paid special access.

I. ICTC SHOULD NOT BE PERMITTED TO INCREASE RATES PREDICATED ON ITS SELF- SERVING ADJUSTMENTS TO ITS PRELIMINARY FORM 492.

On March 28, 2003 ICTC filed its preliminary Form 492 for the two-year monitoring period ending December 31, 2002.[4] Within three weeks of this preliminary report, ICTC filed this request for a rate increase claiming that its Form 492 "represents total company earnings prior to the refunds to be made to the interexchange carriers for the over-earnings in the transport element that occurred in the 2001/2002 monitoring

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2 *See* Exhibit A.

3 ICTC Rate of Return Report, FCC Form 492, filed March 28, 2003.

4 ICTC, Transmittal No. 117, Attachment A.

period."[5] The assertion that ICTC must increase local switching rates while decreasing local transport rates to reflect a non-existent refund to its local transport customers is entirely without merit.

ICTC in its preliminary Form 492 shows that its overall interstate access earnings are 11.33% for the annual period ending December 31, 2002 and its "element" level rates of return for the End Office, Information, and Local Transport (which together comprise the Traffic Sensitive Category) are 7.84%, 0.00% and 35.53% respectively, with a category level return of 11.70%.[6] However, rather than accepting that its total interstate access 2002 annual return was at least 11.33% (and 11.80% for the 2001/2002 monitoring period), in the instant filing ICTC modifies its Form 492 to create the impression that its overall earnings for 2002 should in fact be only 9.9%.[7] It achieves this adjusted lower rate of return by asserting that it will refund its excess local transport revenues to interexchange carriers.[8]

Preliminarily, AT&T is not aware of any rule that would require ICTC to refund excess "local transport" earnings. Refunds are only required at the access service category level. The Commission's Section 65.702 rule (47 C.F.R. 65.702) describes

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5 ICTC, Transmittal No. 117, D&J, Page 3 of 10.

6 *See* ICTC Transmittal No. 117, Attachment A. ICTC's preliminary 492 shows that it earned 9.67% in its Special Access Category. *Id.*

7 *See* ICTC Transmittal No. 117, Attachment B.

8 *See* ICTC Transmittal No.117, D&J Page 3 of 10.

local switching, local transport and information as part of the aggregated "Switched Traffic Sensitive" category. AT&T certainly has not received a refund from ICTC based on any aspect of its preliminary Form 492 nor does AT&T believe that it has ever received an "element-based" refund predicated on individual portions of the Traffic Sensitive Category. Moreover, ICTC's attempt to recalibrate its local switching rate prospectively to recoup an alleged past shortfall violates the prohibition against retroactive ratemaking. *See Nader v. FCC*, 520 F.2d 182, 202 (D.C. Cir. 1975).

Indeed, even if ICTC had under-earned in a previous monitoring period (which it has not demonstrated), ICTC has not shown that its current rates do not allow it to achieve an interstate return of at least 11.25%. ICTC provides no evidence that it did not collect revenues sufficient to achieve an 11.25% rate of return for the 2001/2002 monitoring period. In fact, ICTC earned at least 11.33% in the most recent year of that monitoring period.[9] Further, ICTC has historically over-earned.[10] ICTC clearly recognizes that both its overall interstate access and its traffic sensitive access rates of return have and can be expected to continue to achieve returns that equal or exceed

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9 It appears that ICTC has under-reported its common line rate of return. ICTC reports current and cumulative returns of 10.22% and 9.37% respectively for the Common Line Category. As a member of the NECA common line pool, ICTC should be compensated at the same level as its fellow common line pool members. NECA, in its March 31, 2003 Form 492, reports that its pool members earned a healthy 12.4% return on their common line investment. By understating its common line earnings, ICTC has deflated its overall interstate access earnings. In addition, beginning in March 2002, ICTC filed promotional 18-month term discount offerings for its DSL service of $18.00 per line with no charge for installation. These promotional rates substantially deflate its reported special access revenues because its tariffed rate is $25.00.

10 ICTC, FCC Form 492 for the 1999/2000 monitoring period, filed September 25, 2001. ICTC reported earnings of 11.43%, 12.58% and 11.65% respectively on its common line, switched traffic sensitive and special access services. Its overall interstate access return was 11.77%.

11.25%. Accordingly, rather than use its actual traffic sensitive rate of return, ICTC asserts that historically, "ICTC has refunded to interexchange carriers on a per element basis, as opposed to on a company wide basis (all elements combined)."[11] It is only through this machination of its rate of return that ICTC is able to reduce its reported return to less than 11.25%. Rate increases predicated on these artificial returns should be rejected.

II. ICTC HAS FAILED TO JUSTIFY ITS PRECIPITOUS FORECASTED DECLINE IN LOCAL SWITCHING AND SPECIAL ACCESS DEMAND.

ICTC provides no data supporting the astonishing 20% forecasted decline in local switching demand from historical levels reported in 2001 except to mention a slow down in the economy and the growth in wireless and Internet communications. These were the same reasons provided by NECA, which predominantly represents small rural carriers, in its 2002 Annual Access Filing to justify its forecasted demand decline of –2.8% from historical levels.[12] ICTC concludes that its volumes will decline at a rate *seven* times as fast as NECA predicted for a typical rural carrier. Had ICTC adjusted its 2001 local switching demand by a –2.8%, it would calculate a local switching rate of .008763, not .010605 as it proposes. (*See* Exhibit B).

In addition to the discrepancy between the typical rural carrier and ICTC's demand forecasts, ICTC's filing contains numerous other inconsistencies. For example,

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11 ICTC, Transmittal No. 117, D&J, Page 3 of 10.

12 NECA Transmittal No. 939, filed June 17, 2002, D&J, Pages 9 to 12. (Even so, it has allowed NECA to report preliminary 2002 earnings of a 12.62% for local switching.)

according to ICTC, while local switching minutes of use ("MOUs") are declining by 10% annually, its tandem switching MOUs are increasing by 10%.

Furthermore, ICTC attributes its latest forecast for special access demand to the downturn in the economy and to the McLeodUSA bankruptcy.[13] It is inconceivable, however, that McLeodUSA demand would be attributable entirely to McLeodUSA's self-consumption. It is more likely that the demand would be end-user circuits that would migrate to another provider. Finally, AT&T does not understand why ICTC has applied a retroactive reduction to its special access demand back to January 1, 2003.[14]

Had ICTC not understated demand, there would be no justification for its proposed rate increases. The above-identified deficiencies in ICTC's demand showing suggest that it will likely overearn if it is permitted to adjust its rates upward.

III. ICTC'S SPECIAL ACCESS REVENUE REQUIREMENT IS INCONSISTENT WITH ITS PROJECTED DECLINE IN SPECIAL ACCESS DEMAND.

If ICTC's projected special access demand decline were to be believed, then there should be corresponding reductions to the special access revenue requirement in the prospective period. In fact, ICTC's special access revenue requirement has *not* changed markedly from the projections originally filed on June 17, 2002. (*See* Exhibit C). Even though ICTC has projected significant declines in demand for special access services, in some instances by as much as 45% to 60% (*see* Exhibit D), ICTC's projected special access revenue requirement has not radically changed.

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13 ICTC, Transmittal No. 117, D&J, Page 5 of 10.

14 *Id*.

In fact, ICTC has revised its 2001 "actual historic" cost studies to show that the *interstate* portion of the total revenue requirement *increased*.[15] Clearly, the original forecast reflected the anticipated growth in special access demand; for example, ICTC "estimated an increase of 72% in the 2002 Annual Tariff Filing" for its DS1 Hi-Capacity Channel Mileage Facility demand.[16] By keeping the special access revenue requirement at the same level as forecasted in its 2002 Annual Filing, ICTC has neglected to adjust its special access revenues downward in the same relative direction as its special access demand in the current filing.[17]

The overstated revenue requirements further undermine the validity of ICTC's proposed special access rate increase.

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15 The revenue requirement (prior to the MAG adjustments) for special access increased from $7,030,215 to $10,072,070 and the revenue requirement for local switching increased from $2,908,368 to $3,185,988. (*See* Exhibit E) While ICTC claims that its prospective traffic sensitive revenue requirements decreased by 5% (after MAG adjustments) when compared to the original June 17, 2002 forecast, it cannot deny that the prospective forecast was an increase of $2.3 million from the original 2001 historical actuals filed on June 17, 2002, not a reduction of nearly $700,000 when compared to the revised 2001 historic actuals filed in the current filing. *See* ICTC, Transmittal No. 117, D&J, Pages 2, 3, 7 and 9 of 10, and Exhibits E and F.

16 ICTC, Transmittal No. 117, D&J, Page 5 of 10.

17 In addition, ICTC's prospective costs do not appear to resemble even slightly ICTC's actual costs. For example, ICTC's filing is utterly devoid of any explanation why its Executive and Planning Expenses increased from $404,776 in 2001 to $2,368,424 in the prospective period, thereby further inflating its underlying costs.

IV. SPECIAL ACCESS SERVICES (OTHER THAN DSL) HAVE BEEN TARGETED FOR RATE INCREASES WHILE DSL SERVICES REMAIN UNCHANGED.

ICTC is seeking an unjustified 21% increase to its special access rates by claiming a perceived under-earnings for special access of $1.8 million.[18] At the same time that ICTC has significantly increased its cost assignments to special access,[19] its special access demand (other than for DSL services) is projected to dramatically *decline* relative to its 2002 Annual Filing demand projections. (*See* Exhibit D). ICTC targets only carrier-paid special access services for rate increases.

Access Service Line Charges associated with DSL services were projected in the June 17, 2002 filing to grow from 1,155 to 60,048.[20] In the current filing the Access Service Line demand forecast remains constant at 59,688.[21] Consequently, it would be expected that a large portion of any new investment must be attributable to ICTC's DSL services. ICTC, however, proposes no rate increases for its DSL services that are offered at $25.00 per line (substantially below the SBC-Ameritech rate)[22] and at an even lower $18.00 price under the promotion described above. *See* n.9, *supra*.

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[18] ICTC, Transmittal No. 117, D&J, Page 3 of 10.

[19] *See* Exhibit F. It also appears that ICTC is attempting to maximize its revenue recovery in this filing. ICTC has reassigned a larger portion of its COE Category 4.1 investment to common line. COE Category 4.1 investment is recovered from end users, CCL and Interstate Common Line Support fund.

[20] *See* Exhibit D.

[21] *Id*. In addition, although the overall DSL demand is forecast at nearly constant levels, the demand for non-recurring charges has been decreased from 1,128 to 580.

[22] SBC (Ameritech) offers a basic DSL residential service for $39.95. *See* www.sbc.com/DSL.

If rates need to be increased for special access services, they should be increased for ICTC's DSL services as well. Otherwise it appears that ICTC may be cross-subsidizing its DSL services, for which ICTC perceives some competition, with inflated rates for other special access services, which are purchased primarily by IXCs and other captive customers.

CONCLUSION

For the reasons stated above, the Commission should reject or, in the alternative, suspend and investigate for the full five months ICTC's tariff filing and impose an accounting order.

Respectfully submitted,

AT&T CORP.

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April 23, 2003

CERTIFICATE OF SERVICE

I, Judy Sello, do hereby certify that on this 23nd day of April, 2003, a copy of the foregoing “Petition of AT&T Corp.” was served by facsimile and U.S. first class mail, postage prepaid, on the parties named below.

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/s/ Judy Sello
Judy Sello

Illinois Consolidated **Exhibit A**

Mid-course Tariff Filing

Transmittal 117

Switched Access Rate Comparisons

	4/16/03 Demand	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Difference
Traffic Sensitive						
Local Switching	213,282,109	0.008745	0.010605	$1,865,152	$2,261,857	
Information Surcharge	2,132,821	0.041409	0.052394	$88,318	$111,747	
Local Transport						
VG Entrance Fac	1,356	$42.78	$45.41	$58,010	$61,576	
DS1 Entrance Fac	5,124	$140.94	$121.53	$722,177	$622,720	
Tandem Swt Transp Fac	3,998,734,072	0.000065	0.000064	$259,918	$255,919	
Tandem Swt Tranp Terms	232,113,712	0.000252	0.000276	$58,493	$64,063	
Tandem Swt	203,492,068	0.007466	0.005977	$1,519,272	$1,216,272	
DT Transport VG Chan Mile Fac	696	$0.59	$0.60	$411	$418	
DT Transport VG Chan Mile Term	108	$3.10	$3.16	$335	$341	
DT Transp DS1 Chan Mile Fac	9,564	$14.07	$14.01	$134,565	$133,992	
DT Transp DS1 Chan Mile term	924	$74.51	$69.06	$68,847	$63,811	
MUX (DS1-DSO)	72	$87.77	$78.55	$6,319	$5,656	
Total Switched Access				$4,781,816	$4,798,371	$16,555

Special Access Rate Comparisons

Channel Termination	4/16/03 Demand	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	
VG-2 W	804	25.67	37.96	$20,639	$30,520	
VG-4W	2,316	42.78	60.74	$99,078	$140,674	
DS1 HC	12,828	140.94	162.56	$1,807,978	$2,085,320	
DS3 HC	456	1,634.93	1,885.67	$745,528	$859,866	
OC3	84	1,576.09	2,564.51	$132,392	$215,419	
DDS 4W	7,044	49.35	70.05	$347,621	$493,432	
MUX DS1-DS0	564	87.77	105.06	$49,502	$59,254	
MUX DS3-DS1	372	400.85	436.37	$149,116	$162,330	
MUX OC3-DS3	-					
Channel Mileage						
Channel Mileage	37,764	0.59	0.81	$22,281	$30,589	
Channel Mileage Term	2,256	3.10	4.23	$6,994	$9,543	
DS1 HC Channel Mile Facility	152,904	14.07	18.74	$2,151,359	$2,865,421	
DS1 HC Channel Mile Term	9,660	74.51	92.37	$719,767	$892,294	
DS3 HC Channel Mile Facility	3,480	98.57	128.98	$343,024	$448,850	
DS3 HC Channel Mile Term	120	472.87	514.53	$56,744	$61,744	
OC3 Channel Mile Facility	216	98.57	175.41	$21,291	$37,889	
OC3 Channel Mile Term	24	471.06	699.76	$11,305	$16,794	
DDS Channel Mile Facility	116,184	0.59	0.81	$68,549	$94,109	
DDS Channel Mile Term	4,980	3.10	3.87	$15,438	$19,273	
Total Special Access				$6,768,606	$8,523,319	$1,754,712
Digital Subscriber Line						
Access Service (Line Charge)	59,688	25.00	25.00	$1,492,200	$1,492,200	
DS1 Access Service Link Connection		50.00	50.00	$0	$0	
DS3 Access Service Link Connection		350.00	350.00	$0	$0	
Non Recurring DSL Revenues	580	100.00	100.00	$58,000	$58,000	
Total DSL				$1,550,200	$1,550,200	
Total Special Access w DSL				$8,318,806	$10,073,519	$1,754,712
Total Switched & Special Access				**$13,100,622**	**$14,871,890**	**$1,771,268**

Illinois Consolidated **Exhibit B**
Transmittal No. 117
Filed April 16, 2003

2001 LS Demand	265,546,532
2001 LS Demand Adjusted by -2.8%	258,111,229

LOCAL SWITCHING RATE DEVELOPMENT

	Line		Source/Calculation
Local Switching Revenue Requirement	1	$2,261,776	Schedule B Workpapers
Local Switching MOUs	2	258,111,229	2001 AMOUs adjusted by -2.8%
Local Switching Rate	3	0.008763	L1/L2
As Filed Local Switching Rate	4	0.010605	As Filed
Difference	5	0.001842	L4-L3
Local Switching Over Charge	6	$475,494	L5*L2

* ICTC, Transmittal No. 117, D&J, Page 4 of 10

Illinois Consolidated **Exhibit C**

Mid-course Tariff Filing

Transmittal 117

Special Access Rate Comparisons	Trans 106 6/16/00 2000/2001 Projected Revenues^	Trans 115 6/17/02 2002/2003 Projected Revenues^	Trans 117 4/16/03 2002/2003 Projected Revenues^
Channel Termination			
VG-2 W	48,227	29,265	30,518
VG-4W	262,002	137,596	140,663
Program Audio-2W	464		
DS1 HC	2,427,194	2,773,713	2,085,298
DS3 HC	185,488	902,483	859,865
OC3		75,652	215,419
DDS 4W	508,084	450,031	493,660
MUX DS1-DS0	80,046	105,324	59,254
MUX DS3-DS1			162,328
MUX OC3-DS3			
Channel Mileage			
Channel Mileage	81,693	40,919	30,428
Channel Mileage Term	24,656	13,601	9,543
DS1 HC Channel Mile Facility	2,413,818	2,776,647	2,865,176
DS1 HC Channel Mile Term	846,350	859,254	892,336
DS3 HC Channel Mile Facility	100,383	366,672	448,847
DS3 HC Channel Mile Term	25,532	56,744	61,743
OC3 Channel Mile Facility		30,753	37,889
OC3 Channel Mile Term		28,263	16,794
DDS Channel Mile Facility	97,733	72,657	93,613
DDS Channel Mile Term	25,658	18,840	19,293
Total Special Access	7,127,328	8,738,414	8,522,667
Digital Subscriber Line			
Access Service (Line Charge)	34,650	1,457,667	1,473,577
DS1 Access Service Line Connection	24,800		
DS3 Access Service Line Connection			
Non Recurring DSL Revenues	112,760	112,760	58,000
Total DSL	147,410	1,570,427	1,531,577
Total Special Access Revenues with DSL	7,274,738	10,308,841	10,054,244
Revised SA Revenue Requirement per MAG Order*	7,190,411	10,372,070	10,072,318

^ Per ICTC's Revenue Requirement and Access Rate Reconciliation Workpapers. See Transmittals 106, 115 and 11

* Part 36/69 Cost Study (Prospective Period 2000/2001). See ICTC transmittal Nos. 106.
Summary of LS Line Port, TIC Reallocation and GSF Allocation to B&C (Prospective Period 2002/2003). See transm
Summary of LS Line Port, TIC Reallocation and GSF Allocation to B&C, Schedule B (Prospective Period 2002/2003
Transmittal 117.

Illinois Consolidated **Exhibit D**

Transmittal No. 117
Filed April 16, 2003

Comparison of Forecasted Special Access Demand

	6/16/00 Demand	6/17/02 Demand	Yr/Yr Change	4/16/03 Demand	Yr/Yr Change
Channel Termination					
VG-2 W	1,248	1,140	-8.65%	804	-29.47%
VG-4W	4,068	3,216	-20.94%	2,316	-27.99%
DS1 HC	13,704	19,689	43.67%	12,828	-34.85%
DS3 HC	120	552	360.00%	456	-17.39%
OC3	-	48	-	84	75.00%
DDS 4W	8,304	9,120	9.83%	7,044	-22.76%
MUX DS1-DS0	912	1,200	31.58%	564	-53.00%
MUX DS3-DS1	-	-	-	372	-
MUX OC3-DS3	-	-	-	-	-
Channel Mileage					
Channel Mileage	92,472	69,372	-24.98%	37,764	-45.56%
Channel Mileage Term	5,316	4,392	-17.38%	2,256	-48.63%
DS1 HC Channel Mile Facility	114,528	197,316	72.29%	152,904	-22.51%
DS1 HC Channel Mile Term	7,584	11,532	52.06%	9,660	-16.23%
DS3 HC Channel Mile Facility	816	3,720	355.88%	3,480	-6.45%
DS3 HC Channel Mile Term	48	120	150.00%	120	0.00%
OC3 Channel Mile Facility	-	312	-	216	-30.77%
OC3 Channel Mile Term	-	60	-	24	-60.00%
DDS Channel Mile Facility	110,628	123,180	11.35%	116,184	-5.68%
DDS Channel Mile Term	5,532	6,084	9.98%	4,980	-18.15%
Digital Subscriber Line					
Access Service (Line Charge)	1,155	60,048	5098.96%	59,688	-0.60%
DS1 Access Service Line Connection	496	-	-	-	-
DS3 Access Service Line Connection	-	-	-	-	-
Non Recurring DSL Revenues	-	1,128	-	580	-48.58%

Source:
Transmittal 106, Filed June 16, 2000 - Revenue Requirement and Access Rate Reconciliation
Transmittal 115, Filed June 17, 2002 - Revenue Requirement and Access Rate Reconciliation
Transmittal 117, Filed April 16, 2003 - Revenue Requirement and Access Rate Reconciliation, Schedule A

Illinois Consolidated **Exhibit E**

Transmittal No. 117
Filed: April 16, 2003
Revenue Requirement Comparisons Prior to MAG Adjustments
Source: Part 36 and 69 Costs Studies

	Total Company	Interstate	Common Line	Local Switching	Information	Tandem switching	Other Transport	Sp Access	B&C	IX
2000 Historic Revenue Requirements filed 5-2-01	81,350,877	27,088,705	8,499,986	4,482,255	116,437	2,322,505	2,340,317	8,383,191	682,633	261,382
2001 Historic Revenue Requirements 6-17-02	74,349,937	24,066,776	8,430,646	2,908,368	148,088	1,741,364	2,964,724	7,030,215	627,236	216,136
2001 Historic Revenue Requirements 4-16-03	73,937,355	26,582,012	9,001,749	3,185,988	159,304	1,790,419	1,968,836	10,072,070	185,238	218,407
2001 Historic 6-17-02 & 4-16-03 % Change	-0.55%	10.45%	6.77%	9.55%	7.57%	2.82%	-33.59%	43.27%	-70.47%	1.05%
2000/2001 Prospective Revenue Requirement filed 6-16-00	74,701,665	24,297,691	8,742,257	2,885,675	109,856	2,358,942	2,033,341	7,190,411	752,855	224,354
2002/2003 Prospective Revenue Requirement filed 6-17-02	78,303,391	26,779,152	8,502,183	3,129,895	103,454	1,876,848	2,563,218	9,647,362	719,828	236,364
2002/2003 Prospective Revenue Requirement filed 4-16-03	76,669,980	26,940,918	9,764,189	3,003,879	103,652	2,066,751	2,054,582	9,377,475	174,999	395,391
2002/2003 Annual Revenue Requirement 4-16-03 = 18 Mo. growth adjusted to reflect a 12 Mo. Period	75,748,064	26,820,747	9,503,124	3,063,395	119,617	1,970,200	2,025,593	9,603,514	178,348	324,419
2001 Historic Revenue Requirements 6-17-02	74,349,937	24,066,776	8,430,646	2,908,368	148,088	1,741,364	2,964,724	7,030,215	627,236	216,136
2002/2003 Annual Revenue Requirement 4-16-03	75,748,064	26,820,747	9,503,124	3,063,395	119,617	1,970,200	2,025,593	9,603,514	178,348	324,419
Difference	1,398,127	2,753,971	1,072,478	155,027	(28,471)	228,836	(939,131)	2,573,299	(448,888)	108,283
Yr/Yr % change 2002 annual to 2001 historic	1.88%	11.44%	12.72%	5.33%	-19.23%	13.14%	-31.68%	36.60%	-71.57%	50.10%
2001 Historic Revenue Requirements 4-16-03	73,937,355	26,582,012	9,001,749	3,185,988	159,304	1,790,419	1,968,836	10,072,070	185,238	218,407
2002/2003 Annual Revenue Requirement 4-16-03	75,748,064	26,820,747	9,503,124	3,063,395	119,617	1,970,200	2,025,593	9,603,514	178,348	324,419
Difference	1,810,709	238,735	501,375	(122,593)	(39,687)	179,781	56,757	(468,556)	(6,890)	106,012
Yr/Yr % change 2002 annual to 2001 revised historic	2.45%	0.90%	5.57%	-3.85%	-24.91%	10.04%	2.88%	-4.65%	-3.72%	48.54%

Compare 2002/2003 annualized to 6-17-02 2001 Historic	1.88%	11.44%	12.72%	5.33%	-19.23%	13.14%	-31.68%	36.60%	-71.57%	50.10%
Yr/Yr % Change when compared to 4-16-03 2001 Historic	2.45%	0.90%	5.57%	-3.85%	-24.91%	10.04%	2.88%	-4.65%	-3.72%	48.54%

Sources:
Transmittal No. 108, Filed 5-2-01
Transmittal No. 115, Filed 6-17-021
Transmittal No. 117, Filed 4-16-03

Illinois Consolidated **Exhibit F**
Transmittal No. 117
Filed April 16, 2003

CWF and COE Investment

Part 69 Assignment to Access Elements	6/17/02 2001 Historic Total Interstate	6/17/02 2001 Historic Common Line	6/17/02 2001 Historic Dedicated Transport	6/17/02 2001 Historic Special Access	4/16/03 2001 Hist Rev Total Interstate	4/16/03 2001 Hist Rev Common Line	4/16/03 2001 Hist Rev Dedicated Transport	4/16/03 2001 Hist Rev Special Access	4/16/03 2002/2003 Total Interstate	4/16/03 2002/2003 Common Line	4/16/03 2002/2003 Dedicated Transport	4/16/03 2002/2003 Special Access
Account 2410, CWF Category 1-Exchange Line	19,072,339	16,646,287		2,426,053	19,047,821	16,674,887		2,422,934	18,842,780	17,954,065		888,714
Account 2410, CWF Category 2-Wideband PL	3,992,755			3,992,755	6,056,053			6,056,053	9,012,738			9,012,738
Account 2230, COE Category 4.13-Exchange Line	5,536,779	4,832,486		704,293	5,536,779	4,832,486		704,293	7,567,879	7,210,942		356,937
Account 2230, COE Category 4.11-Wideband PL	4,623,242			4,623,242	4,189,011			4,189,011	6,814,375			6,814,375
Account 2230, COE Category 4.23-Other Basic IX Ckt Eqpt	7,465,334		5,630,052	1,835,282	10,944,426		3,259,574	7,684,852	10,463,653		4,093,445	6,370,208
Total				**13,581,625**				**21,057,143**				**23,442,972**

Source: Part 36 and Part 69 Cost Studies.
6/17/02 CWF and COE Investments are per ICTC Transmittal 115. These investments represent the original 2001 actuals.
4/16/03 CWF and COE Investments are per ICTC Transmittal 117. These investments represent the revised 2001 actuals.