

Citizens Telecommunications Companies - Group #1

Summary of Exogenous Costs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.1-1

Page 1 of 1

		<u>Quantity</u>	<u>Source / Comments</u>
CMT Basket			
1	Regulatory Fees	20,023	Exhibit 1.1-4, Line 21
2	TRS Costs	119,421	Exhibit 1.1-5, Line 28
3	NANPA	(1,192)	Exhibit 1.1-6, Line 21
4	Total Common Line	138,252	Sum of Lines 1..3
Traffic Sensitive Basket			
5	Regulatory Fees	1,279	Exhibit 1.1-4, Line 24
6	TRS Costs	1,105	Exhibit 1.1-5, Line 31
7	NANPA	23	Exhibit 1.1-6, Line 24
8	Total Traffic Sensitive	2,407	Sum of Lines 5..7
Special Access Basket			
9	Regulatory Fees	14,935	Exhibit 1.1-4, Line 25
10	TRS Costs	12,899	Exhibit 1.1-5, Line 32
11	NANPA	272	Exhibit 1.1-6, Line 25
12	Total Special Access	28,105	Sum of Lines 9..11

Citizens Telecommunications Companies - Group #1

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.1-2

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	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
Database Access Band Undesignated		
1 Reg Fees	1,279	Exhibit 1.1-4, Line 22
2 TRS	1,105	Exhibit 1.1-5, Line 29
3 NANPA	23	Exhibit 1.1-6, Line 22
4 Total Database Access Undesignated	2,407	Sum of Lines 1..3
Billing Name and Address Band		
5 Reg Fees	0	Exhibit 1.1-4, Line 23
6 TRS	0	Exhibit 1.1-5, Line 30
7 NANPA	0	Exhibit 1.1-6, Line 23
8 Total Billing Name and Address Band	0	Sum of Lines 5..7
9 Total Traffic Sensitive Targeting	2,407	Line 4 + Line 8
10 Total Traffic Sensitive Exogenous Costs	2,407	Exhibit 1.1-1, Line 8
11 Non-Targeted TS Exogenous Costs	0	Line 10 - Line 9

Citizens Telecommunications Companies - Group #1

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.1-2

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	Quantity	Source / Comments
Special Access Basket		
12 Voice Grade Band	0	no targeting below basket level
13 Audio/Video Band	0	no targeting below basket level
14 HiCap & DDS Band	0	no targeting below basket level
15 Total Special Access Targeting	0	Sum of lines 12,13,14
16 Total Special Access Exogenous Costs	28,105	Exhibit 1.1-1, Line 12
17 Non-Targeted Special Acc. Exog. Costs	28,105	Line 16 - Line 15

Citizens Telecommunications Companies - Group #1
Summary of Average Traffic Sensitive Rate Targeting to SBIs

5/5/04 TRP Filing
Exhibit 1.1-3
Page 1 of 1

	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
1 Local Switching Band	June Filing	June Filing
2 Information	June Filing	June Filing
3 Trunk Ports Band	June Filing	June Filing
4 STP Ports Band	June Filing	June Filing
5 Total Traffic Sensitive Targeting	0	Sum of lines 1..4
Trunking Basket		
6 Tandem Transport Band	June Filing	June Filing
7 Voice Grade Band	June Filing	June Filing
8 DS1 Sub-Band	June Filing	June Filing
9 DS3 Sub-Band	June Filing	June Filing
10 HiCap - Other	June Filing	June Filing
11 Total Trunking Targeting	0	Sum of lines 6..10

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.1-4

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Regulatory Fees Embedded in Rates		
1 CMT Basket	164,161	Trans. 140, Exhibit 4.1-4
2 Database Access	(1,279)	Trans. 140, Exhibit 4.1-4
3 Bill Name & Address	0	Trans. 140, Exhibit 4.1-4
4 Special Access	(14,935)	Trans. 140, Exhibit 4.1-4
5 Total Regulatory Fees in Rates	147,947	Sum of Lines 1..4
6 Reg Fee Funding Base--Interstate EU Rev.	95,338,806	Contribution Base from Form 499-A for 2003
7 Reg. Fee rate per Revenue Dollar	\$0.00218	Notice of Proposed Rulemaking, FCC 04-66 released March 29, 2004
8 Current Regulatory Fees	207,839	Line 6 * Line 7
9 Non-Price Cap Percentage	11.3812%	records
10 Regulatory Fees Attributable to Price Caps	184,184	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.1-4

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	74,485,330	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	74,485,330	Sum of Lines 11..14
Distribution of Current Regulatory Fees		
16 CMT Basket	184,184	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current Regulatory Fees	184,184	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.1-4

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Reg Fees Exogenous Change:		
21 CMT Basket	20,023	Line 16 - Line 1
22 Database Access--Undesignated	1,279	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	1,279	Sum of Lines 22..23
25 Special Access	14,935	Line 19 - Line 4
26 Total Reg Fees Exogenous	36,238	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #1Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.1-5

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
TRS Costs Embedded in Rates		
1 CMT Basket	119,149	Trans. 140, Exhibit 4.1-5
2 Database Access	(1,105)	Trans. 140, Exhibit 4.1-5
3 Bill Name & Address	0	Trans. 140, Exhibit 4.1-5
4 Special Access	(12,899)	Trans. 140, Exhibit 4.1-5
5 Total TRS Costs in Rates	105,146	Sum of Lines 1..4
6 2002 TRS Funding Base	79,602,427	Contribution Base from Form 499-A for 2002
7 TRS Contr. Factor, 7/03 to 6/04	0.00220	Order, DA 04-465, released February 24, 2004
8 TRS Contr. Factor in Rates 7/03 to 6/04	0.00149	Order, DA 03-2111, released June 30, 2003
9 TRS Costs due to Retroactive Increase	56,518	Line 6 * (Line 7 - Line 8)
10 2002 Non-Price Cap Percentage	6.7608%	records
11 True-up amount for 7/03 to 6/04 TRS	52,697	Line 9 * (1 - Line 10)
12 TRS Funding Base--Interstate EU Revenue	95,338,806	Contribution Base from Form 499-A for 2003
13 TRS Contr. per IS End User Billed Revenue	0.00220	Order, DA 04-465, released February 24, 2004
14 TRS Costs at Current Level	209,745	Line 12 * Line 13
15 Non-Price Cap Percentage	11.3812%	records
16 Current TRS Costs for Price Caps	185,874	Line 14 * (1 - Line 15)
17 Total TRS Costs for Price Cap Rates	238,571	Line 11 + Line 16

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.1-5

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
18 CMT Basket--Per Line Only	74,485,330	end user demand rated out
19 Database Access	0	end user demand rated out
20 Bill Name & Address	0	end user demand rated out
21 Special Access	0	end user demand rated out
22 Total Price Cap End User Revenues	74,485,330	Sum of Lines 18..21
Distribution of TRS Costs to Include in Rates		
23 CMT Basket	238,571	Line 17 * Line 18 / Line 22
24 Database Access	0	Line 17 * Line 19 / Line 22
25 Bill Name & Address	0	Line 17 * Line 20 / Line 22
26 Special Access	0	Line 17 * Line 21 / Line 22
27 Total Current TRS Costs	238,571	Sum of Lines 23..26

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.1-5

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Exogenous Change Allocation for TRS Costs		
28 CMT Basket	119,421	Line 23 - Line 1
29 Database Access--Undesignated	1,105	Line 24 - Line 2
30 Bill Name & Address	0	Line 25 - Line 3
31 Total Traffic Sensitive	1,105	Sum of Lines 29..30
32 Special Access	12,899	Line 26 - Line 4
33 Total Distributed TRS Exogenous	133,425	Line 28 + Line 31 + Line 32

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment

For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.1-6

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
NANPA Payments Embedded in Rates		
1 CMT Basket	2,967	Trans. 140, Exhibit 4.1-6
2 Database Access	(23)	Trans. 140, Exhibit 4.1-6
3 Bill Name & Address	0	Trans. 140, Exhibit 4.1-6
4 Special Access	(272)	Trans. 140, Exhibit 4.1-6
5 Total NANPA Payments in Rates	2,672	Sum of Lines 1..4
6 NANPA Funding Base--Interstate EU Revei	95,338,806	Contribution Base from Form 499-A for 2003
7 NANPA Contribution Factor	0.000021	Public Notice, DA 03-2062, released October 23, 2003
8 NANPA Costs at Current Level	2,002	Line 6 * Line 7
9 Non-Price Cap Percentage	11.3812%	records
10 NANPA Costs Attributable to Price Caps	1,774	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment

For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.1-6

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	74,485,330	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	74,485,330	Sum of Lines 11..14
Distribution of Current NANPA Payments		
16 CMT Basket	1,774	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current NANPA Payments	1,774	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #1

Calculation of Exogenous Adjustment
For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.1-6

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Distribution of NANPA Exogenous Change:		
21 CMT Basket	(1,192)	Line 16 - Line 1
22 Database Access--Undesignated	23	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	23	Sum of Lines 22..23
25 Special Access	272	Line 19 - Line 4
26 Total Distributed NANPA Exogenous	(898)	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #2

Summary of Exogenous Costs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.2-1

Page 1 of 1

		<u>Quantity</u>	<u>Source / Comments</u>
CMT Basket			
1	Regulatory Fees	3,538	Exhibit 1.2-4, Line 21
2	TRS Costs	8,669	Exhibit 1.2-5, Line 28
3	NANPA	(146)	Exhibit 1.2-6, Line 21
4	Total Common Line	12,061	Sum of Lines 1..3
Traffic Sensitive Basket			
5	Regulatory Fees	118	Exhibit 1.2-4, Line 24
6	TRS Costs	102	Exhibit 1.2-5, Line 31
7	NANPA	2	Exhibit 1.2-6, Line 24
8	Total Traffic Sensitive	223	Sum of Lines 5..7
Special Access Basket			
9	Regulatory Fees	1,367	Exhibit 1.2-4, Line 25
10	TRS Costs	1,180	Exhibit 1.2-5, Line 32
11	NANPA	25	Exhibit 1.2-6, Line 25
12	Total Special Access	2,572	Sum of Lines 9..11

Citizens Telecommunications Companies - Group #2

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.2-2

Page 1 of 2

	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
Database Access Band Undesignated		
1 Reg Fees	118	Exhibit 1.2-4, Line 22
2 TRS	102	Exhibit 1.2-5, Line 29
3 NANPA	2	Exhibit 1.2-6, Line 22
4 Total Database Access Undesignated	223	Sum of Lines 1..3
Billing Name and Address Band		
5 Reg Fees	0	Exhibit 1.2-4, Line 23
6 TRS	0	Exhibit 1.2-5, Line 30
7 NANPA	0	Exhibit 1.2-6, Line 23
8 Total Billing Name and Address Band	0	Sum of Lines 5..7
9 Total Traffic Sensitive Targeting	223	Line 4 + Line 8
10 Total Traffic Sensitive Exogenous Costs	223	Exhibit 1.2-1, Line 8
11 Non-Targeted TS Exogenous Costs	0	Line 10 - Line 9

Citizens Telecommunications Companies - Group #2

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.2-2

Page 2 of 2

	Quantity	<u>Source / Comments</u>
Special Access Basket		
12 Voice Grade Band	0	no targeting below basket level
13 Audio/Video Band	0	no targeting below basket level
14 HiCap & DDS Band	0	no targeting below basket level
15 Total Special Access Targeting	0	Sum of lines 12,13,14
16 Total Special Access Exogenous Costs	2,572	Exhibit 1.2-1, Line 12
17 Non-Targeted Special Acc. Exog. Costs	2,572	Line 16 - Line 15

Citizens Telecommunications Companies - Group #2
Summary of Average Traffic Sensitive Rate Targeting to SBIs

5/5/04 TRP Filing
Exhibit 1.2-3
Page 1 of 1

	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
1 Local Switching Band	June Filing	June Filing
2 Information	June Filing	June Filing
3 Trunk Ports Band	June Filing	June Filing
4 STP Ports Band	June Filing	June Filing
5 Total Traffic Sensitive Targeting	0	Sum of lines 1..4
Trunking Basket		
6 Tandem Transport Band	June Filing	June Filing
7 Voice Grade Band	June Filing	June Filing
8 DS1 Sub-Band	June Filing	June Filing
9 DS3 Sub-Band	June Filing	June Filing
10 HiCap - Other	June Filing	June Filing
11 Total Trunking Targeting	0	Sum of lines 6..10

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.2-4

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Regulatory Fees Embedded in Rates		
1 CMT Basket	21,297	Trans. 140, Exhibit 4.2-4
2 Database Access	(118)	Trans. 140, Exhibit 4.2-4
3 Bill Name & Address	0	Trans. 140, Exhibit 4.2-4
4 Special Access	(1,367)	Trans. 140, Exhibit 4.2-4
5 Total Regulatory Fees in Rates	19,812	Sum of Lines 1..4
6 Reg Fee Funding Base--Interstate EU Rev.	12,658,810	Contribution Base from Form 499-A for 2003
7 Reg. Fee rate per Revenue Dollar	\$0.00218	Notice of Proposed Rulemaking, FCC 04-66 released March 29, 2004
8 Current Regulatory Fees	27,596	Line 6 * Line 7
9 Non-Price Cap Percentage	10.0031%	records
10 Regulatory Fees Attributable to Price Caps	24,836	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.2-4

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	12,514,884	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	12,514,884	Sum of Lines 11..14
Distribution of Current Regulatory Fees		
16 CMT Basket	24,836	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current Regulatory Fees	24,836	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.2-4

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	<u>Quantity</u>	<u>Source / Comments</u>
Reg Fees Exogenous Change:		
21 CMT Basket	3,538	Line 16 - Line 1
22 Database Access--Undesignated	118	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	118	Sum of Lines 22..23
25 Special Access	1,367	Line 19 - Line 4
26 Total Reg Fees Exogenous	5,024	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #2Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.2-5

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	<u>Quantity</u>	<u>Source / Comments</u>
TRS Costs Embedded in Rates		
1 CMT Basket	15,363	Trans. 140, Exhibit 4.2-5
2 Database Access	(102)	Trans. 140, Exhibit 4.2-5
3 Bill Name & Address	0	Trans. 140, Exhibit 4.2-5
4 Special Access	(1,180)	Trans. 140, Exhibit 4.2-5
5 Total TRS Costs in Rates	14,081	Sum of Lines 1..4
6 2002 TRS Funding Base	10,333,633	Contribution Base from Form 499-A for 2002
7 TRS Contr. Factor, 7/03 to 6/04	0.00220	Order, DA 04-465, released February 24, 2004
8 TRS Contr. Factor in Rates 7/03 to 6/04	0.00149	Order, DA 03-2111, released June 30, 2003
9 TRS Costs due to Retroactive Increase	7,337	Line 6 * (Line 7 - Line 8)
10 2002 Non-Price Cap Percentage	3.8166%	records
11 True-up amount for 7/03 to 6/04 TRS	7,057	Line 9 * (1 - Line 10)
12 TRS Funding Base--Interstate EU Revenue	12,658,810	Contribution Base from Form 499-A for 2003
13 TRS Contr. per IS End User Billed Revenue	0.00149	Order, DA 03-2111, released June 30, 2003
14 TRS Costs at Current Level	18,862	Line 12 * Line 13
15 Non-Price Cap Percentage	10.0031%	records
16 Current TRS Costs for Price Caps	16,975	Line 14 * (1 - Line 15)
17 Total TRS Costs for Price Cap Rates	24,032	Line 11 + Line 16

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.2-5

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
18 CMT Basket--Per Line Only	12,514,884	end user demand rated out
19 Database Access	0	end user demand rated out
20 Bill Name & Address	0	end user demand rated out
21 Special Access	0	end user demand rated out
22 Total Price Cap End User Revenues	12,514,884	Sum of Lines 18..21
Distribution of TRS Costs to Include in Rates		
23 CMT Basket	24,032	Line 17 * Line 18 / Line 22
24 Database Access	0	Line 17 * Line 19 / Line 22
25 Bill Name & Address	0	Line 17 * Line 20 / Line 22
26 Special Access	0	Line 17 * Line 21 / Line 22
27 Total Current TRS Costs	24,032	Sum of Lines 23..26

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.2-5

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Exogenous Change Allocation for TRS Costs		
28 CMT Basket	8,669	Line 23 - Line 1
29 Database Access--Undesignated	102	Line 24 - Line 2
30 Bill Name & Address	0	Line 25 - Line 3
31 Total Traffic Sensitive	102	Sum of Lines 29..30
32 Special Access	1,180	Line 26 - Line 4
33 Total Distributed TRS Exogenous	9,951	Line 28 + Line 31 + Line 32

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment

For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.2-6

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
NANPA Payments Embedded in Rates		
1 CMT Basket	385	Trans. 140, Exhibit 4.2-6
2 Database Access	(2)	Trans. 140, Exhibit 4.2-6
3 Bill Name & Address	0	Trans. 140, Exhibit 4.2-6
4 Special Access	(25)	Trans. 140, Exhibit 4.2-6
5 Total NANPA Payments in Rates	358	Sum of Lines 1..4
6 NANPA Funding Base--Interstate EU Revei	12,658,810	Contribution Base from Form 499-A for 2003
7 NANPA Contribution Factor	0.000021	Public Notice, DA 03-2062, released October 23, 2003
8 NANPA Costs at Current Level	266	Line 6 * Line 7
9 Non-Price Cap Percentage	10.0031%	records
10 NANPA Costs Attributable to Price Caps	239	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment

For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.2-6

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	12,514,884	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	12,514,884	Sum of Lines 11..14
Distribution of Current NANPA Payments		
16 CMT Basket	239	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current NANPA Payments	239	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #2

Calculation of Exogenous Adjustment

For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.2-6

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Distribution of NANPA Exogenous Change:		
21 CMT Basket	(146)	Line 16 - Line 1
22 Database Access--Undesignated	2	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	2	Sum of Lines 22..23
25 Special Access	25	Line 19 - Line 4
26 Total Distributed NANPA Exogenous	(119)	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #3

Summary of Exogenous Costs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.3-1

Page 1 of 1

	<u>Quantity</u>	<u>Source / Comments</u>
CMT Basket		
1 Regulatory Fees	410	Exhibit 1.3-4, Line 21
2 TRS Costs	1,909	Exhibit 1.3-5, Line 28
3 NANPA	(23)	Exhibit 1.3-6, Line 21
4 Reversal of Low End Adjustment	(73,637)	Exhibit 1.3-7, Line 11
5 Total Common Line	(71,341)	Sum of Lines 1..4
Traffic Sensitive Basket		
6 Regulatory Fees	0	Exhibit 1.3-4, Line 24
7 TRS Costs	0	Exhibit 1.3-5, Line 31
8 NANPA	0	Exhibit 1.3-6, Line 24
9 Reversal of Low End Adjustment	0	Exhibit 1.3-7, Line 14
10 Total Traffic Sensitive	0	Sum of Lines 6..9
Special Access Basket		
11 Regulatory Fees	167	Exhibit 1.3-4, Line 25
12 TRS Costs	40	Exhibit 1.3-5, Line 32
13 NANPA	3	Exhibit 1.3-6, Line 25
14 Reversal of Low End Adjustment	(13,397)	Exhibit 1.3-7, Line 15
15 Total Special Access	(13,188)	Sum of Lines 11..14

Citizens Telecommunications Companies - Group #3

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.3-2

Page 1 of 2

	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
Database Access Band Undesignated		
1 Reg Fees	0	Exhibit 1.3-4, Line 22
2 TRS	0	Exhibit 1.3-5, Line 29
3 NANPA	0	Exhibit 1.3-6, Line 22
4 Reversal of Low End Adjustment	0	Exhibit 1.3-7, Line 12
5 Total Database Access Undesignated	0	Sum of Lines 1..4
Billing Name and Address Band		
6 Reg Fees	0	Exhibit 1.3-4, Line 23
7 TRS	0	Exhibit 1.3-5, Line 30
8 NANPA	0	Exhibit 1.3-6, Line 23
9 Reversal of Low End Adjustment	0	Exhibit 1.3-7, Line 13
10 Total Billing Name and Address Band	0	Sum of Lines 6..9
11 Total Traffic Sensitive Targeting	0	Line 5 + Line 10
12 Total Traffic Sensitive Exogenous Costs	0	Exhibit 1.3-1, Line 10
13 Non-Targeted TS Exogenous Costs	0	Line 12 - Line 11

Citizens Telecommunications Companies - Group #3

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.3-2

Page 2 of 2

	Quantity	<u>Source / Comments</u>
Special Access Basket		
14 Voice Grade Band	0	no targeting below basket level
15 Audio/Video Band	0	no targeting below basket level
16 HiCap & DDS Band	0	no targeting below basket level
17 Total Special Access Targeting	0	Sum of lines 14,15,16
18 Total Special Access Exogenous Costs	(13,188)	Exhibit 1.3-1, Line 15
19 Non-Targeted Special Acc. Exog. Costs	(13,188)	Line 18 - Line 17

Citizens Telecommunications Companies - Group #3
Summary of Average Traffic Sensitive Rate Targeting to SBIs

5/5/04 TRP Filing
Exhibit 1.3-3
Page 1 of 1

	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
1 Local Switching Band	June Filing	June Filing
2 Information	June Filing	June Filing
3 Trunk Ports Band	June Filing	June Filing
4 STP Ports Band	June Filing	June Filing
5 Total Traffic Sensitive Targeting	0	Sum of lines 1..4
Trunking Basket		
6 Tandem Transport Band	June Filing	June Filing
7 Voice Grade Band	June Filing	June Filing
8 DS1 Sub-Band	June Filing	June Filing
9 DS3 Sub-Band	June Filing	June Filing
10 HiCap - Other	June Filing	June Filing
11 Total Trunking Targeting	0	Sum of lines 6..10

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.3-4

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Regulatory Fees Embedded in Rates		
1 CMT Basket	3,220	Trans. 140, Exhibit 4.3-4
2 Database Access	0	Trans. 140, Exhibit 4.3-4
3 Bill Name & Address	0	Trans. 140, Exhibit 4.3-4
4 Special Access	(167)	Trans. 140, Exhibit 4.3-4
5 Total Regulatory Fees in Rates	3,054	Sum of Lines 1..4
6 Reg Fee Funding Base--Interstate EU Rev.	1,665,175	Contribution Base from Form 499-A for 2002
7 Reg. Fee rate per Revenue Dollar	\$0.00218	Notice of Proposed Rulemaking, FCC 04-66 released March 29, 2004
8 Current Regulatory Fees	3,630	Line 6 * Line 7
9 Non-Price Cap Percentage	0.0000%	records
10 Regulatory Fees Attributable to Price Caps	3,630	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.3-4

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	1,391,259	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	1,391,259	Sum of Lines 11..14
Distribution of Current Regulatory Fees		
16 CMT Basket	3,630	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current Regulatory Fees	3,630	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.3-4

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Reg Fees Exogenous Change:		
21 CMT Basket	410	Line 16 - Line 1
22 Database Access--Undesignated	0	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	0	Sum of Lines 22..23
25 Special Access	167	Line 19 - Line 4
26 Total Reg Fees Exogenous	577	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #3Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.3-5

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
TRS Costs Embedded in Rates		
1 CMT Basket	2,842	Trans. 140, Exhibit 4.3-5
2 Database Access	0	Trans. 140, Exhibit 4.3-5
3 Bill Name & Address	0	Trans. 140, Exhibit 4.3-5
4 Special Access	(40)	Trans. 140, Exhibit 4.3-5
5 Total TRS Costs in Rates	2,802	Sum of Lines 1..4
6 2002 TRS Funding Base	1,531,868	Contribution Base from Form 499-A for 2002
7 TRS Contr. Factor, 7/03 to 6/04	0.00220	Order, DA 04-465, released February 24, 2004
8 TRS Contr. Factor in Rates 7/03 to 6/04	0.00149	Order, DA 03-2111, released June 30, 2003
9 TRS Costs due to Retroactive Increase	1,088	Line 6 * (Line 7 - Line 8)
10 2002 Non-Price Cap Percentage	0.0000%	records
11 True-up amount for 7/03 to 6/04 TRS	1,088	Line 9 * (1 - Line 10)
12 TRS Funding Base--Interstate EU Revenue	1,665,175	Contribution Base from Form 499-A for 2002
13 TRS Contr. per IS End User Billed Revenue	0.00220	Order, DA 04-465, released February 24, 2004
14 TRS Costs at Current Level	3,663	Line 12 * Line 13
15 Non-Price Cap Percentage	0.0000%	records
16 Current TRS Costs for Price Caps	3,663	Line 14 * (1 - Line 15)
17 Total TRS Costs for Price Cap Rates	4,751	Line 11 + Line 16

Citizens Telecommunications Companies - Group #3Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.3-5

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
18 CMT Basket--Per Line Only	1,391,259	end user demand rated out
19 Database Access	0	end user demand rated out
20 Bill Name & Address	0	end user demand rated out
21 Special Access	0	end user demand rated out
22 Total Price Cap End User Revenues	1,391,259	Sum of Lines 18..21
Distribution of TRS Costs to Include in Rates		
23 CMT Basket	4,751	Line 17 * Line 18 / Line 22
24 Database Access	0	Line 17 * Line 19 / Line 22
25 Bill Name & Address	0	Line 17 * Line 20 / Line 22
26 Special Access	0	Line 17 * Line 21 / Line 22
27 Total Current TRS Costs	4,751	Sum of Lines 23..26

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.3-5

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Exogenous Change Allocation for TRS Costs		
28 CMT Basket	1,909	Line 23 - Line 1
29 Database Access--Undesignated	0	Line 24 - Line 2
30 Bill Name & Address	0	Line 25 - Line 3
31 Total Traffic Sensitive	0	Sum of Lines 29..30
32 Special Access	40	Line 26 - Line 4
33 Total Distributed TRS Exogenous	1,949	Line 28 + Line 31 + Line 32

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment
For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.3-6

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
NANPA Payments Embedded in Rates		
1 CMT Basket	58	Trans. 140, Exhibit 4.3-6
2 Database Access	0	Trans. 140, Exhibit 4.3-6
3 Bill Name & Address	0	Trans. 140, Exhibit 4.3-6
4 Special Access	(3)	Trans. 140, Exhibit 4.3-6
5 Total NANPA Payments in Rates	55	Sum of Lines 1..4
6 NANPA Funding Base--Interstate EU Revei	1,665,175	Contribution Base from Form 499-A for 2002
7 NANPA Contribution Factor	0.000021	Public Notice, DA 03-2062, released October 23, 2003
8 NANPA Costs at Current Level	35	Line 6 * Line 7
9 Non-Price Cap Percentage	0.0000%	records
10 NANPA Costs Attributable to Price Caps	35	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment
For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.3-6

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	1,391,259	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	1,391,259	Sum of Lines 11..14
Distribution of Current NANPA Payments		
16 CMT Basket	35	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current NANPA Payments	35	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment

For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.3-6

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Distribution of NANPA Exogenous Change:		
21 CMT Basket	(23)	Line 16 - Line 1
22 Database Access--Undesignated	0	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	0	Sum of Lines 22..23
25 Special Access	3	Line 19 - Line 4
26 Total Distributed NANPA Exogenous	(20)	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment
For Reversal of Low End Adjustment

5/5/04 TRP Filing

Exhibit 1.3-7

Page 1 of 2

	<u>Quantity</u>	<u>Source / Comments</u>
1 2003 Low End Adjustment	91,073	Trans. 138, Exhibit 1.3-8, Line 13
2 2003 R Including Low End Adjustment	2,221,622	2003 TRP Form SUM-1, Row 400, Column C
3 2004 R Including Low End Adjustment	2,123,109	2003 TRP Form SUM-1, Row 400, Column B
4 Demand Growth Impact on R	0.955657	Line 3 / Line 2
5 Low End Adj. Reversal Exogenous	(87,035)	-1 * Line 1 * Line 4
Exogenous-Eligible Revenues		
6 CMT Basket--Per Line Only	1,485,362	Base Period Demand Rated Out
7 Database Access	0	Base Period Demand Rated Out
8 Bill Name & Address	0	Base Period Demand Rated Out
9 Total Special Access	270,246	Base Period Demand Rated Out
10 Total Price Cap Exogenous-Eligible	1,755,607	Sum of Lines 6..9

Citizens Telecommunications Companies - Group #3

Calculation of Exogenous Adjustment

For Reversal of Low End Adjustment

5/5/04 TRP Filing

Exhibit 1.3-7

Page 2 of 2

	<u>Quantity</u>	<u>Source / Comments</u>
Distribution of Low End Adjustment Reversal		
11 CMT Basket	(73,637)	Line 5 * (Line 6 / Line 10)
12 Database Access--Undesignated	0	Line 5 * (Line 7 / Line 10)
13 Billing Name and Address	0	Line 5 * (Line 8 / Line 10)
14 Total Traffic Sensitive	0	Sum of Lines 12..13
15 Special Access	(13,397)	Line 5 * (Line 9 / Line 10)
16 Total Distributed Low End Reversal	(87,035)	Line 11 + Line 14 + Line 15

Citizens Telecommunications Companies - Group #4

Summary of Exogenous Costs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.4-1

Page 1 of 1

		<u>Quantity</u>	<u>Source / Comments</u>
CMT Basket			
1	Regulatory Fees	7,582	Exhibit 1.4-4, Line 21
2	TRS Costs	20,683	Exhibit 1.4-5, Line 28
3	NANPA	(385)	Exhibit 1.4-6, Line 21
4	Total Common Line	27,880	Sum of Lines 1..3
Traffic Sensitive Basket			
5	Regulatory Fees	250	Exhibit 1.4-4, Line 24
6	TRS Costs	216	Exhibit 1.4-5, Line 31
7	NANPA	5	Exhibit 1.4-6, Line 24
8	Total Traffic Sensitive	471	Sum of Lines 5..7
Special Access Basket			
9	Regulatory Fees	4,382	Exhibit 1.4-4, Line 25
10	TRS Costs	3,785	Exhibit 1.4-5, Line 32
11	NANPA	80	Exhibit 1.4-6, Line 25
12	Total Special Access	8,246	Sum of Lines 9..11

Citizens Telecommunications Companies - Group #4

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.4-2

Page 1 of 2

	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
Database Access Band Undesignated		
1 Reg Fees	250	Exhibit 1.4-4, Line 22
2 TRS	216	Exhibit 1.4-5, Line 29
3 NANPA	5	Exhibit 1.4-6, Line 22
4 Total Database Access Undesignated	471	Sum of Lines 1..3
Billing Name and Address Band		
5 Reg Fees	0	Exhibit 1.4-4, Line 23
6 TRS	0	Exhibit 1.4-5, Line 30
7 NANPA	0	Exhibit 1.4-6, Line 23
8 Total Billing Name and Address Band	0	Sum of Lines 5..7
9 Total Traffic Sensitive Targeting	471	Line 4 + Line 8
10 Total Traffic Sensitive Exogenous Costs	471	Exhibit 1.4-1, Line 8
11 Non-Targeted TS Exogenous Costs	0	Line 10 - Line 9

Citizens Telecommunications Companies - Group #4

Summary of Exogenous Costs Targeted to SBIs

Excluding ATS Targeting

5/5/04 TRP Filing

Exhibit 1.4-2

Page 2 of 2

	Quantity	<u>Source / Comments</u>
Special Access Basket		
12 Voice Grade Band	0	no targeting below basket level
13 Audio/Video Band	0	no targeting below basket level
14 HiCap & DDS Band	0	no targeting below basket level
15 Total Special Access Targeting	0	Sum of lines 12,13,14
16 Total Special Access Exogenous Costs	8,246	Exhibit 1.4-1, Line 12
17 Non-Targeted Special Acc. Exog. Costs	8,246	Line 16 - Line 15

Citizens Telecommunications Companies - Group #4
Summary of Average Traffic Sensitive Rate Targeting to SBIs

5/5/04 TRP Filing
Exhibit 1.4-3
Page 1 of 1

	<u>Quantity</u>	<u>Source / Comments</u>
Traffic Sensitive Basket		
1 Local Switching Band	June Filing	June Filing
2 Information	June Filing	June Filing
3 Trunk Ports Band	June Filing	June Filing
4 STP Ports Band	June Filing	June Filing
5 Total Traffic Sensitive Targeting	0	Sum of lines 1..4
Trunking Basket		
6 Tandem Transport Band	June Filing	June Filing
7 Voice Grade Band	June Filing	June Filing
8 DS1 Sub-Band	June Filing	June Filing
9 DS3 Sub-Band	June Filing	June Filing
10 HiCap - Other	June Filing	June Filing
11 Total Trunking Targeting	0	Sum of lines 6..10

Citizens Telecommunications Companies - Group #4

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.4-4

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Regulatory Fees Embedded in Rates		
1 CMT Basket	54,288	Trans. 180, Exhibit 4.4-4
2 Database Access	(250)	Trans. 180, Exhibit 4.4-4
3 Bill Name & Address	0	Trans. 180, Exhibit 4.4-4
4 Special Access	(4,382)	Trans. 180, Exhibit 4.4-4
5 Total Regulatory Fees in Rates	49,655	Sum of Lines 1..4
6 Reg Fee Funding Base--Interstate EU Rev.	30,746,494	Contribution Base from Form 499-A for 2003
7 Reg. Fee rate per Revenue Dollar	\$0.00218	Notice of Proposed Rulemaking, FCC 04-66 released March 29, 2004
8 Current Regulatory Fees	67,027	Line 6 * Line 7
9 Non-Price Cap Percentage	7.6949%	records
10 Regulatory Fees Attributable to Price Caps	61,870	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #4

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.4-4

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	25,891,969	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	25,891,969	Sum of Lines 11..14
Distribution of Current Regulatory Fees		
16 CMT Basket	61,870	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current Regulatory Fees	61,870	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #4

Calculation of Exogenous Adjustment

For Federal Regulatory Fees

5/5/04 TRP Filing

Exhibit 1.4-4

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Reg Fees Exogenous Change:		
21 CMT Basket	7,582	Line 16 - Line 1
22 Database Access--Undesignated	250	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	250	Sum of Lines 22..23
25 Special Access	4,382	Line 19 - Line 4
26 Total Reg Fees Exogenous	12,215	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #4Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.4-5

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
TRS Costs Embedded in Rates		
1 CMT Basket	39,291	Trans. 140, Exhibit 4.4-5
2 Database Access	(216)	Trans. 140, Exhibit 4.4-5
3 Bill Name & Address	0	Trans. 140, Exhibit 4.4-5
4 Special Access	(3,785)	Trans. 140, Exhibit 4.4-5
5 Total TRS Costs in Rates	35,290	Sum of Lines 1..4
6 2002 TRS Funding Base	26,207,306	Contribution Base from Form 499-A for 2002
7 TRS Contr. Factor, 7/03 to 6/04	0.00220	Order, DA 04-465, released February 24, 2004
8 TRS Contr. Factor in Rates 7/03 to 6/04	0.00149	Order, DA 03-2111, released June 30, 2003
9 TRS Costs due to Retroactive Increase	18,607	Line 6 * (Line 7 - Line 8)
10 2002 Non-Price Cap Percentage	4.9478%	records
11 True-up amount for 7/03 to 6/04 TRS	17,687	Line 9 * (1 - Line 10)
12 TRS Funding Base--Interstate EU Revenue	30,746,494	Contribution Base from Form 499-A for 2003
13 TRS Contr. per IS End User Billed Revenue	0.00149	Order, DA 03-2111, released June 30, 2003
14 TRS Costs at Current Level	45,812	Line 12 * Line 13
15 Non-Price Cap Percentage	7.6949%	records
16 Current TRS Costs for Price Caps	42,287	Line 14 * (1 - Line 15)
17 Total TRS Costs for Price Cap Rates	59,974	Line 11 + Line 16

Citizens Telecommunications Companies - Group #4

Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.4-5

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
18 CMT Basket--Per Line Only	25,891,969	end user demand rated out
19 Database Access	0	end user demand rated out
20 Bill Name & Address	0	end user demand rated out
21 Special Access	0	end user demand rated out
22 Total Price Cap End User Revenues	25,891,969	Sum of Lines 18..21
Distribution of TRS Costs to Include in Rates		
23 CMT Basket	59,974	Line 17 * Line 18 / Line 22
24 Database Access	0	Line 17 * Line 19 / Line 22
25 Bill Name & Address	0	Line 17 * Line 20 / Line 22
26 Special Access	0	Line 17 * Line 21 / Line 22
27 Total Current TRS Costs	59,974	Sum of Lines 23..26

Citizens Telecommunications Companies - Group #4

Calculation of Exogenous Adjustment
For Telecommunications Relay Service

5/5/04 TRP Filing

Exhibit 1.4-5

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Exogenous Change Allocation for TRS Costs		
28 CMT Basket	20,683	Line 23 - Line 1
29 Database Access--Undesignated	216	Line 24 - Line 2
30 Bill Name & Address	0	Line 25 - Line 3
31 Total Traffic Sensitive	216	Sum of Lines 29..30
32 Special Access	3,785	Line 26 - Line 4
33 Total Distributed TRS Exogenous	24,684	Line 28 + Line 31 + Line 32

Citizens Telecommunications Companies - Group #4

Calculation of Exogenous Adjustment
For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.4-6

Page 1 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
NANPA Payments Embedded in Rates		
1 CMT Basket	981	Trans. 140, Exhibit 4.4-6
2 Database Access	(5)	Trans. 140, Exhibit 4.4-6
3 Bill Name & Address	0	Trans. 140, Exhibit 4.4-6
4 Special Access	(80)	Trans. 140, Exhibit 4.4-6
5 Total NANPA Payments in Rates	897	Sum of Lines 1..4
6 NANPA Funding Base--Interstate EU Revei	30,746,494	Contribution Base from Form 499-A for 2003
7 NANPA Contribution Factor	0.000021	Public Notice, DA 03-2062, released October 23, 2003
8 NANPA Costs at Current Level	646	Line 6 * Line 7
9 Non-Price Cap Percentage	7.6949%	records
10 NANPA Costs Attributable to Price Caps	596	Line 8 * (1 - Line 9)

Citizens Telecommunications Companies - Group #4Calculation of Exogenous Adjustment
For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.4-6

Page 2 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Price Cap End User Revenues		
11 CMT Basket--Per Line Only	25,891,969	end user demand rated out
12 Database Access	0	end user demand rated out
13 Bill Name & Address	0	end user demand rated out
14 Special Access	0	end user demand rated out
15 Total Price Cap End User Revenues	25,891,969	Sum of Lines 11..14
Distribution of Current NANPA Payments		
16 CMT Basket	596	Line 10 * Line 11 / Line 15
17 Database Access	0	Line 10 * Line 12 / Line 15
18 Bill Name & Address	0	Line 10 * Line 13 / Line 15
19 Special Access	0	Line 10 * Line 14 / Line 15
20 Total Current NANPA Payments	596	Sum of Lines 16..19

Citizens Telecommunications Companies - Group #4

Calculation of Exogenous Adjustment
For NANPA Payments

5/5/04 TRP Filing

Exhibit 1.4-6

Page 3 of 3

	<u>Quantity</u>	<u>Source / Comments</u>
Distribution of NANPA Exogenous Change:		
21 CMT Basket	(385)	Line 16 - Line 1
22 Database Access--Undesignated	5	Line 17 - Line 2
23 Billing Name and Address	0	Line 18 - Line 3
24 Total Traffic Sensitive	5	Sum of Lines 22..23
25 Special Access	80	Line 19 - Line 4
26 Total Distributed NANPA Exogenous	(301)	Line 21 + Line 24 + Line 25

Citizens Telecommunications Companies - Group #1
CMT Exogenous Cost Change Factor

5/5/04 TRP Filing
Exhibit 2.1-1

	<u>Quantity</u>	<u>Source / Comments</u>
1 Total exogenous changes (delta Z)	138,252	Exhibit 1.1-1, Line 4
2 Total EUCL Lines	10,506,639	Base Period Demand
3 CMT Exogenous per line	0.013159	Line 1 / Line 2
4 CMT Revenue per Line at time t-1	9.535789	Trans. 140
5 Exogenous Cost Change Factor	1.00137991	1 + (Line 3 / Line 4)
6 CMT Revenue per Line at time t	9.548947	Line 4 * Line 5

Citizens Telecommunications Companies - Group #1
Price Cap Index Calculation

5/5/04 TRP Filing
Exhibit 2.1-2

		(A) Traffic Sensitive	(B) Trunking	(C) Inter- exchange	(D) Special Access
	Source / Comments				
1	GDP-PI	Government Statistic	1.6252%		1.6252%
2	Productivity factor (X)	47 CFR 61.45	6.5000%		1.6252%
3	GDP-PI - X	Line 1 - Line 2	-4.8748%		0.0000%
4	Existing PCI [PCI(t-1)]	Trans. 140	34.0831	27.0731	61.2620
5	Exogenous Changes (delta Z)	Exhibit 1.1-1	\$2,407	\$0	\$28,105
6	Revenues (R)	Base Period Demand rated out (Revenues at Last PCI Update)	\$20,568,124	\$14,601,682	\$49,468,697
7	Delta Z / R	Line 5 / Line 6	0.0001	0.0000	0.0006
8	W = (R + Delta Z) / R	(Line 6 + Line 5) / Line 6	1.0001	1.0000	1.0006
9	W * (GDP-PI - X)	Line 8 * Line 3	-0.0488	-0.0487	0.0000
10	Targeted Revenue Differential		0	0	0
11	Proposed PCI (Non-Exog Only)	Line 4 - or - Line 4 * (1 + Line 3)	34.0831	27.0731	61.2620
12	Proposed PCI	Line 4 * (1 + Line 7 + (Line 10 / Line 6))	34.0871	27.0731	61.2968
13	% Change in PCI	(Line 12 / Line 4) - 1	0.0117%	0.0000%	0.0568%

Citizens Telecommunications Companies - Group #1
Calculation of g factor

5/5/04 TRP Filing
Exhibit 2.1-3

	<u>Quantity</u>	<u>Source / Comments</u>
1 Prior Base Period CCL MOU	2,586,961,133	Prior Base Period Demand
2 Prior Base Period Lines	905,426	Prior Base Period Demand / 12
3 Prior Base Period MOU per Line	2,857	Line 1 / Line 2
4 Base Period CCL MOU	2,614,660,470	Base Period Demand
5 Base Period Lines	875,553	Base Period Demand / 12
6 Base Period MOU per Line	2,986	Line 4 / Line 5
7 g factor	4.5191%	(Line 6 / Line 3) - 1
8 g factor used for targeting	0.00%	zero if no CCL allowed, else Line 7

Citizens Telecommunications Companies - Group #1
Calculation of Transport Minutes for ATS Rate

5/5/04 TRP Filing
Exhibit 2.1-4

	<u>Quantity</u>	<u>Source / Comments</u>
1 ILEC Only TIC MOU	2,614,660,470	Base Period Demand
2 Less: MOU on detariffed facilities only	0	Base Period Demand
3 Connecting Co. Tandem MOU	18,041,363	Base Period Demand
4 Connecting Co. Direct MOU	0	Line 8 * Line 9
5 Total ILEC Transport MOU	2,632,701,833	Line 1 - Line 2 + Line 3 + Line 4
6 DS1's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
7 DS3's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
8 Conn. Co. VG Equiv. Direct Trunks	0	24 * Line 6 + 672 * Line 7
9 Assumed MOU per Direct Trunk	2,598	Trans. 42

Citizens Telecommunications Companies - Group #1
Calculation of Current ATS Rate and Aggregate Target

5/5/04 TRP Filing
Exhibit 2.1-5
Page 1 of 1

	Source / Comments	(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
100	Local Switching	Base Period Demand Rated Out		8,471,866	
105	LS Trunk Ports	Base Period Demand Rated Out		7,702,134	
110	Info Surcharge	Base Period Demand Rated Out		0	
115	STP Ports	Base Period Demand Rated Out		0	
130	Tandem Switched Transport	Base Period Demand Rated Out			6,635,504
160	VG Switched Transport	Base Period Demand Rated Out			33,724
220	High Cap & Other Switched Transport	Base Period Demand Rated Out			7,932,454
400	Total Traffic Sensitive-Related Revenue	Sum of Lines 100..220		16,174,000	14,601,682
410	Switched TS Revenue	Line 400, Col. C			
415	Switched Transport Revenue	Line 400, Col. D			
420	Local Switching MOU	Exhibit 3.1-3, Lines 1..5, Col. A			
430	LEC Transport MOU	Exhibit 2.1-4, Line 5			
440	Switched TS Revenue per MOU	Line 410 / Line 420			
450	Switched Transport Revenue per MOU	Line 415 / Line 430			
460	ATS Revenue per MOU	Line 440 + Line 450			
470	Original Target Avg TS MOU Rate	47 C.F.R 61.3(qq)(3)			
475	ATS Target Met in Prior Filing	Input			
478	Target Avg TS MOU Rate				
480	Amount Above Target	Line 460 - Line 478, but max 0			

Citizens Telecommunications Companies - Group #1

Calculation of Initial Targeting Amount

5/5/04 TRP Filing

Exhibit 2.1-6

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		(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
490	Maximum Revenue to Target	Line 480 * max of Ln 420 or 430, subj. to LS reduction rule	5,865,531		
500	GDP-PI	Government Statistic	1.6252%	1.6252%	1.6252%
510	X	47 CFR 61.45	0.065000	0.065000	0.065000
520	g factor	Exhibit 2.1-3, Line 8	0.0000%		
530	CL MOU Revenue, excl. Marketing	Base period Demand rated out	0		
540	R	Base period Demand rated out	139,123,087	103,953,281	20,568,124
				14,601,682	
547	Reversal of Prior Yr Pooling Jurisdictions	Exhibit H-1	3,618,699	3,618,699	
550	Initial Target Reduction	GDP-PI - X & g impacts	(6,958,377)	(5,243,919)	(1,002,655)
555	Transfer Targeting Revenue	None	0	0	(711,803)
560	Actual Available Targeting Reduction	Ln 550 + Ln 555 (limited to - Ln 490)	(5,865,531)		
570	Revenue Remaining to Target	Line 490 + Line 560	0		
595	Percentage Reduction in LS	Initial CALLS filing only	0.00%		
600	Specified LS Revenue Reduction	Initial Restructure Only	0		
610	Amount of Calculated LS Reduction	Min(Line 600, Line 570)	0		
620	Final Revenue Remaining to Target	Line 570 - Line 610	0		
700	Required TIC Reduction	No remaining TIC	0		
710	Required Info Surcharge Reduction	No remaining Info Surcharge	0		
715	Residual Amount	Ln 560 - Ln 610 - Ln 700 - Ln 710	(5,865,531)		
720	Minimum Amount for Local Switching	Ln 715 * Exhibit 2.1-5, (Ln 100 / Ln 400)	(1,614,651)		
730	Max. Availa. for Other ATS Ratemaking	Line 715 - Line 720	(4,250,879)		

Citizens Telecommunications Companies - Group #25/5/04 TRP Filing
Exhibit 2.2-1

	<u>Quantity</u>	<u>Source / Comments</u>
1 Total exogenous changes (delta Z)	12,061	Exhibit 1.2-1, Line 4
2 Total EUCL Lines	1,741,780	Base Period Demand
3 CMT Exogenous per line	0.006925	Line 1 / Line 2
4 CMT Revenue per Line at time t-1	14.118395	Trans. 140
5 Exogenous Cost Change Factor	1.00049047	1 + (Line 3 / Line 4)
6 CMT Revenue per Line at time t	14.125320	Line 4 * Line 5

Citizens Telecommunications Companies - Group #2

Price Cap Index Calculation

Traffic Sensitive Price Cap Basket

5/5/04 TRP Filing

Exhibit 2.2-2

		(A) Traffic Sensitive	(B) Trunking	(C) Inter- exchange	(D) Special Access
	Source / Comments				
1	GDP-PI	Government Statistic	1.6252%		1.6252%
2	Productivity factor (X)	47 CFR 61.45	6.5000%		1.6252%
3	GDP-PI - X	Line 1 - Line 2	-4.8748%		0.0000%
4	Existing PCI [PCI(t-1)]	Trans. 140	15.9314	16.8022	48.5879
5	Exogenous Changes (delta Z)	Exhibit 1.2-1	\$223	\$0	\$2,572
6	Revenues (R)	Base Period Demand rated out (Revenues at Last PCI Update)	\$3,674,713	\$2,411,812	\$8,488,198
7	Delta Z / R	Line 5 / Line 6	0.0001	0.0000	0.0003
8	W = (R + Delta Z) / R	(Line 6 + Line 5) / Line 6	1.0001	1.0000	1.0003
9	W * (GDP-PI - X)	Line 8 * Line 3	-0.0488	-0.0487	0.0000
10	Targeted Revenue Differential		0	0	0
11	Proposed PCI (Non-Exog Only)	Line 4 - or - Line 4 * (1 + Line 3)	15.9314	16.8022	48.5879
12	Proposed PCI	Line 4 * (1 + Line 7 + (Line 10 / Line 6))	15.9323	16.8022	48.6027
13	% Change in PCI	(Line 12 / Line 4) - 1	0.0061%	0.0000%	0.0303%

Citizens Telecommunications Companies - Group #2

Calculation of g factor

5/5/04 TRP Filing

Exhibit 2.2-3

	<u>Quantity</u>	<u>Source / Comments</u>
1 Prior Base Period CCL MOU	496,971,956	Prior Base Period Demand
2 Prior Base Period Lines	157,463	Prior Base Period Demand / 12
3 Prior Base Period MOU per Line	3,156	Line 1 / Line 2
4 Base Period CCL MOU	499,615,710	Base Period Demand
5 Base Period Lines	145,148	Base Period Demand / 12
6 Base Period MOU per Line	3,442	Line 4 / Line 5
7 g factor	9.0610%	(Line 6 / Line 3) - 1
8 g factor used for targeting	0.00%	zero if no CCL allowed, else Line 7

Citizens Telecommunications Companies - Group #2

Calculation of Transport Minutes for ATS Rate

5/5/04 TRP Filing

Exhibit 2.2-4

	<u>Quantity</u>	<u>Source / Comments</u>
1 ILEC Only TIC MOU	499,615,710	Base Period Demand
2 Less: MOU on detariffed facilities only	0	Base Period Demand
3 Connecting Co. Tandem MOU	0	Base Period Demand
4 Connecting Co. Direct MOU	0	Line 8 * Line 9
5 Total ILEC Transport MOU	499,615,710	Line 1 - Line 2 + Line 3 + Line 4
6 DS1's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
7 DS3's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
8 Conn. Co. VG Equiv. Direct Trunks	0	24 * Line 6 + 672 * Line 7
9 Assumed MOU per Direct Trunk	1,436	Trans. 42

Citizens Telecommunications Companies - Group #2
Calculation of Current ATS Rate and Aggregate Target

5/5/04 TRP Filing
Exhibit 2.2-5
Page 1 of 1

		(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
100	Local Switching	Base Period Demand Rated Out		2,042,169	
105	LS Trunk Ports	Base Period Demand Rated Out		865,758	
110	Info Surcharge	Base Period Demand Rated Out		0	
115	STP Ports	Base Period Demand Rated Out		0	
130	Tandem Switched Transport	Base Period Demand Rated Out			939,831
160	VG Switched Transport	Base Period Demand Rated Out			70,687
220	High Cap & Other Switched Transport	Base Period Demand Rated Out			1,401,294
400	Total Traffic Sensitive-Related Revenue	Sum of Lines 100..220		2,907,927	2,411,812
410	Switched TS Revenue	Line 400, Col. C		2,907,927	
415	Switched Transport Revenue	Line 400, Col. D		2,411,812	
420	Local Switching MOU	Exhibit 3.2-3, Lines 1..5, Col. A		499,615,710	
430	LEC Transport MOU	Exhibit 2.2-4, Line 5		499,615,710	
440	Switched TS Revenue per MOU	Line 410 / Line 420		0.005820	
450	Switched Transport Revenue per MOU	Line 415 / Line 430		0.004827	
460	ATS Revenue per MOU	Line 440 + Line 450		0.010648	
470	Original Target Avg TS MOU Rate	47 C.F.R 61.3(qq)(3)		0.009500	
475	ATS Target Met in Prior Filing	Input		No	
478	Target Avg TS MOU Rate			0.009500	
480	Amount Above Target	Line 460 - Line 478, but max 0		0.001148	

Citizens Telecommunications Companies - Group #2

Calculation of Initial Targeting Amount

5/5/04 TRP Filing

Exhibit 2.2-6

Page 1 of 1

		(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
490	Maximum Revenue to Target	Line 480 * max of Ln 420 or 430, subj. to LS reduction rule	573,390		
500	GDP-PI	Government Statistic	1.6252%	1.6252%	1.6252%
510	X	47 CFR 61.45	0.065000	0.065000	0.065000
520	g factor	Exhibit 2.2-3, Line 8	0.0000%		
530	CL MOU Revenue, excl. Marketing	Base period Demand rated out	659,391		
540	R	Base period Demand rated out	30,756,864	24,670,339	2,411,812
547	Reversal of Prior Yr Pooling Jurisdictions	Trans. 140, Exhibit H-2	1,991,703	1,991,703	
550	Initial Target Reduction	GDP-PI - X & g impacts	(1,596,427)	(1,299,721)	(117,571)
555	Transfer Targeting Revenue	None	0	0	
560	Actual Available Targeting Reduction	Ln 550 + Ln 555 (limited to - Ln 490)	(573,390)		
570	Revenue Remaining to Target	Line 490 + Line 560	0		
595	Percentage Reduction in LS	Initial CALLS filing only	0.00%		
600	Specified LS Revenue Reduction	Initial Restructure Only	0		
610	Amount of Calculated LS Reduction	Min(Line 600, Line 570)	0		
620	Final Revenue Remaining to Target	Line 570 - Line 610	0		
700	Required TIC Reduction	No remaining TIC	0		
710	Required Info Surcharge Reduction	No remaining Info Surcharge	0		
715	Residual Amount	Ln 560 - Ln 610 - Ln 700 - Ln 710	(573,390)		
720	Minimum Amount for Local Switching	Ln 715 * Exhibit 2.2-5, (Ln 100 / Ln 400)	(220,116)		
730	Max. Availa. for Other ATS Ratemaking	Line 715 - Line 720	(353,274)		

Citizens Telecommunications Companies - Group #3
CMT Exogenous Cost Change Factor

5/5/04 TRP Filing
Exhibit 2.3-1

	<u>Quantity</u>	<u>Source / Comments</u>
1 Total exogenous changes (delta Z)	(71,341)	Exhibit 1.3-1, Line 5
2 Total EUCL Lines	269,637	Base Period Demand
3 CMT Exogenous per line	-0.264583	Line 1 / Line 2
4 CMT Revenue per Line at time t-1	4.426384	Trans. 140
5 Exogenous Cost Change Factor	0.94022588	1 + (Line 3 / Line 4)
6 CMT Revenue per Line at time t	4.161800	Line 4 * Line 5

Citizens Telecommunications Companies - Group #3
Price Cap Index Calculation

5/5/04 TRP Filing
Exhibit 2.3-2

		(A) Traffic Sensitive	(B) Trunking	(C) Inter- exchange	(D) Special Access
	Source / Comments				
1	GDP-PI	Government Statistic	1.6252%		1.6252%
2	Productivity factor (X)	47 CFR 61.45	1.6252%		1.6252%
3	GDP-PI - X	Line 1 - Line 2	0.0000%		0.0000%
4	Existing PCI [PCI(t-1)]	Trans. 140	40.7959	24.6757	80.9036
5	Exogenous Changes (delta Z)	Exhibit 1.3-1	\$0	\$0	(\$13,188)
6	Revenues (R)	Base Period Demand rated out (Revenues at Last PCI Update)	\$321,879	\$45,623	\$270,246
7	Delta Z / R	Line 5 / Line 6	0.0000	0.0000	-0.0488
8	W = (R + Delta Z) / R	(Line 6 + Line 5) / Line 6	1.0000	1.0000	0.9512
9	W * (GDP-PI - X)	Line 8 * Line 3	0.0000	0.0000	0.0000
10	Targeted Revenue Differential		0	0	0
11	Proposed PCI (Non-Exog Only)	Line 4 - or - Line 4 * (1 + Line 3)	40.7959	24.6757	80.9036
12	Proposed PCI	Line 4 * (1 + Line 7 + (Line 10 / Line 6))	40.7959	24.6757	76.9555
13	% Change in PCI	(Line 12 / Line 4) - 1	0.0000%	0.0000%	-4.8801%

Citizens Telecommunications Companies - Group #3
Calculation of g factor

5/5/04 TRP Filing
Exhibit 2.3-3

	<u>Quantity</u>	<u>Source / Comments</u>
1 Prior Base Period CCL MOU	40,521,644	Prior Base Period Demand
2 Prior Base Period Lines	23,021	Prior Base Period Demand / 12
3 Prior Base Period MOU per Line	1,760	Line 1 / Line 2
4 Base Period CCL MOU	38,630,944	Base Period Demand
5 Base Period Lines	22,470	Base Period Demand / 12
6 Base Period MOU per Line	1,719	Line 4 / Line 5
7 g factor	-2.3257%	(Line 6 / Line 3) - 1
8 g factor used for targeting	0.00%	zero if no CCL allowed, else Line 7

Citizens Telecommunications Companies - Group #3
Calculation of Transport Minutes for ATS Rate

5/5/04 TRP Filing
Exhibit 2.3-4

	<u>Quantity</u>	<u>Source / Comments</u>
1 ILEC Only TIC MOU	38,630,944	Base Period Demand
2 Less: MOU on detariffed facilities only	0	Base Period Demand
3 Connecting Co. Tandem MOU	0	Base Period Demand
4 Connecting Co. Direct MOU	0	Line 8 * Line 9
5 Total ILEC Transport MOU	38,630,944	Line 1 - Line 2 + Line 3 + Line 4
6 DS1's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
7 DS3's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
8 Conn. Co. VG Equiv. Direct Trunks	0	24 * Line 6 + 672 * Line 7
9 Assumed MOU per Direct Trunk	6,919	records

Citizens Telecommunications Companies - Group #3
Calculation of Current ATS Rate and Aggregate Target

5/5/04 TRP Filing
Exhibit 2.3-5
Page 1 of 1

	Source / Comments	(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
100	Local Switching	Base Period Demand Rated Out		274,082	
105	LS Trunk Ports	Base Period Demand Rated Out		47,797	
110	Info Surcharge	Base Period Demand Rated Out		0	
115	STP Ports	Base Period Demand Rated Out		0	
130	Tandem Switched Transport	Base Period Demand Rated Out			36,559
160	VG Switched Transport	Base Period Demand Rated Out			0
220	High Cap & Other Switched Transport	Base Period Demand Rated Out			9,064
400	Total Traffic Sensitive-Related Revenue	Sum of Lines 100..220		321,879	45,623
410	Switched TS Revenue	Line 400, Col. C			
415	Switched Transport Revenue	Line 400, Col. D			
420	Local Switching MOU	Exhibit 3.3-3, Lines 1..4, Col. A			
430	LEC Transport MOU	Exhibit 2.3-4, Line 5			
440	Switched TS Revenue per MOU	Line 410 / Line 420			
450	Switched Transport Revenue per MOU	Line 415 / Line 430			
460	ATS Revenue per MOU	Line 440 + Line 450			
470	Original Target Avg TS MOU Rate	47 C.F.R 61.3(qq)(3)			
475	ATS Target Met in Prior Filing	Input			
478	Target Avg TS MOU Rate				
480	Amount Above Target	Line 460 - Line 478, but max 0			

Citizens Telecommunications Companies - Group #3

Calculation of Initial Targeting Amount

5/5/04 TRP Filing

Exhibit 2.3-6

Page 1 of 1

		(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
490	Maximum Revenue to Target	Line 480 * max of Ln 420 or 430, subj. to LS reduction rule	0		
500	GDP-PI	Government Statistic	1.6252%	1.6252%	1.6252%
510	X	47 CFR 61.45	0.016252	0.016252	0.016252
520	g factor	Exhibit 2.3-3, Line 8	0.0000%		
530	CL MOU Revenue, excl. Marketing	Base period Demand rated out	0		
540	R	Base period Demand rated out	1,852,864	1,485,362	321,879
					45,623
547	Reversal of Prior Yr Pooling Jurisdictions	Trans. 140, Exhibit H-2	164,957	164,957	
550	Initial Target Reduction	GDP-PI - X & g impacts	(0)	(0)	0
555	Transfer Targeting Revenue	None	0	0	0
560	Actual Available Targeting Reduction	Ln 550 + Ln 555 (limited to - Ln 490)	0		
570	Revenue Remaining to Target	Line 490 + Line 560	0		
595	Percentage Reduction in LS	Initial CALLS filing only	0.00%		
600	Specified LS Revenue Reduction	Initial Restructure Only	0		
610	Amount of Calculated LS Reduction	Min(Line 600, Line 570)	0		
620	Final Revenue Remaining to Target	Line 570 - Line 610	0		
700	Required TIC Reduction	No remaining TIC	0		
710	Required Info Surcharge Reduction	No remaining Info Surcharge	0		
715	Residual Amount	Ln 560 - Ln 610 - Ln 700 - Ln 710	0		
720	Minimum Amount for Local Switching	Ln 715 * Exhibit 2.3-5, (Ln 100 / Ln 400)	0		
730	Max. Availa. for Other ATS Ratemaking	Line 715 - Line 720	0		

Citizens Telecommunications Companies - Group #4
CMT Exogenous Cost Change Factor

5/5/04 TRP Filing
Exhibit 2.4-1

	<u>Quantity</u>	<u>Source / Comments</u>
1 Total exogenous changes (delta Z)	27,880	Exhibit 1.4-1, Line 4
2 Total EUCL Lines	3,659,292	Base Period Demand
3 CMT Exogenous per line	0.007619	Line 1 / Line 2
4 CMT Revenue per Line at time t-1	8.044348	Trans. 140
5 Exogenous Cost Change Factor	1.00094712	1 + (Line 3 / Line 4)
6 CMT Revenue per Line at time t	8.051967	Line 4 * Line 5

Citizens Telecommunications Companies - Group #4
Price Cap Index Calculation

5/5/04 TRP Filing
Exhibit 2.4-2

		(A) Traffic Sensitive	(B) Trunking	(C) Inter- exchange	(D) Special Access
	Source / Comments				
1	GDP-PI	Government Statistic	1.6252%		1.6252%
2	Productivity factor (X)	47 CFR 61.45	1.6252%		1.6252%
3	GDP-PI - X	Line 1 - Line 2	0.0000%		0.0000%
4	Existing PCI [PCI(t-1)]	Trans. 140	36.4198	47.2388	41.0209
5	Exogenous Changes (delta Z)	Exhibit 1.4-1	\$471	\$0	\$8,246
6	Revenues (R)	Base Period Demand rated out (Revenues at Last PCI Update)	\$6,610,665	\$1,748,768	\$12,932,346
7	Delta Z / R	Line 5 / Line 6	0.0001	0.0000	0.0006
8	W = (R + Delta Z) / R	(Line 6 + Line 5) / Line 6	1.0001	1.0000	1.0006
9	W * (GDP-PI - X)	Line 8 * Line 3	0.0000	0.0000	0.0000
10	Targeted Revenue Differential		0	0	0
11	Proposed PCI (Non-Exog Only)	Line 4 - or - Line 4 * (1 + Line 3)	36.4198	47.2388	41.0209
12	Proposed PCI	Line 4 * (1 + Line 7 + (Line 10 / Line 6))	36.4224	47.2388	41.0470
13	% Change in PCI	(Line 12 / Line 4) - 1	0.0071%	0.0000%	0.0638%

Citizens Telecommunications Companies - Group #4
Calculation of g factor

5/5/04 TRP Filing
Exhibit 2.4-3

	<u>Quantity</u>	<u>Source / Comments</u>
1 Prior Base Period CCL MOU	804,135,148	Prior Base Period Demand
2 Prior Base Period Lines	313,774	Prior Base Period Demand / 12
3 Prior Base Period MOU per Line	2,563	Line 1 / Line 2
4 Base Period CCL MOU	747,438,523	Base Period Demand
5 Base Period Lines	304,941	Base Period Demand / 12
6 Base Period MOU per Line	2,451	Line 4 / Line 5
7 g factor	-4.3583%	(Line 6 / Line 3) - 1
8 g factor used for targeting	0.00%	zero if no CCL allowed, else Line 7

Citizens Telecommunications Companies - Group #4

Calculation of Transport Minutes for ATS Rate

5/5/04 TRP Filing

Exhibit 2.4-4

	<u>Quantity</u>	<u>Source / Comments</u>
1 ILEC Only TIC MOU	747,438,523	Base Period Demand
2 Less: MOU on detariffed facilities only	0	Base Period Demand
3 Connecting Co. Tandem MOU	0	Base Period Demand
4 Connecting Co. Direct MOU	0	Line 8 * Line 9
5 Total ILEC Transport MOU	747,438,523	Line 1 - Line 2 + Line 3 + Line 4
6 DS1's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
7 DS3's Direct to Conn. Co. Offices (PIU'd)	0.00	Base Period Demand in Price Caps
8 Conn. Co. VG Equiv. Direct Trunks	0	24 * Line 6 + 672 * Line 7
9 Assumed MOU per Direct Trunk	12,782	records

Citizens Telecommunications Companies - Group #4
Calculation of Current ATS Rate and Aggregate Target

5/5/04 TRP Filing
Exhibit 2.4-5
Page 1 of 1

	Source / Comments	(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
100	Local Switching	Base Period Demand Rated Out		4,791,081	
105	LS Trunk Ports	Base Period Demand Rated Out		1,144,733	
110	Info Surcharge	Base Period Demand Rated Out		2,908	
115	STP Ports	Base Period Demand Rated Out		0	
130	Tandem Switched Transport	Base Period Demand Rated Out			1,107,219
160	VG Switched Transport	Base Period Demand Rated Out			47,398
220	High Cap & Other Switched Transport	Base Period Demand Rated Out			594,150
400	Total Traffic Sensitive-Related Revenue	Sum of Lines 100..220		5,938,722	1,748,768
410	Switched TS Revenue	Line 400, Col. C		5,938,722	
415	Switched Transport Revenue	Line 400, Col. D		1,748,768	
420	Local Switching MOU	Exhibit 3.4-3, Lines 1..5, Col. A		747,438,523	
430	LEC Transport MOU	Exhibit 2.4-4, Line 5		747,438,523	
440	Switched TS Revenue per MOU	Line 410 / Line 420		0.007945	
450	Switched Transport Revenue per MOU	Line 415 / Line 430		0.002340	
460	ATS Revenue per MOU	Line 440 + Line 450		0.010285	
470	Original Target Avg TS MOU Rate	47 C.F.R 61.3(qq)(3)		0.009500	
475	ATS Target Met in Prior Filing	Input		Yes	
478	Target Avg TS MOU Rate			0.010285	
480	Amount Above Target	Line 460 - Line 478, but max 0		0.000000	

Citizens Telecommunications Companies - Group #4

Calculation of Initial Targeting Amount

5/5/04 TRP Filing

Exhibit 2.4-6

Page 1 of 1

	Source / Comments	(A) Total	(B) CMT	(C) Traffic Sens.	(D) Trunking
490	Maximum Revenue to Target	Line 480 * max of Ln 420 or 430, subj. to LS reduction rule	0		
500	GDP-PI	Government Statistic	1.6252%	1.6252%	1.6252%
510	X	47 CFR 61.45	0.016252	0.016252	0.016252
520	g factor	Exhibit 2.4-3, Line 8	0.00%		
530	CL MOU Revenue, excl. Marketing	Base period Demand rated out	0		
540	R	Base period Demand rated out	39,841,146	31,481,714	6,610,665
					1,748,768
547	Reversal of Prior Yr Pooling Jurisdictions	Trans. 140, Exhibit H-2	238,394	238,394	
550	Initial Target Reduction	GDP-PI - X & g impacts	(0)	(0)	0
555	Transfer Targeting Revenue	None	0	0	0
560	Actual Available Targeting Reduction	Ln 550 + Ln 555 (limited to - Ln 490)	0		
570	Revenue Remaining to Target	Line 490 + Line 560	0		
595	Percentage Reduction in LS	Initial CALLS filing only	0.00%		
600	Specified LS Revenue Reduction	Initial Restructure Only	0		
610	Amount of Calculated LS Reduction	Min(Line 600, Line 570)	0		
620	Final Revenue Remaining to Target	Line 570 - Line 610	0		
700	Required TIC Reduction	No remaining TIC	0		
710	Required Info Surcharge Reduction	No remaining Info Surcharge	0		
715	Residual Amount	Ln 560 - Ln 610 - Ln 700 - Ln 710	0		
720	Minimum Amount for Local Switching	Ln 715 * Exhibit 2.4-5, (Ln 100 / Ln 400)	0		
730	Max. Availa. for Other ATS Ratemaking	Line 715 - Line 720	0		

Citizens Telecommunications Companies - Group #1
TRP Form IND-1 Source References

5/5/04 TRP Filing
Exhibit 3.1-1
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	EXISTING API (F)	EXISTING SBI (G)	EXISTING SBI LIMIT (H)	6/30/2002 PCI (I)	6/30/2002 SBI (J)
<u>Common Line Basket</u>					
100 Total Common Line	N/A	N/A	N/A	N/A	N/A
<u>Traffic Sensitive Basket</u>					
200 Local Switching	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
220 Database Access	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
230 800 DB VertSvcs Sub-Cat	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
240 Billing Name and Address	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
250 Local Switching Trunk Ports	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
260 STP Port Terminations	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
299 Total Traffic Sensitive	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Trunking Basket</u>					
310 Tandem Switched Transport	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
320 VoiceGrade - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
340 High Cap & Other - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
350 DS-1 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
360 DS-3 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
499 Total Trunking	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Special Access Basket</u>					
720 VG/WATS, Met, Tgh - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
730 Audio & Video	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
740 High Cap & DDS - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
750 DS-1 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
760 DS-3 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
899 Total Special Access	Trans. 140	N/A	N/A	Trans. 140	N/A

Citizens Telecommunications Companies - Group #2
TRP Form IND-1 Source References

5/5/04 TRP Filing
Exhibit 3.2-1
Page 1 of 1

	EXISTING API (F)	EXISTING SBI (G)	EXISTING SBI LIMIT (H)	6/30/2002 PCI (I)	6/30/2002 SBI (J)
<u>Common Line Basket</u>					
100 Total Common Line	N/A	N/A	N/A	N/A	N/A
<u>Traffic Sensitive Basket</u>					
200 Local Switching	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
220 Database Access	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
230 800 DB VertSvcs Sub-Cat	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
240 Billing Name and Address	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
250 Local Switching Trunk Ports	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
260 STP Port Terminations	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
299 Total Traffic Sensitive	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Trunking Basket</u>					
310 Tandem Switched Transport	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
320 VoiceGrade - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
340 High Cap & Other - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
350 DS-1 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
360 DS-3 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
499 Total Trunking	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Special Access Basket</u>					
720 VG/WATS, Met, Tgh - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
730 Audio & Video	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
740 High Cap & DDS - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
750 DS-1 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
760 DS-3 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
899 Total Special Access	Trans. 140	N/A	N/A	Trans. 140	N/A

Citizens Telecommunications Companies - Group #3
TRP Form IND-1 Source References

5/5/04 TRP Filing
Exhibit 3.3-1
Page 1 of 1

	EXISTING API (F)	EXISTING SBI (G)	EXISTING SBI LIMIT (H)	6/30/2002 PCI (I)	6/30/2002 SBI (J)
<u>Common Line Basket</u>					
100 Total Common Line	N/A	N/A	N/A	N/A	N/A
<u>Traffic Sensitive Basket</u>					
200 Local Switching	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
220 Database Access	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
230 800 DB VertSvcs Sub-Cat	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
240 Billing Name and Address	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
250 Local Switching Trunk Ports	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
260 STP Port Terminations	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
299 Total Traffic Sensitive	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Trunking Basket</u>					
310 Tandem Switched Transport	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
320 VoiceGrade - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
340 High Cap & Other - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
350 DS-1 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
360 DS-3 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
499 Total Trunking	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Special Access Basket</u>					
720 VG/WATS, Met, Tgh - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
730 Audio & Video	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
740 High Cap & DDS - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
750 DS-1 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
760 DS-3 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
899 Total Special Access	Trans. 140	N/A	N/A	Trans. 140	N/A

Citizens Telecommunications Companies - Group #4
TRP Form IND-1 Source References

5/5/04 TRP Filing
Exhibit 3.4-1
Page 1 of 1

	EXISTING API (F)	EXISTING SBI (G)	EXISTING SBI LIMIT (H)	6/30/2002 PCI (I)	6/30/2002 SBI (J)
<u>Common Line Basket</u>					
100 Total Common Line	N/A	N/A	N/A	N/A	N/A
<u>Traffic Sensitive Basket</u>					
200 Local Switching	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
220 Database Access	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
230 800 DB VertSvcs Sub-Cat	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
240 Billing Name and Address	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
250 Local Switching Trunk Ports	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
260 STP Port Terminations	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
299 Total Traffic Sensitive	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Trunking Basket</u>					
310 Tandem Switched Transport	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
320 VoiceGrade - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
340 High Cap & Other - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
350 DS-1 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
360 DS-3 SubCat - Switched	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
499 Total Trunking	Trans. 140	N/A	N/A	Trans. 140	N/A
<u>Special Access Basket</u>					
720 VG/WATS, Met, Tgh - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
730 Audio & Video	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
740 High Cap & DDS - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
750 DS-1 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
760 DS-3 SubCat - Special	N/A	Trans. 140	Trans. 140	N/A	Trans. 140
899 Total Special Access	Trans. 140	N/A	N/A	Trans. 140	N/A

Services Outside of Price Cap

Company Name: Citizens Telecommunications Companies

Filing Date: 04/30/04

Rate Element Detail

Special Construction/ICBs

Special Construction Charge--NonRecurring

Collocation/Interconnection

EIS - Physical Collocation - Recurring and NonRecurring
Switched Access Cross Connect

Packet Services

Frame Relay - Recurring & NonRecurring
ADSL - Recurring & NonRecurring
DSL Interface Access Service - Recurring & Nonrecurring
IDAS - Recurring & NonRecurring
DIAS - Recurring & NonRecurring

Switched Access Elements

Special Access Elements

End User Charges

Local Number Portability End User Charge - Recurring
End User Presubscription - NonRecurring (PIC Change Charge)
Federal USF End User Surcharge - Percentage Surcharge

Gov't Services

Miscellaneous/Other

Grandfathered Services -Recurring

Tariff Section

FCC #1 10.2.8(C)

FCC #1 20.1.9, 20.2.9, 20.3.9, 20.4.9
FCC #1 20.1.4

FCC #1 20.1.15, 20.2.10, 20.4.10
FCC #1 20.1.13, 20.2.12, 20.3.10, 20.4.12
FCC #1 20.1.16, 20.2.13, 20.3.11, 20.4.14
FCC #1 20.1.11, 20.2.11, 20.4.11
FCC #1 20.4.13

FCC #1 20.1.2.3(b), 20.2.2.3(b), 20.4.2.3(b)
FCC #1 20.1.7, 20.2.7, 20.3.7, 20.4.7
FCC #1 20.1.2.1.1, 20.2.2.1.1, 20.3.2.1.1, 20.4.2.1.1

FCC #1 18.2

Citizens Telecommunications Companies
COSAs: CTC1, CTC2, CTC3, CTC4

5/5/04 TRP Filing
Exhibit 4-2

Services Outside of Price Cap

Company Name: Citizens Telecommunications Companies

Filing Date: 04/30/04

Rate Element Detail	Tariff Section	Order Allowing Removal
<u>Service that were in PC and have been removed</u>		
<u>Interexchange services</u>		
Interstate IntraLATA toll	FCC #5 (all sections)	FCC 99-206 Fifth Report and Order and Further Notice of Proposed Rulemaking (Pricing Flexibility Order)
<u>Trunking</u>		
Citizens has no Trunking services removed from Price Caps.		
<u>Special Access</u>		
Citizens has no Special Access services removed from Price Caps.		

Citizens and Frontier Telephone Companies*
7/03 Local Switching to Common Line Pooling Calculations

5/5/04 TRP Filing
Exhibit H-1
Page 1 of 1

	2003 Access Lines	LS Shift to CL		ShortFall Reversal / Line	ShortFall Reversal
		Rev / Line	Revenue		
	CAP-1 R 130	See Source Notes		See Source Notes	TGT-2 R 547
	(A)	(B)	(C)=A*B	(D)	(E)=A*D
1 Citizens Rate Group 1 (CTC1)	10,506,639	\$0.6094	\$6,402,693	\$0.3444	\$3,618,699
2 Citizens Rate Group 2 (CTC2)	1,741,780	\$1.1435	\$1,991,703	\$1.1435	\$1,991,703
3 Citizens Rate Group 3 (CTC3)	269,637	\$1.7984	\$484,928	\$0.6118	\$164,957
4 Citizens Rate Group 4 (CTC4)	3,659,292	\$0.5332	\$1,951,275	\$0.0651	\$238,394
5 Frontier Telephone of Rochester (RTNY)	5,048,153	\$0.0976	\$492,484	(\$1.1312)	(\$5,710,332)
6 Frontier Communications of MN & IA (VITC)	3,173,482	\$1.3454	\$4,269,581	\$0.2083	\$661,022
7 Frontier Tier 2 Companies (RTCS)	2,203,778	\$1.1362	\$2,504,007	(\$0.3025)	(\$666,614)
8 Total	26,602,761		\$18,096,671		\$297,830

* Includes Citizens Telecommunications Companies Tariff FCC No. 1, Frontier Telephone of Rochester Tariff FCC No. 1,
and Frontier Communications of Minnesota and Iowa Tariff FCC No. 1.

Note: All TRP source references on this page refer to the 2004 Annual Filing TRP.

Source notes:

Source for Column B is Citizens Telecommunications Companies Amended Trans. 119, Exhibit H-1, Column D.

Source for Column D is Citizens Telecommunications Companies Trans. 140, Exhibit H-1, Column Q.