

IOWA NETWORK SERVICES, INC.
IOWA NETWORK ACCESS DIVISION
INTERSTATE ACCESS RATE DEVELOPMENT
TRANSMITTAL NO. 22
PROJECTED TEST PERIOD ENDED

6/30/2005

SECTION 2
SCHEDULE A

	SOURCE	CURRENT RATE	COST SUPPORT	DIFFERENCE
1 SWITCHED TRANSPORT RATE	(BELOW)	\$0.01045	\$0.01031	(\$0.00014)
2 STUDY PERIOD ACCESS MINUTES	SCHEDULE B	876,231,538	876,231,538	
3 STUDY PERIOD ACCESS REVENUE	LN 1*LN 2	<u>\$9,156,620</u>	<u>\$9,033,947</u>	<u>(\$122,672)</u>

ACCESS RATE DEVELOPMENT

4 PROJECTED REVENUE REQUIREMENT	SECTION 4	\$9,065,913
5 LESS: MISCELLANEOUS REVENUE	RECORDS	31,966
7 ACCESS REVENUE REQUIREMENT	LN 4-LN 5	\$9,033,947
8 PROJECTED ACCESS MINUTES	SCHEDULE B	876,231,538
9 PROJECTED ACCESS RATE PER MOU	LN 4/LN 5	<u>\$0.01031</u>

IOWA NETWORK SERVICES, INC.
IOWA NETWORK ACCESS DIVISION
EQUAL ACCESS MOU SUMMARY
TRANSMITTAL NO. 22
PROJECTED TEST PERIOD ENDED

6/30/2005

SECTION 2
SCHEDULE B

PRO FORMA ALL CARRIERS	DAYS	INTERSTATE INTRALATA				INTERSTATE INTERLATA				TOTAL MINUTES	TOTAL REVENUES
		ORIGINATING		TERMINATING		ORIGINATING		TERMINATING			
		MINUTES	REVENUES	MINUTES	REVENUES	MINUTES	REVENUES	MINUTES	REVENUES		
7/1/2004 - 7/31/2004	31	1,262,861	1,550,216	\$29,002.83	30,743,102	38,090,617	\$709,675.63	71,646,797	\$738,678.46		
8/1/2004 - 8/31/2004	31	1,148,457	1,246,373	\$24,690.69	33,704,798	37,641,136	\$735,576.56	73,740,763	\$760,267.25		
9/1/2004 - 9/30/2004	30	1,184,025	1,373,204	\$26,365.03	31,645,727	37,186,415	\$709,659.37	71,389,371	\$736,024.40		
10/1/2004 - 10/31/2004	31	1,229,393	1,425,821	\$27,375.26	32,858,308	38,611,301	\$736,851.65	74,124,823	\$764,226.91		
11/1/2004 - 11/30/2004	30	1,194,171	1,384,971	\$26,590.95	31,916,903	37,505,070	\$715,740.53	72,001,115	\$742,331.49		
12/1/2004 - 12/31/2004	31	1,237,555	1,435,287	\$27,557.01	33,076,453	38,867,640	\$741,743.58	74,616,935	\$769,300.59		
1/1/2005 - 1/31/2005	31	1,240,639	1,438,864	\$27,625.68	33,158,880	38,964,498	\$743,592.02	74,802,881	\$771,217.69		
2/1/2005 - 2/28/2005	28	1,122,967	1,302,391	\$25,005.44	30,013,830	35,268,798	\$673,063.89	67,707,987	\$698,069.33		
3/1/2005 - 3/31/2005	31	1,245,404	1,444,390	\$27,731.78	33,286,233	39,114,149	\$746,447.92	75,090,176	\$774,179.70		
4/1/2005 - 4/30/2005	30	1,207,247	1,400,136	\$26,882.12	32,266,390	37,915,747	\$723,577.82	72,789,520	\$750,459.93		
5/1/2005 - 5/31/2005	31	1,249,309	1,448,919	\$27,818.74	33,390,604	39,236,794	\$748,788.47	75,325,627	\$776,607.20		
6/1/2005 - 6/30/2005	30	1,210,664	1,404,099	\$26,958.21	32,357,717	38,023,064	\$725,625.84	72,995,544	\$752,584.05		
TOTAL		14,532,693	16,854,672	\$323,603.73	388,418,945	456,425,228	\$8,710,343.27	876,231,538	\$9,033,947.00		
3rd QUARTER		3,595,343	4,169,793	\$80,058.55	96,093,627	112,918,168	\$2,154,911.56	216,776,930	\$2,234,970.11		
4th QUARTER		3,661,120	4,246,079	\$81,523.22	97,851,664	114,984,010	\$2,194,335.76	220,742,873	\$2,275,858.98		
1st QUARTER		3,609,011	4,185,645	\$80,362.90	96,458,943	113,347,445	\$2,163,103.82	217,601,044	\$2,243,466.72		
2nd QUARTER		3,667,220	4,253,155	\$81,659.06	98,014,711	115,175,605	\$2,197,992.12	221,110,691	\$2,279,651.18		
TOTAL COMPANY		14,532,693	16,854,672	\$323,603.73	388,418,945	456,425,228	\$8,710,343.27	876,231,538	\$9,033,947.00		

A-1,10f1

SUMMARY OF REVENUE REQUIREMENT BY ACCESS ELEMENT

A-1,10f1

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE				SPECIAL ACCESS				B/C	IX CATEGORY	
					LIMITED PAY	COMMON LINE	SWITCHING	INFO	COMMON TRANSPORT		DEDICATED TRANSPORT	NET TERMINATION ALLOCATED	CHANNEL MILEAGE				
									TERM	FACILITY			TERM	FACILITY		TERM	FACILITY
1		NET INVESTMENT FOR SETTLEMENTS	3,348,539	(NOTE A)	0	0	2,234,490	11,2500%	0	1,114,049	11,2500%	0	0	0	0	0	0
2		RATE OF RETURN	11,2500%	LN 1 LN 2	11,2500%	0	251,390	11,2500%	0	125,330	11,2500%	0	0	0	0	0	0
3		ALLOW FOR FUNDS USED DURING CONSTR	376,711	A-8 LN 29	0	0	0	0	0	0	0	0	0	0	0	0	0
4		NET RETURN FOR SETTLEMENTS	376,711	LN 3 LN 4	0	0	251,390	0	0	125,330	0	0	0	0	0	0	0
5		FEDERAL OPERATING INCOME TAX - ACTUAL	28,412	RECORDS	0	0	17,625	0	0	8,787	0	0	0	0	0	0	0
6		FEDERAL OPERATING INCOME TAX - OPTION	0	LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0
7		FEDERAL ITC AMORTIZATION	0	A-12 LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0
8		STATE OPERATING INCOME TAX - ACTUAL	0	RECORDS	0	0	5,867	0	0	2,925	0	0	0	0	0	0	0
9		STATE OPERATING INCOME TAX - OPTION	8,782	LN 36	0	0	0	0	0	0	0	0	0	0	0	0	0
10		STATE ITC AMORTIZATION	0	LN 36	0	0	0	0	0	0	0	0	0	0	0	0	0
11		PROVISION FOR DEFERRED INCOME TAX	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0	0	0
12		OPERATING EXPENSE & OTHER TAXES	8,548,559	A-8 LN 18	0	0	1,990,504	0	0	842,834	6,016,221	0	0	0	0	0	0
13		NONOPERATING EXP	9,209	A-8 LN 23	0	0	6,145	0	0	3,064	0	0	0	0	0	0	0
14		UNCOLLECTIBLES	95,230	A-8 LN 28	0	0	63,548	0	0	31,683	0	0	0	0	0	0	0
15		BAISIS FOR GROSS RECEIPTS TAX	8,065,913	LN 16 LN 17	0	0	2,035,089	0	0	1,014,823	6,016,221	0	0	0	0	0	0
16		GROSS RECEIPTS TAX RATE	0.0000%	0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
17		GROSS RECEIPTS TAX	0	LN 16 LN 17	0	0	2,035,089	0	0	1,014,823	6,016,221	0	0	0	0	0	0
18		TOTAL REVENUE REQUIREMENT	9,065,913	LN 16 LN 18	0	0	2,035,089	0	0	1,014,823	6,016,221	0	0	0	0	0	0
19																	
NOTE A: INCLUDES A-2 LN 31 LESS A/C 2004, TPUC - LONG TERM																	

OPTIONAL GROSS UP INCOME TAX CALCULATION																	
20		RETURN ON INVESTMENT	376,711	LN 3	0	0	251,390	0	0	125,330	0	0	0	0	0	0	0
21		INTEREST AND RELATED ITEMS	325,440	A-12 LN 16	0	0	217,187	0	0	108,273	0	0	0	0	0	0	0
22		OTHER INCOME ADJUSTMENTS	0	A-12 LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0
23		TOTAL INCOME ADJUSTMENTS	325,440	LN 21 LN 22	0	0	217,187	0	0	108,273	0	0	0	0	0	0	0
24		RETURN LESS INCOME ADJ	51,271	LN 20 LN 23	0	0	34,213	0	0	17,058	0	0	0	0	0	0	0
25		FEDERAL ITC AMORTIZATION	0	A-12 LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0
26		FIT BASE	51,271	0	0	0	34,213	0	0	17,058	0	0	0	0	0	0	0
27		FEDERAL TAXABLE INCOME	77,065	LN 27 TTR	0	0	51,838	0	0	25,945	0	0	0	0	0	0	0
28		FEDERAL INCOME TAX	28,412	A-12 LN 28	0	0	17,625	0	0	8,787	0	0	0	0	0	0	0
29		NET FEDERAL SURTAX ALLOCATION	0	LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0
30		STATE ITC AMORTIZATION	28,412	LN 28 LN 29	0	0	17,625	0	0	8,787	0	0	0	0	0	0	0
31		SIT BASE	0	A-12 LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0
32		STATE TAXABLE INCOME	77,065	0	0	0	51,838	0	0	25,945	0	0	0	0	0	0	0
33		STATE INCOME TAX	88,276	LN 33 STR	0	0	58,907	0	0	29,369	0	0	0	0	0	0	0
34		NET STATE INCOME TAX BEFORE ITC AMORT	8,782	LN 32	0	0	5,867	0	0	2,925	0	0	0	0	0	0	0
35		NET STATE INCOME TAX BEFORE ITC AMORT	8,782	LN 34 LN 35	0	0	5,867	0	0	2,925	0	0	0	0	0	0	0
36		FEDERAL TAX AT MAXIMUM RATE	28,412	0	0	0	17,625	0	0	8,787	0	0	0	0	0	0	0
37		INCOME ADJUSTMENT FOR FIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38																	

A-2.10f1

A-2.10f1

SUMMARY OF TELEPHONE PLANT AND RESERVES

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LIMITED PAY	COMMON LINE	SWITCHING	INFO	TRAFFIC SENSITIVE				SPECIAL ACCESS				BAC	IX CATEGORY	
1		NET INVESTMENT SUMMARY																			
2		GENERAL SUPPORT FACILITIES	1,885,302	A-3.LIN 9C	0	0	0	0	1,259,088	0	627,234	0	0	0	0	0	0	0	0	0	0
3		CENTRAL OFFICE SWITCHING	9,752,253	A-4.LIN 21+25	0	0	0	0	8,507,708	0	3,244,545	0	0	0	0	0	0	0	0	0	0
4		CENTRAL OFFICE TRANSMISSION	0	A-4.LIN 41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		INFORMATION ORIGIN/TERM	0	A-3.LIN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		CABLE AND WIRE FACILITIES	273,079	A-3.LIN 21	0	0	0	0	182,228	0	90,852	0	0	0	0	0	0	0	0	0	0
7		TANGIBLE ASSETS	119,434	A-3.LIN 14	0	0	0	0	78,868	0	38,735	0	0	0	0	0	0	0	0	0	0
8		INTANGIBLE ASSETS	12,030,088	A-3.LIN 15	0	0	0	0	8,027,700	0	4,002,367	0	0	0	0	0	0	0	0	0	0
9		TOTAL PLANT IN SERVICE	100,000%		0.0000%	0.0000%	0	0	86,7303%	0.0000%	33,26897%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
10		% DISTRIBUTION																			
11		PROPERTY HELD FOR FUTURE USE	0	A-4.LIN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		PLANT UNDER CONSTRUCT - SHORT TERM	0	A-6.LIN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		PLANT UNDER CONSTRUCT - LONG TERM	0	A-6.LIN 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14		TELEPHONE PLANT ADJUSTMENT	0	A-6.LIN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		TOTAL PROPERTY PLANT & EQUIP.	12,030,088		0	0	0	0	8,027,700	0	4,002,367	0	0	0	0	0	0	0	0	0	0
16		% DISTRIBUTION			0.0000%	0.0000%	0	0	86,7303%	0.0000%	33,26897%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
17		ACCLUM DEPRECIATION - PLANT IN SERVICE	6,957,540	A-7.LIN 7	0	0	0	0	4,842,788	0	2,314,753	0	0	0	0	0	0	0	0	0	0
18		ACCLUM DEPRECIATION - FUTURE USE	0	A-7.LIN 8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		ACCLUM AMORTIZATION - TANGIBLE PROPERTY	208,701	A-7.LIN 15	0	0	0	0	139,286	0	69,434	0	0	0	0	0	0	0	0	0	0
20		ACCLUM AMORTIZATION - INTANGIBLE PROP.	119,434	A-7.LIN 16	0	0	0	0	78,868	0	38,735	0	0	0	0	0	0	0	0	0	0
21		ACCLUM AMORTIZATION - TEL PLANT ADJ.	1,761,553	A-7.LIN 25	0	0	0	0	1,175,490	0	586,063	0	0	0	0	0	0	0	0	0	0
22		OPERATING DEFERRED INCOME TAX	0	A-7.LIN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		OTHER DEFERRED CREDITS - NET	2,982,839		0	0	0	0	1,990,458	0	992,382	0	0	0	0	0	0	0	0	0	0
24		NET TELEPHONE PLANT	100,000%		0.0000%	0.0000%	0	0	86,7303%	0.0000%	33,26897%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
25		% DISTRIBUTION																			
26		MATERIALS AND SUPPLIES	0	A-3.LIN 16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		RTB STOCK	0	A-3.LIN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		EQUAL ACCESS EQUIPMENT	0	A-3.LIN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29		OTHER JURISDICTIONAL ASSETS	0	A-3.LIN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		CASH WORKING CAPITAL	365,700	A-3.LIN 10	0	0	0	0	244,032	0	121,667	0	0	0	0	0	0	0	0	0	0
31		NET TELEPHONE PLANT, TMS AND CASH WORKING CAPITAL	3,348,339		0	0	0	0	2,234,480	0	1,114,048	0	0	0	0	0	0	0	0	0	0
32		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	0	0	86.7303%	0.0000%	33.26897%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

A-3,10f1

GENERAL SUPPORT FACILITIES AND MISCELLANEOUS PLANT ALLOCATION

A-3,10f1

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		SWITCHING	INFO	TRAFFIC SENSITIVE			DEDICATED			SPECIAL ACCESS			B/C	IX CATEGORY	
					LIMITED PAY	COMMON LINE			COMMON	TRANSPORT	TERMINATION	COMMON	TRANSPORT	ALLOCATION	TERMINATION	CHANNEL	MESSAGE		M/S	F.L.
1		BASIS FOR GENERAL SUPPORT FACILITIES	9,752,253	A-4 LN 42	0	0	6,507,708	0	3,244,545	0	0	0	0	0	0	0	0	0	0	0
2		CENTRAL OFFICE EQUIPMENT	0	A-5 LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3		INFORMATION ORIGINATOR	0	A-5 LN 23	0	0	6,507,708	0	3,244,545	0	0	0	0	0	0	0	0	0	0	0
4		CHF EXCL CAT 1,3	9,752,253		0	0	6,507,708	0.0000%	3,244,545	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5		TOTAL	100.0000%		0.0000%	0.0000%	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6a		GENERAL SUPPORT ASSETS	1,865,302	LN 5	0	0	1,256,068	0	627,234	0	0	0	0	0	0	0	0	0	0	0
6b		ALLOCATED	0	LN 5	0	0	1,256,068	0	627,234	0	0	0	0	0	0	0	0	0	0	0
6c		DIRECT NON ACCESS	1,865,302	DIRECT	0	0	1,256,068	0.0000%	627,234	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7		TOTAL GENERAL SUPPORT ASSETS	100.0000%		0.0000%	0.0000%	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8		% DISTRIBUTION	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		EQUAL ACCESS EQUIPMENT	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		COE IOT, CWF GENERAL SUPPORT AND EQUAL ACCESS EQUIPMENT	11,637,555		0	0	7,765,776	0.0000%	3,871,779	0.0000%	0	0	0	0	0	0	0	0	0	0
11		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
12		TANGIBLE ASSETS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		CAPITAL LEASES	273,079	LN 10	0	0	182,226	0	90,852	0	0	0	0	0	0	0	0	0	0	0
14		LEASEHOLD IMPROVEMENTS	273,079	LN 10	0	0	182,226	0	90,852	0	0	0	0	0	0	0	0	0	0	0
15		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		INTANGIBLE ASSETS	119,434	LN 10	0	0	79,689	0	38,745	0	0	0	0	0	0	0	0	0	0	0
17		MATERIALS AND SUPPLIES	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18		RTB STOCK	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		OTHER JURISDICTIONAL ASSETS	0	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		COE IOT, CWF GEN SUPP & EQUAL ACCESS FOR APPORTIONING PRESUBSCRIPTION	11,637,555		0	0	7,765,776	0.0000%	3,871,779	0.0000%	0	0	0	0	0	0	0	0	0	0
21		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22		COE IOT & CWF EXCL CCL FOR ASSIGNING CARRIER ACCESS BILLING EXPENSES	9,752,253		0	0	6,507,708	0.0000%	3,244,545	0.0000%	0	0	0	0	0	0	0	0	0	0
		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

CENTRAL OFFICE EQUIPMENT ALLOCATION

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMONLINE		COMMON LINE	SWITCHING	INFO	TRAFFIC SENSITIVE				SPECIAL ACCESS				IX CATEGORY	
					LIMITED PAY	COMMON				COMMON TRANSPORT TERM	FACILITY	DEDICATED TRANSPORT	NET TERMINATION ALLOCATION	TERM	CHANNEL TERM	MILEAGE FACILITY	BBC	MSG	P.L.
1		ALLOCATION FACTORS																	
2		STANDARD WORK SECONDS																	
3		- MANUAL BOARDS	100.0000%	AL-1, LN 9				0.0000%	0.0000%									100.0000%	
4		- TSX COMPLEX	100.0000%	AL-1, LN 10				0.0000%	0.0000%									100.0000%	
5		EQUIVALENT ACCESS LINES - MSG CODE IX CIRCUIT TERMINATIONS - MSG CODE	0.0000%	AL-1, LN 2 AL-1, LN 6	0.0000%			0.0000%	0.0000%										
6		CENTRAL OFFICE EQUIPMENT																	
7		OPERATOR SYSTEMS	0	LN 2				0	0									0	
8		MANUAL SWITCH-BOARDS	0	DIRECT				0	0									0	
9		AUXILIARY SWITCH-BOARDS	0	DIRECT				0	0									0	
10		- DIRECTORY ASSISTANCE	0	DIRECT				0	0									0	
11		- INTERCEPT	0	DIRECT				0	0									0	
12		- OTHER	0	LN 27				0	0									0	
13		SERVICE OBSERVING BOARDS	0	LN 27				0	0									0	
14		TSXS	0	LN 3				0	0									0	
15		- OPERATOR	0	LN 27				0	0									0	
16		- RTA	0	LN 27				0	0									0	
17		- OTHER	0	LN 27				0	0									0	
18		TOTAL OPERATOR SYSTEMS	0					0	0									0	
19		2210 TANDEM SWITCHING EQUIPMENT																	
20		ACCESS	3,244,545	DIRECT						3,244,545								0	
21		NON ACCESS	0	DIRECT														0	
22		TOTAL TANDEM SWITCH	3,244,545							3,244,545								0	
23		2210 LOCAL SWITCHING EQUIPMENT																	
24		ACCESS	6,507,708	DIRECT				6,507,708										0	
25		DEDICATED	0	DIRECT				6,507,708										0	
26		TOTAL LOCAL SWITCH	6,507,708					6,507,708										0	
27		TOTAL CAT1 EXCL SVC OBS, CAT 2 AND 3 % DISTRIBUTION	9,752,253 100.0000%	LN 26				6,507,708 66.7303%	0	3,244,545 33.2697%			0	0.0000%				0	0.0000%

COST SUPPORT MATERIAL
PART 89 COST ALLOCATION
CENTRAL OFFICE EQUIPMENT ALLOCATION

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE				SPECIAL ACCESS				B/C	IX CATEGORY	
					LIMITED PAY	COMMON LINE	COMMON SWITCHING	INFO	COMMON TRANSPORT TERM	COMMON TRANSPORT FACILITY	DEDICATED TRANSPORT	REL TERMINATION ALLOCATED	TERM	CHANNEL TERM		MILEAGE FACILITY	MSG
28		2230 CENTRAL OFFICE TRANSMISSION															
29		EXCHANGE WIDEBAND	0	DIRECT						0						0	
30		EXCHANGE TRUNK - BASIC	0	DIRECT						0						0	
31		EXCHANGE TRUNK - SPECIAL	0	DIRECT						0						0	
32		SUBSCRIBER LINE	0	LN #DIRECT		0						0				0	
33		INTEREXCHANGE CIRCUIT	0	DIRECT									0			0	
34		FURNISHED OTHERS	0	LN #DIRECT										0		0	
35		ACCESS - BASIC	0	DIRECT						0						0	
36		ACCESS - SPECIAL	0	DIRECT						0						0	
37		NON ACCESS	0	DIRECT						0						0	
38		TOTAL IX CIRCUIT	0	DIRECT						0						0	
39		HOT/REMOTE CIRCUIT	0	DIRECT						0						0	
40		EQUIPMENT RENTED OTHERS	0	DIRECT						0						0	
41		TOTAL CENTRAL OFFICE TRANSMISSION	0	DIRECT		0				0						0	
42		TOTAL CENTRAL OFFICE EQUIPMENT	8,752,253		0	0	6,507,708	0		3,244,545		0	0	0	0	0	0
43		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	86.7303%	0.0000%		33.2897%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
COE RATIOS																	
44		OPERATOR SYSTEMS	0.0000%	LN 17			0.0000%	0.0000%		0.0000%		0.0000%				0.0000%	
45		TANDEM SWITCHING	100.0000%	LN 21			100.0000%			100.0000%		0.0000%				0.0000%	
46		LOCAL SWITCHING	100.0000%	LN 25			100.0000%			86.7303%		0.0000%				0.0000%	
47		CENTRAL OFFICE SWITCHING	100.0000%	LN 21+25						33.2897%		0.0000%				0.0000%	
48		CENTRAL OFFICE TRANSMISSION	100.0000%	LN 37		0.0000%	0.0000%			100.0000%		0.0000%				0.0000%	0.0000%

A-5,10f1

A-5,10f1

INFORMATION ORIGINATOR/TERMINATION AND CABLE AND WIRE FACILITIES

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		SWITCHING	INFO	TRAFFIC SENSITIVE			SPECIAL ACCESS			BAC	IX CATEGORY	
					LIMITED PAY	COMMON LINE			COMMON	TRANSPORT	DEDICATED	INEL TERMINATION	CHANNEL	CHANNEL MILEAGE		MSG	P.L.
1		ALLOCATION FACTORS															
2		EQUIVALENT ACCESS LINES - MSG CWF	0.0000%	AL-1, LN 4	0.0000%	0.0000%						0.0000%					
3	2310	IX CIRCUIT MILES - MSG CWF	100.0000%	AL-1, LN 8													
4		INFORMATION ORIGINATOR															
5		OTHER IOT EQUIPMENT	0	DIRECT		0											
6		COIN PUBLIC TELEPHONE	0	DIRECT	0	0											
7		COINLESS PUBLIC TELEPHONE	0	DIRECT		0											
8		OTHER	0	DIRECT	0	0											
9		SUBTOTAL	0	DIRECT	0	0											
10		NEW CUSTOMER PREMISE EQUIP	0	DIRECT	0	0											
11		TOTAL ORIGINATOR EQUIP	0	DIRECT	0	0											
		% DISTRIBUTION	0.0000%		0.0000%	0.0000%						0.0000%					
12	2410	CABLE AND WIRE FACILITIES															
13		SUBSCRIBER LINE	0	LN /DIRECT		0						0		0			
14		EXCHANGE WIDEBAND	0	DIRECT	0	0								0			
15a		EXCHANGE TRUNK - BASIC	0	DIRECT										0			
15b		EXCHANGE TRUNK - SPECIAL	0	DIRECT										0			
16		INTEREXCHANGE WIDEBAND	0	DIRECT										0			
17a		IX TRUNK - ACCESS	0	LN 2/DIRECT										0			
17b		IX TRUNK - SPECIAL	0	DIRECT										0			
18		IX TRUNK - NON ACCESS	0	DIRECT										0			
19		HOST/REMOTE	0	DIRECT										0			
20		EQUIPMENT FURNISHED OTHERS	0	DIRECT										0			
21		TOTAL CABLE AND WIRE FACILITIES	0	DIRECT										0			
22		% DISTRIBUTION	100.0000%		0.0000%	0.0000%						0.0000%		0.0000%			
23		TOTAL CWF EXCLUDING CAT 1,3	0		0.0000%	0						0.0000%		0.0000%			
24		% DISTRIBUTION	100.0000%		0.0000%	0.0000%						0.0000%		0.0000%			

A-8,10f1

OTHER TELECOMMUNICATIONS PLANT ALLOCATION

A-8,10f1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE										SPECIAL ACCESS				B/C	IX CATEGORY	
					LIMITED PAY	COMMON LINE	SWITCHING	INFO	COMMON TERM	TRANSPORT FACILITY	DEDICATED TRANSPORT	NET TERMINATION ALLOCATED	TERM	TERM	CHANNEL MILEAGE FACILITY	FACILITY	TERM	TERM	TERM	TERM		MSG	P.L.
1	2002	OTHER TELECOMMUNICATIONS PLANT PROPERTY HELD FOR FUTURE USE	0	A-3,1LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2		GENERAL SUPPORT	0	A-4,1LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3		CENTRAL OFFICE EQUIPMENT	0	A-5,1LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4		CABLE AND WIRE FACILITIES	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		UNDISTRIBUTED	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	2003	PLANT UNDER CONSTR. - SHORT TERM	0	A-3,1LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		GENERAL SUPPORT	0	A-4,1LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		CENTRAL OFFICE EQUIPMENT	0	A-5,1LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		CABLE AND WIRE FACILITIES	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12		UNDISTRIBUTED	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
15	2004	PLANT UNDER CONSTR. - LONG TERM	0	A-3,1LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		GENERAL SUPPORT	0	A-4,1LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		CENTRAL OFFICE EQUIPMENT	0	A-5,1LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18		CABLE AND WIRE FACILITIES	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		UNDISTRIBUTED	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	2005	TELECOMMUNICATIONS PLANT ADJUST.	0	A-3,1LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		GENERAL SUPPORT	0	A-4,1LN 43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE EQUIPMENT	0	A-5,1LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25		CABLE AND WIRE FACILITIES	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		UNDISTRIBUTED	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

A-7, 10/1

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES

A-7, 10/1

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		SWITCHING	TRAFFIC SENSITIVE		SPECIAL ACCESS		BAC	IX CATEGORY	
					LIMITED PAY	COMMON LINE		COMMON TRANSPORT TERM	DEDICATED FACILITY	NET TERMINATION TRANSPORT	ALLOCATED		TERM	CHANNEL MILEAGE FACILITY
1	3100	ACCUM DEPRECIATION - PLANT IN SERVICE												
2		GENERAL SUPPORT	1,105,789	A-3, LN 10	0	0	737,903	0	367,886	0	0	0	0	0
3		CENTRAL OFFICE SWITCHING EQUIPMENT	5,851,741	A-3, LN 10	0	0	3,904,885	0	1,946,857	0	0	0	0	0
4		OPERATOR SYSTEMS EQUIPMENT	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
5		CENTRAL OFFICE TRANSMISSION	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
6		UNDISTRIBUTED COE	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
7		INFORMATION ORIG/TERM	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
8		CABLE AND WIRE FACILITIES	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
9		TOTAL ACCUM DEPR. - TRIS	6,957,540	A-3, LN 10	0	0	4,942,788	0	2,314,753	0	0	0	0	0
10	3200	ACCUM DEPRECIATION - FUTURE USE	6,957,540	A-3, LN 10	0	0	4,942,788	0	2,314,753	0	0	0	0	0
11		TOTAL ACCUM DEPRECIATION	100,0000%		0	0	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
12		% DISTRIBUTION			0.0000%	0.0000%								
13	3400	ACCUMULATED AMORTIZATION												
14		TANGIBLE ASSETS	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
15		CAPITAL LEASES	208,701	A-3, LN 10	0	0	138,286	0	69,434	0	0	0	0	0
16		LEASEHOLD IMPROVEMENTS	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
17		UNDISTRIBUTED	208,701	A-3, LN 10	0	0	138,286	0	69,434	0	0	0	0	0
18	3500	TOTAL ACCUM AMORT - TANGIBLE	208,701	A-3, LN 10	0	0	138,286	0	69,434	0	0	0	0	0
19		INTANGIBLE ASSETS	119,434	A-3, LN 10	0	0	79,699	0	39,735	0	0	0	0	0
20	3600	TELEPHONE PLANT ADJUSTMENT	328,135	A-3, LN 10	0	0	218,965	0	109,169	0	0	0	0	0
21		TOTAL ACCUM AMORTIZATION	100,0000%		0.0000%	0.0000%	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	4100A	NET OPERATING DEFERRED INC TAX												
23	4340	GENERAL SUPPORT	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE EQUIP	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
25		INFORMATION ORIG/TERM	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
26		CABLE AND WIRE FACILITIES	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
27		UNDISTRIBUTED	1,781,553	A-3, LN 10	0	0	1,175,480	0	596,083	0	0	0	0	0
28		TOTAL NET DEFERRED INC TAX	1,781,553	A-3, LN 10	0	0	1,175,480	0	596,083	0	0	0	0	0
29		% DISTRIBUTION	100,0000%		0.0000%	0.0000%	66,7303%	0.0000%	33,2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
30	4380	OTHER DEFERRED CREDITS - NET												
31		GENERAL SUPPORT	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
32		CENTRAL OFFICE EQUIP	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
33		INFORMATION ORIG/TERM	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
34		CABLE AND WIRE FACILITIES	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
35		UNDISTRIBUTED	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
36		TOTAL OTHER DEFERRED CREDITS	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0
37		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

A-8,10f1

SUMMARY OF OPERATING EXPENSE AND TAX AND MISCELLANEOUS TAX ITEMS

A-8,10f1

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		SWITCHING	TRAFFIC SENSITIVE				SPECIAL ACCESS				IX CATEGORY	
					LIMITED PAY	COMMON LINE		COMMON SENSITIVE		DEDICATED		CHANNEL ACCESS		BAC	MSG	P.L.	
								COMMON	TRANSPORT	TRANSPORT	NET	TERMINATION	TERM	TERM	FACILITY		
1	6110	OPERATING EXPENSE AND TAX	0	A-8,1LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0
2	6120	NETWORK SUPPORT EXPENSE	456,216	A-8,1LN 7	0	0	304,434	0	0	0	0	0	0	0	0	0	0
3	6210	GENERAL SUPPORT EXPENSE	405,573	A-8,1LN 15	0	0	270,640	0	0	0	0	0	0	0	0	0	0
4	6310	CENTRAL OFFICE EXPENSE	0	A-8,1LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0
5	6410	INFORMATION ORIGINATOR EXP	5,421,824	A-8,1LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0
6	6510	CABLE AND WIRE FACILITIES EXP	0	A-8,1LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0
7	6610	OTHER PLANT EXPENSE	0	A-10,1LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0
8	6830	NETWORK OPERATIONS EXPENSE	333,884	A-10,1LN 8	0	0	222,802	0	0	0	0	0	0	0	0	0	0
9	6840	ACCESS CHARGE EXPENSE	0	A-10,1LN 8	0	0	0	0	0	0	0	0	0	0	0	0	0
10	6850	MARKETING EXPENSE	0	A-11,1LN 1	0	0	0	0	0	0	0	0	0	0	0	0	0
11	6860	SERVICES EXPENSE	78,913	A-11,1LN 2	0	0	52,659	0	0	0	0	0	0	0	0	0	0
12	6710	EXECUTIVE AND PLANNING EXP	148,185	A-11,1LN 3	0	0	18,950	0	0	0	0	0	0	0	0	0	0
13	6720	GENERAL AND ADMINISTRATIVE EXP	584,935	A-12,1LN 9	0	0	74,295	0	0	0	0	0	0	0	0	0	0
14	6730	SUBTOTAL OPERATING EXPENSE	7,430,540	A-12,1LN 9	0	0	943,780	0	0	0	0	0	0	0	0	0	0
15	6590	% DISTRIBUTION	100.0000%	A-10,1LN 19+27	0.0000%	0.0000%	12,701.4%	0.0000%	0	0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
16	6590	DEPRECIATION AND AMORTIZATION	1,055,307	A-12,1LN 24	0	0	704,210	0	0	0	0	0	0	0	0	0	0
17	7200	OTHER OPERATING TAX	63,711	A-12,1LN 24	0	0	42,514	0	0	0	0	0	0	0	0	0	0
18	17	EQUAL ACCESS EXPENSE	0	A-12,1LN 12	0	0	1,690,504	0	0	0	0	0	0	0	0	0	0
19	18	TOTAL OPERATING EXP & TAX	8,548,559	A-12,1LN 12	0.0000%	0.0000%	18,773.0%	0.0000%	0	0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
20	7370	NON OPERATING EXPENSE	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
21	21	ABANDONED CONSTRUCTION	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
22	22	CONTRIBUTIONS	9,209	A-3,1LN 10	0	0	6,145	0	0	0	0	0	0	0	0	0	0
23	23	TOTAL NON OPERATING EXP	9,209	A-3,1LN 10	0	0	6,145	0	0	0	0	0	0	0	0	0	0
24	24	UNCOLLECTIBLES	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
25	5310	END USER MSG TOLL	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0
26	5320	END USER COMMON LINE	96,230	A-3,1LN 22	0	0	63,548	0	0	0	0	0	0	0	0	0	0
27	5330	IX CARRIER	96,230	A-3,1LN 22	0	0	63,548	0	0	0	0	0	0	0	0	0	0
28	28	TOTAL UNCOLLECTIBLES	96,230	A-3,1LN 22	0	0	63,548	0	0	0	0	0	0	0	0	0	0
29	7340	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0

A-9,16f1

A-9,16f1

PLANT SPECIFIC EXPENSE ALLOCATION

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE		COMMON TRANSPORT		SPECIAL ACCESS		BAC	IX CATEGORY	
					LIMITED PAY	COMMON LINE	SWITCHING	INFO	TERM	FACILITY	DEDICATED TRANSPORT	NET TERMINATION ALLOCATED	TERM	CHANNEL MILEAGE	PL
1		BASIS FOR NETWORK SUPPORT EXPENSE	11,637,555	VARIOUS	0	0	7,755,778	0	3,871,779	0	0	0	0	0	0
2		GEN SUPPORT COE, IOT AND C&W	0	A-3, LN 8	0	0	7,755,778	0	3,871,779	0	0	0	0	0	0
3		EQUAL ACCESS EQUIPMENT	11,637,555		0.0000%	0.0000%	66,7303%	0.0000%	33,2897%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4		TOTAL	100.0000%												
PLANT SPECIFIC EXPENSES															
5		GENERAL SUPPORT EXPENSE	0	LN 4	0	0	0	0	0	0	0	0	0	0	0
6	6110	NETWORK SUPPORT	456,216	A-3, LN 7	0	0	304,434	0	151,782	0	0	0	0	0	0
7	6120	GENERAL SUPPORT	456,216		0.0000%	0.0000%	304,434	0	151,782	0	0	0	0	0	0
8		TOTAL GENERAL SUPPORT EXP	100.0000%				66,7303%	0.0000%	33,2897%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9		% DISTRIBUTION													
10		CENTRAL OFFICE SWITCHING EXPENSE	405,573	A-4, LN 43	0	0	270,640	0	134,933	0	0	0	0	0	0
11	6210	CENTRAL OFFICE SWITCHING EXPENSE	0	A-4, LN 43	0	0	0	0	0	0	0	0	0	0	0
12	6220	OPERATOR SYSTEMS EXPENSE	0	A-4, LN 43	0	0	0	0	0	0	0	0	0	0	0
13	6230	CENTRAL OFFICE TRANSMISSION EXPENSE	0	A-4, LN 43	0	0	0	0	0	0	0	0	0	0	0
14		UNDISTRIBUTED	0		0	0	270,640	0	134,933	0	0	0	0	0	0
15		TOTAL CENTRAL OFFICE EXPENSE	405,573	A-4, LN 43	0.0000%	0.0000%	66,7303%	0.0000%	33,2897%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
16		% DISTRIBUTION	100.0000%												
17	6310	INFORMATION ORIG/TERM EXPENSE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
18		COIN PAY TELEPHONE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
19		COINLESS PAY TELEPHONE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
20		OTHER	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
21		CPE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
22		TOTAL INFORMATION ORIG/TERM EXP	0		0.0000%	0.0000%									
23		% DISTRIBUTION	0.0000%												
24	6410	CABLE AND WIRE FACILITIES EXPENSE	5,421,824	A-5, LN 22	0	0	5,421,824	0	5,421,824	0	0	0	0	0	0
25		TOTAL PLANT SPECIFIC EXPENSE	6,283,613		0.0000%	0.0000%	575,074	0	288,714	5,421,824	0	0	0	0	0
26		% DISTRIBUTION	100.0000%				9,1520%	0.0000%	4,5825%	66,2851%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

A-10.10f1

PLANT NON SPECIFIC EXPENSE ALLOCATION

A-10.10f1

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		SWITCHING	TRAFFIC SENSITIVE				SPECIAL ACCESS				IX CATEGORY	
					LIMITED PAY	COMMON LINE		COMMON TRANSPORT	TERMINATION	CHANNEL	MILEAGE	BAC	MSG	P.L.			
1		CENTRAL OFFICE EQUIPMENT	9,752,253	A-4-LN 38	0	0	6,507,708	0	3,244,545	0	0	0	0	0	0	0	
2		INFORMATION ORIGINTER	0	A-5-LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
3		CABLE AND WIRE FACILITIES	0	A-5-LN 21	0	0	6,507,708	0	3,244,545	0	0	0	0	0	0	0	
4		TOTAL	9,752,253		0	0	6,507,708	0	3,244,545	0	0	0	0	0	0	0	
5		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	66.7303%	0.0000%	33.2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
PLANT NONSPECIFIC EXPENSE																	
6	6510	OTHER PROP PLANT & EQUIP EXPENSE	0	LN 5	0	0	0	0	0	0	0	0	0	0	0	0	
7	6530	NETWORK OPERATIONS EXPENSE	333,884	LN 5	0	0	222,802	0	111,082	0	0	0	0	0	0	0	
8	6540	ACCESS CHARGE EXPENSE	0	DIRECT													
9	6560	DEPRECIATION EXPENSE															
10		GENERAL SUPPORT	203,494	A-3-LN 7	0	0	135,792	0	67,702	0	0	0	0	0	0	0	
11		CENTRAL OFFICE SWITCHING EQUIPMENT	829,057	A-4-LN 47			553,232	0	275,825			0	0	0	0	0	
12		OPERATOR SYSTEMS EQUIPMENT	0	A-4-LN 44	0	0	0	0	0	0	0	0	0	0	0	0	
13		CENTRAL OFFICE TRANSMISSION	0	A-4-LN 48	0	0	0	0	0	0	0	0	0	0	0	0	
14		UNDISTRIBUTED CODE	0	A-4-LN 43	0	0	0	0	0	0	0	0	0	0	0	0	
15		INFORMATION ORIGINTER	0	A-5-LN 11	0	0	0	0	0	0	0	0	0	0	0	0	
16		CABLE AND WIRE FACILITIES	0	A-5-LN 22	0	0	0	0	0	0	0	0	0	0	0	0	
17		TOTAL DEP EXP - PLANT IN SERVICE	1,032,551		0	0	699,025	0	343,527	0	0	0	0	0	0	0	
18		PROPERTY HELD FOR FUTURE USE	0		0	0	0	0	0	0	0	0	0	0	0	0	
19		TOTAL DEPRECIATION EXPENSE	1,032,551	A-6-LN 7	0	0	699,025	0	343,527	0	0	0	0	0	0	0	
20		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	66.7303%	0.0000%	33.2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
AMORTIZATION EXPENSE																	
21	6563	CAPITAL LEASE	0	A-3-LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
22	6563	LEASEHOLD IMPROVEMENTS	22,756	A-3-LN 10	0	0	15,185	0	7,571	0	0	0	0	0	0	0	
23	6563	UNDISTRIBUTED	0	A-3-LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
24		SUBTOTAL	22,756				15,185		7,571								
25	6564	INTANGIBLE ASSETS	0	A-3-LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
26	6565	OTHER - TEL PLANT ADJUSTMENT	0	A-6-LN 28	0	0	0	0	0	0	0	0	0	0	0	0	
27		TOTAL AMORTIZATION EXPENSE	22,756		0	0	15,185	0	7,571	0	0	0	0	0	0	0	
28		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	66.7303%	0.0000%	33.2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
29		TOTAL PLANT NON SPECIFIC EXPENSE	1,389,182		0	0	927,012	0	462,180	0	0	0	0	0	0	0	
30		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	66.7303%	0.0000%	33.2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	

CUSTOMER OPERATIONS EXPENSE ALLOCATION

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE				SPECIAL ACCESS				IX CATEGORY			
					LIMITED PAY	COMMON LINE	SWITCHING	INFO	COMMON TERM	TRANSPORT FACILITY	DEDICATED TRANSPORT	NET TERMINATION ALLOCATED	TERM	CHANNEL MILEAGE	FACILITY	BAC	MSG	P.L.
1	6610	CUSTOMER OPERATIONS EXPENSES	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	6621	MARKETING	0	MS-OPERATORS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	6621	- CALL COMPLETION INCL. DA	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	6622	- OPERATOR SERVICES UNDER CONTRACT	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	6623	PUBLISHED DIRECTORY LISTINGS	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	6623	ALL OTHER	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	1.0	LOCAL BUSINESS OFFICE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	1.0	- END USER SVC ORDER PROCESSING	0	A-3, LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	1.0	- PRESCRIPTION	0	AL-1, LN 12	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	1.0	- OTHER	0	AL-1, LN 12	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	1.0	- END USER PAYMENT & COLLECTION	0	AL-1, LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	1.0	- END USER BILLING INQUIRY	0	AL-1, LN 14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	1.0	- IX CARRIER SVC ORDER PROCESSING	0	AL-1, LN 15	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	1.0	- IX CARRIER PAYMENT & COLLECTION	40,440	AL-1, LN 16	0	0	26,986	0	13,454	0	0	0	0	0	0	0	0	0
15	1.0	- IX CARRIER BILLING INQUIRY	0	AL-1, LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	1.0	- COIN COLLECT AND ADMINISTRATION	0	AL-1, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	1.0	SUBTOTAL LOCAL BUSINESS OFFICE	40,440	AL-1, LN 18	0	0	26,986	0	13,454	0	0	0	0	0	0	0	0	0
18	2.0	CUSTOMER SERVICES (REV ACCTG)	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	2.0	- MESSAGE PROCESSING	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	2.0	- TOLL TICKET PROCESSING	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	2.0	- LOCAL MESSAGE PROCESSING	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	2.0	- OTHER BILLING & COLLECTION	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	2.0	- END USER COMMON LINE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	2.0	- CARRIER ACCESS BILLING (CABS)	38,474	A-3, LN 22	0	0	25,674	0	12,800	0	0	0	0	0	0	0	0	0
25	2.0	SUBTOTAL CUSTOMER SERVICES	38,474	A-3, LN 22	0	0	25,674	0	12,800	0	0	0	0	0	0	0	0	0
26	2.0	TOTAL CAT 1 AND CAT 2	78,913	DIRECT	0	0	52,659	0	26,254	0	0	0	0	0	0	0	0	0
27	2.0	TOTAL DISTRIBUTION	78,913	DIRECT	0	0	52,659	0	26,254	0	0	0	0	0	0	0	0	0
28	3.0	ALL OTHER CUSTOMER SERVICE	0	/LN 34	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	3.0	TOTAL SERVICES EXPENSE	78,913	/LN 34	0	0	52,659	0	26,254	0	0	0	0	0	0	0	0	0
30	3.0	% DISTRIBUTION	100.0000%		0	0	66.7303%	0.0000%	33.2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
31	3.0	TOTAL CUSTOMER OPERATIONS EXPENSE	78,913		0	0	52,659	0	26,254	0	0	0	0	0	0	0	0	0
32	3.0	% DISTRIBUTION	100.0000%		0	0	66.7303%	0.0000%	33.2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
33	3.0	CUSTOMER OPERATIONS EXCL. MARKETING	78,913		0	0	52,659	0	26,254	0	0	0	0	0	0	0	0	0
34	3.0	% DISTRIBUTION	100.0000%		0	0	66.7303%	0.0000%	33.2697%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

IOWA NETWORK ACCESS DIVISION
PROJECTED JUNE 30, 2005

COST SUPPORT MATERIAL
PART 88 COST ALLOCATION

SECTION 3

A-12,16f1

CORPORATE OPERATIONS EXPENSE ALLOCATION

A-12,16f1

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE				SPECIAL ACCESS				BAC	IX CATEGORY	
					LIMITED PAY	COMMON LINE	SWITCHING	INFO	COMMON TERM	TRANSPORT FACILITY	DEDICATED TRANSPORT	INEL. TERMINATION ALLOCATED	TERM	CHANNEL MILEAGE FACILITY		MSG	P.L.
1		BIG THREE EXPENSES	6,283,613	A-9,1LN 25	0	0	575,074	0	288,714	5,421,824	0	0	0	0	0	0	
2		PLANT SPECIFIC EXPENSE	594,835	A-10,1LN 7	0	0	0	0	0	0	0	0	0	0	0	0	
3		OTHER PLANT EXPENSE	333,984	A-10,1LN 8	0	0	222,802	0	111,082	0	0	0	0	0	0	0	
4		NETWORK OPERATIONS EXPENSE	0	A-10,1LN 9	0	0	0	0	0	0	0	0	0	0	0	0	
5		ACCESS CHARGE EXPENSE	78,913	A-11,1LN 31	0	0	52,659	0	26,254	0	0	0	0	0	0	0	
6		CUSTOMER OPERATIONS EXPENSE	6,986,410		0	0	850,335	0	424,051	5,421,824	0	0	0	0	0	0	
7		TOTAL BIG THREE EXPENSES	100,0000%		0.0000%	0.0000%	12,7014%	0.0000%	6,3325%	80,9861%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
CORPORATE OPERATING EXPENSE																	
8	6710	EXECUTIVE AND PLANNING	149,185	LN 7	0	0	18,950	0	9,448	120,786	0	0	0	0	0	0	
9	6720	GENERAL AND ADMINISTRATIVE	594,835	LN 7	0	0	74,285	0	37,041	473,588	0	0	0	0	0	0	
10		TOTAL CORPORATE OPERATIONS	734,130		0	0	93,244	0	46,489	594,387	0	0	0	0	0	0	
11		% DISTRIBUTION	100,0000%		0.0000%	0.0000%	12,7014%	0.0000%	6,3325%	80,9861%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
12		EQUAL ACCESS EXPENSE	0	DIRECT			0										
INTEREST EXPENSE																	
13	7500	CAPITAL LEASE	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
14		OTHER	325,440	A-3,1LN 10	0	0	217,167	0	108,273	0	0	0	0	0	0	0	
15		TOTAL	325,440				217,167		108,273								
16		OTHER INCOME ADJUSTMENTS															
17		BASED ON PLANT	0	A-2,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
18		TOTAL	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	
19		OTHER INCOME ADJUSTMENTS															
20		BASED ON EXPENSE	0														
21		TOTAL	0														
22	7210	OPERATING TAXES	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
23	7210	FEDERAL, ITC AMORTIZATION	0	A-3,1LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
24	7210	STATE ITC AMORTIZATION	83,711	A-3,1LN 10	0	0	42,514	0	21,186	0	0	0	0	0	0	0	
25	7240	OTHER OPERATING TAXES	83,711	A-3,1LN 10	0	0	42,514	0	21,186	0	0	0	0	0	0	0	
TOTAL OPERATING TAXES																	
IOWA NETWORK ACCESS DIVISION																	
PROJECTED JUNE 30, 2005																	
SECTION 3A																	
COST SUPPORT MATERIAL																	
PART 89 COST ALLOCATION																	
DEVELOPMENT OF JOINT USE FACILITIES ALLOCATION FACTORS																	
AL-1,1601																	
AL-1,1601																	
LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE				SPECIAL ACCESS				BAC	IX CATEGORY	
					LIMITED PAY	COMMON LINE	SWITCHING	INFO	COMMON TERM	TRANSPORT FACILITY	DEDICATED TRANSPORT	INEL. TERMINATION ALLOCATED	TERM	CHANNEL MILEAGE FACILITY		MSG	P.L.
1	A/C	EQUIVALENT ACCESS LINES - MSG COE	0		0	0								0			
2		% DISTRIBUTION	0.0000%		0.0000%	0.0000%								0.0000%			
3		EQUIVALENT ACCESS LINES - MSG CWF	0		0	0								0			
4		% DISTRIBUTION	0.0000%		0.0000%	0.0000%								0.0000%			
5		IX CIRCUIT TERMINATIONS - MSG COE	766						766								
6		% DISTRIBUTION	100,0000%						100,0000%								
7		IX CIRCUIT MILES - MSG CWF	5,917,585						5917585.00					0.00			
8		% DISTRIBUTION	100,0000%						100,0000%					0.0000%			

IOWA NETWORK ACCESS DIVISION
PROJECTED JUNE 30, 2005

COST SUPPORT MATERIAL
PART 88 COST ALLOCATION

SECTION 3

AL-1,16f1

DEVELOPMENT OF JOINT USE FACILITIES ALLOCATION FACTORS

AL-1,16f1

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		SWITCHING	INFO	TRAFFIC SENSITIVE			SPECIAL ACCESS		IX CATEGORY		
					LIMITED PAY	COMMON LINE			COMMON TERM	TRANSPORT FACILITY	DEDICATED TRANSPORT	INEL TERMINATION ALLOCATED	TERM	CHANNEL MILEAGE FACILITY	BAC	MSG
1		EQUIVALENT ACCESS LINES - MSG COE	0		0	0										
2		% DISTRIBUTION	0.0000%		0.0000%	0.0000%						0.0000%				
3		EQUIVALENT ACCESS LINES - MSG CWF	0		0	0						0				
4		% DISTRIBUTION	0.0000%		0.0000%	0.0000%						0.0000%				
5		IX CIRCUIT TERMINATIONS - MSG COE	786									786				
6		% DISTRIBUTION	100.0000%							100.0000%		0				
7		IX CIRCUIT MILES - MSG CWF	5,917,585									0.0000%				
8		% DISTRIBUTION	100.0000%							5917585.00		0.0000%				
DISTRIBUTION FACTORS																
9		STD WORK SECONDS - MANUAL BOARDS	100.0000%				0.0000%	0.0000%							100.0000%	
10		STD WORK SECONDS - TSPS	100.0000%				0.0000%	0.0000%							100.0000%	
11		END USER SVC ORDER CONTACTS	100.0000%				0.0000%	0.0000%							0.0000%	
12		END USER BILLING INQUIRY CONTACTS	0.0000%				0.0000%	0.0000%							0.0000%	
13		IX CARRIER SVC ORDER CONTACTS	100.0000%				86.7303%	0.0000%							0.0000%	
14		IX CARRIER PAYMENT & COLLECTION	100.0000%				86.7303%	0.0000%							0.0000%	
15		IX CARRIER PAYMENT & COLLECTION	100.0000%				86.7303%	0.0000%							0.0000%	
16		IX CARRIER BILLING INQUIRY CONTACTS	100.0000%				86.7303%	0.0000%							0.0000%	
17		PUBLIC TELEPHONE REVENUE	0.0000%				0.0000%	0.0000%							0.0000%	
18		END USER BILLING & COLLECTION	0.0000%				0.0000%	0.0000%							0.0000%	
19		OPERATOR SERVICES UNDER CONTRACT	0.0000%				0.0000%	0.0000%							0.0000%	
20			0.0000%												0.0000%	

S-1,1of1

REVENUE REQUIREMENT SUMMARY

S-1,1of1

LN	ALLOCATION RATIOS	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MSG TOLL		OTHER	NONACCESS
				INTRALATA	INTERLATA		
1	REVENUE REQUIREMENT SUMMARY						
2	NET INVESTMENT FOR SETTLEMENTS	7,948,158	NOTE A	119,712	3,228,827	4,599,619	0
3	RATE OF RETURN			11.2500%	11.2500%	9.5000%	11.2500%
4	RETURN ON INVESTMENT	813,674	LN1*LN 2	13,468	363,243	436,964	0
5	ALLOWANCE FOR FUNDS USED DURING CONSTR	0	S-8, LN 29	0	0	0	0
6	NET RETURN FOR SETTLEMENTS	813,674	LN3-LN4	13,468	363,243	436,964	0
7	TOTAL ITC AMORTIZATION	0	S-12, LN 28+29	0	0	0	0
8	FEDERAL OPERATING INCOME TAX (ACTUAL)	0	S-12, LN 30	0	0	0	0
9	FEDERAL OPERATING INCOME TAX (OPTION)	20,945	LN28-LN11	932	25,480	-5,467	0
10	STATE AND LOCAL INCOME TAX (ACTUAL)	0	S-12, LN 31	0	0	0	0
11	STATE AND LOCAL INCOME TAX (OPTION)	6,972	LN 33	310	8,482	-1,820	0
12	PROVISION FOR DEFERRED INCOME TAX	0	S-12, LN 33	0	0	0	0
13	OPERATING EXPENSE AND TAX	20,200,625	S-8, LN 18	301,706	8,247,852	11,651,066	0
14	NONOPERATING EXPENSE	21,733	S-8, LN 23	324	8,885	12,524	0
15	UNCOLLECTIBLES	271,799	S-8, LN 28	3,411	91,819	176,569	0
16	BASIS FOR GROSS RECEIPTS TAX	21,335,748		320,152	8,745,761	12,269,835	0
17	GROSS RECEIPTS TAX RATE (GROSS UP)	0		0.0000%	0.0000%	0.0000%	0.0000%
18	GROSS RECEIPTS TAX	0		0	0	0	0
19	TOTAL REVENUE REQUIREMENT	21,335,748		320,152	8,745,761	12,269,835	0

NOTE A: INCLUDES NET TEL PLANT FROM SCH S-2, LN 33 LESS A/C's 2004 ,2006 ,2007 AND 1402 OTHER THAN RTB STOCK.

***** **							
OPTIONAL GROSS UP INCOME TAX CALCULATION							
20	RETURN ON INVESTMENT	813,674	LN 3	13,468	363,243	0	0
21	INTEREST AND RELATED ITEMS	773,016	S-12, LN 19	11,658	313,782	0	0
22	OTHER INCOME ADJUSTMENTS	0	S-12, LN 24+25	0	0	0	0
23	TOTAL INCOME ADJUSTMENTS	773,016	LN 21+22	11,658	313,782	0	0
24	FEDERAL ITC AMORTIZATION	0	S-12, LN 28	0	0	0	0
25	FEDERAL TAXABLE INCOME	61,603		2,742	74,941	0	0
26	FEDERAL INCOME TAX @	34.00%	LN 25*FIT	932	25,480	0	0
27	FEDERAL SURTAX ALLOCATION	0	S-2, LN 34	0	0	0	0
28	NET FEDERAL INCOME TAX BEFORE ITC	20,945	LN26-LN27	932	25,480	0	0
29	STATE ITC AMORTIZATION	0	S-12, LN 29	0	0	0	0
30	STATE TAXABLE INCOME	58,103		2,586	70,683	0	0
31	STATE INCOME TAX @	12.00%	LN 30*SIT	310	8,482	0	0
32	STATE SURTAX EXEMPTION	0	S-2, LN 34	0	0	0	0
33	NET STATE INCOME TAX BEFORE ITC	6,972		310	8,482	0	0

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SUMMARY OF NET TELEPHONE PLANT, M&S AND WORKING CAPITAL

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LN	ALLOCATION RATIOS	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MSG TOLL		OTHER	NONACCESS	
				INTRALATA	INTERLATA			
NET INVESTMENT SUMMARY								
1	GENERAL SUPPORT FACILITIES	2110	4,478,151	S-3,LN 10	67,535	1,817,767	2,582,850	0
2	CENTRAL OFFICE SWITCHING EQUIPMEI	2210	23,164,497	S-4,LN 52	349,344	9,402,910	13,412,244	0
3	OPERATOR SYSTEMS EQUIPMENT	2220	0	S-4,LN 41	0	0	0	0
4	CENTRAL OFFICE TRANSMISSION EQUIP	2230	0	S-4,LN 78	0	0	0	0
5	INFORMATION ORIG/TERM EQUIPMENT	2310	0	S-5,LN 17	0	0	0	0
6	CABLE AND WIRE FACILITIES	2410	0	S-5,LN 42	0	0	0	0
7	TANGIBLE ASSETS	2680	648,643	S-3,LN 29	9,782	263,296	375,564	0
8	INTANGIBLE ASSETS	2690	283,691	S-3,LN 36	4,278	115,156	164,257	0
9	TOTAL PLANT IN SERVICE A/C 2001		28,574,983		430,939	11,599,128	16,544,915	0
10	% DISTRIBUTION		100.0000%		1.5081%	40.5919%	57.9000%	0.0000%
11	PROPERTY HELD FOR FUTURE USE	2002	0	S-6,LN 9	0	0	0	0
12	PLANT UNDER CONSTR - SHORT TERM	2003	0	S-6,LN 15	0	0	0	0
13	PLANT UNDER CONSTR - LONG TERM	2004	0	S-6,LN 21	0	0	0	0
14	TELEPHONE PLANT ADJUSTMENT	2005	0	S-6,LN 27	0	0	0	0
15	NONOPERATING PLANT	2006	0	DIRECT				0
16	GOODWILL	2007	0	DIRECT				0
17	TOTAL PROPERTY, PLANT & EQUIPMENT		28,574,983		430,939	11,599,128	16,544,915	0
18	% DISTRIBUTION		100.0000%		1.5081%	40.5919%	57.9000%	0.0000%
19	ACCUM DEPRECIATION - PLANT IN SERV	3100	16,526,224	S-7,LN 18	249,232	6,708,308	9,568,684	0
20	ACCUM DEPRECIATION - FUTURE USE	3200	0	S-7,LN 19	0	0	0	0
21	ACCUM AMORTIZATION - TANGIBLE PRO	3400	495,726	S-7,LN 23	7,476	201,224	287,025	0
22	ACCUM AMORTIZATION - INTANGIBLE PF	3500	283,691	S-7,LN 24	4,278	115,156	164,257	0
23	ACCUM AMORTIZATION - TEL PLANT ADJ	3600	0	S-7,LN 25	0	0	0	0
24	OPERATING DEFERRED INCOME TAX - N	VAR	4,184,212	S-7,LN 32	63,102	1,698,451	2,422,659	0
25	OTHER DEFERRED CREDITS - NET	4360	0	S-7,LN 38	0	0	0	0
26	NET TELEPHONE PLANT		7,085,129		106,851	2,875,989	4,102,290	0
27	% DISTRIBUTION		100.0000%		1.5081%	40.5919%	57.9000%	0.0000%
28	MATERIALS AND SUPPLIES	1220	0	S-6,LN 31	0	0	0	0
29	INVESTMENT IN NONAFFILIATED CO'S	1402	0	S-6,LN 35	0	0	0	0
30	EQUAL ACCESS EQUIPMENT	1439	0	S-6,LN 36	0	0	0	0
31	OTHER JURISDICTIONAL ASSETS	1500	0	S-6,LN 37	0	0	0	0
32	CASH WORKING CAPITAL	XXXX	863,029	S-3,LN 3	12,861	352,838	497,329	0
33	NET TEL PLANT, M&S AND CASH WORKING CAPITAL		7,948,158		119,712	3,228,827	4,599,619	0
34	% DISTRIBUTION		100.0000%		1.5082%	40.6236%	57.8702%	0.0000%

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SUMMARY OF OPERATING EXPENSE AND TAX

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LN	ALLOCATION RATIOS	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MSG TOLL		OTHER	NONACCESS
				INTRALATA	INTERLATA		
OPERATING EXPENSE AND TAX SUMMARY							
1	NETWORK SUPPORT EXPENSE 6110	0	S-9,LN 7	0	0	0	0
2	GENERAL SUPPORT EXPENSE 6120	1,083,648	S-9,LN 8	16,342	439,873	627,432	0
3	CENTRAL OFFICE EXPENSE 6210	963,356	S-9,LN 15	14,528	391,044	557,783	0
4	INFORMATION ORIG/TERM EXPENSE 6310	0	S-9,LN 21	0	0	0	0
5	CABLE AND WIRE FACILITIES EXPENSE 6410	12,777,678	S-9,LN 25	190,145	5,231,680	7,355,854	0
6	OTHER PLANT EXPENSE 6510	0	S-10,LN 11	0	0	0	0
7	NETWORK OPERATIONS EXPENSE 6530	793,074	S-10,LN 13	11,960	321,924	459,190	0
8	ACCESS CHARGE EXPENSE 6540	0	S-10,LN 14	0	0	0	0
9	MARKETING EXPENSE 6610	0	S-11,LN 13	0	0	0	0
10	SERVICES EXPENSE 6620	192,367	S-11,LN 44	2,827	76,087	113,454	0
11	EXECUTIVE AND PLANNING EXPENSE 6710	352,092	S-12,LN 8+9	5,247	143,948	202,896	0
12	GENERAL AND ADMINISTRATIVE EXPENSE 6720	1,380,410	S-12,LN 11+12	20,571	564,363	795,475	0
13	SUBTOTAL OPERATING EXPENSES	17,542,625		261,621	7,168,919	10,112,084	0
14	% DISTRIBUTION	100.0000%		1.4913%	40.8857%	57.6429%	0.0000%
15	DEPRECIATION AND AMORTIZATION 6560	2,506,669	S-10,LN 22+29	37,803	1,017,504	1,451,361	0
16	OTHER OPERATING TAX 7240	151,332	S-12,LN 32	2,282	61,428	87,621	0
17	EQUAL ACCESS EXPENSE	0	S-12,LN 15	0	0	0	0
18	TOTAL OPERATING EXPENSE AND TAX	20,200,625		301,706	8,247,852	11,651,066	0
19	% DISTRIBUTION	100.0000%		1.4935%	40.8297%	57.6768%	0.0000%
NON OPERATING EXPENSE 7370							
20	ABANDONED CONSTRUCTION	0	S-2,LN 10	0	0	0	0
21	CONTRIBUTIONS	21,733	S-12,LN 14	324	8,885	12,524	0
22	OTHER NON OPERATING EXPENSE	0	DIRECT				0
23	TOTAL NON OPERATING EXPENSE	21,733		324	8,885	12,524	0
24	% DISTRIBUTION	100.0000%		1.4902%	40.8837%	0.0000%	0.0000%
UNCOLLECTIBLES							
25	END USER MSG TOLLS 5310	0	DIRECT	0	0	0	0
26	END USER COMMON LINE 5320	0	DIRECT	0	0	0	0
27	IX CARRIER 5330	271,799	S-11,LN 5	3,411	91,819	176,569	0
28	TOTAL UNCOLLECTIBLES	271,799		3,411	91,819	176,569	0
29	ALLOWANCE FOR FUNDS USED DURING 7340	0	S-12,LN 3	0	0	0	0

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REVENUE REQUIREMENT SUMMARY

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	ACCESS DIVISION	ALL OTHER
REVENUE REQUIREMENT SUMMARY							
1	NET INVESTMENT FOR SETTLEMENTS			36,517,890	NOTE A	7,948,158	28,569,732
2	RATE OF RETURN					10.2373%	9.6106%
3	RETURN ON INVESTMENT			3,559,394	LN1*LN 2	813,674	2,745,720
4	ALLOWANCE FOR FUNDS USED DURING CONSTR			0	S-8, LN 30	0	0
5	NET RETURN FOR SETTLEMENTS			3,559,394	LN 3-LN 4	813,674	2,745,720
6	TOTAL ITC AMORTIZATION			0	S-12, LN 32	0	0
7	FEDERAL OPERATING INCOME TAX	(ACTUAL)		0		0	0
8	FEDERAL OPERATING INCOME TAX	(OPTION)		-29,755	LN28-LN11	20,945	-50,700
9	STATE AND LOCAL INCOME TAX	(ACTUAL)		0		0	0
10	STATE AND LOCAL INCOME TAX	(OPTION)		-9,905	LN 32	6,972	-16,877
11	PROVISION FOR DEFERRED INCOME TAX			0	S-12, LN 36	0	0
13	OPERATING EXPENSE AND TAX			68,487,906	S-8, LN 20	20,200,625	48,287,281
14	NONOPERATING EXPENSE			54,507	S-8, LN 25	21,733	32,774
15	UNCOLLECTIBLES			583,546	S-8, LN 29	271,799	311,747
16	BASIS FOR GROSS RECEIPTS TAX			72,645,693		21,335,748	51,309,945
17	GROSS RECEIPTS TAX RATE	(GROSS UP)				0.0000%	0.0000%
18	GROSS RECEIPTS TAX			0		0	0
19	TOTAL REVENUE REQUIREMENT			72,645,693		21,335,748	51,309,945

NOTE A: INCLUDES NET TEL PLANT FROM SCH S-2, LN 33 LESS A/C's 2004 ,2006 ,2007 AND 1402.

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OPTIONAL GROSS UP INCOME TAX CALCULATION

20	RETURN ON INVESTMENT			3,559,394	LN 3	813,674	2,745,720
21	INTEREST AND RELATED ITEMS			7,450,421	S-12, LN 22	773,016	6,677,405
22	OTHER INCOME ADJUSTMENTS			-3,833,268	S-12, LN 27+28	0	-3,833,268
23	TOTAL INCOME ADJUSTMENTS			3,617,153	LN 21+22	773,016	2,844,137
24	FEDERAL ITC AMORTIZATION			0	S-12, LN 32	0	0
25	FEDERAL TAXABLE INCOME			-87,514		61,603	-149,117
26	FEDERAL INCOME TAX @	34.00%		-29,755	LN 25*FIT	20,945	-50,700
27	FEDERAL SURTAX ALLOCATION			0	S-2, LN 32	0	0
28	NET FEDERAL INCOME TAX BEFORE ITC			-29,755	LN26-LN27	20,945	-50,700
29	STATE TAXABLE INCOME			-82,542		58,103	-140,644
30	STATE INCOME TAX @	12.00%		-9,905	LN 29*SIT	6,972	-16,877
31	STATE SURTAX EXEMPTION			0	S-2, LN 32	0	0
32	NET STATE INCOME TAX BEFORE ITC			-9,905	LN30-LN31	6,972	-16,877

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SUMMARY OF NET TELEPHONE PLANT, M&S AND WORKING CAPITAL

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LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	ACCESS DIVISION	ALL OTHER
	NET INVESTMENT SUMMARY						
1	GENERAL SUPPORT FACILITIES	2110		13,592,532	S-3, LN 27	4,478,151	9,114,381
2	CENTRAL OFFICE SWITCHING EQUIPME	2210		36,639,221	S-4, LN 17	23,164,497	13,474,724
3	CENTRAL OFFICE TRANSMISSION EQUIF	2230		39,811,366	S-4, LN 31	0	39,811,366
4	CABLE AND WIRE FACILITIES	2410		21,331,701	S-5, LN 16	0	21,331,701
5	TANGIBLE ASSETS	2680		1,968,825	S-3, LN 54	648,643	1,320,182
6	INTANGIBLE ASSETS	2690		1,136,555	S-3, LN 61	283,691	852,864
7	TOTAL PLANT IN SERVICE A/C 2001			114,480,200		28,574,983	85,905,217
8	% DISTRIBUTION			100.0000%		24.9606%	75.0394%
9	PROPERTY HELD FOR FUTURE USE	2002		0	S-6, LN 9	0	0
10	PLANT UNDER CONSTR - SHORT TERM	2003		0	S-6, LN 15	0	0
11	PLANT UNDER CONSTR - LONG TERM	2004		0	S-6, LN 21	0	0
12	TELEPHONE PLANT ADJUSTMENT	2005		0	S-6, LN 27	0	0
13	NONOPERATING PLANT	2006		0	DIRECT		
14	GOODWILL	2007		0	DIRECT		
15	TOTAL PROPERTY, PLANT & EQUIPMENT			114,480,200		28,574,983	85,905,217
16	% DISTRIBUTION			100.0000%		24.9606%	75.0394%
17	ACCUM DEPRECIATION - PLANT IN SERV	3100		61,827,139	S-7, LN 30	16,526,224	45,300,915
18	ACCUM DEPRECIATION - FUTURE USE	3200		0	S-7, LN 31	0	0
19	ACCUM AMORTIZATION - TANGIBLE PRC	3400		1,504,676	S-7, LN 36	495,726	1,008,950
20	ACCUM AMORTIZATION - INTANGIBLE PF	3500		1,136,555	S-7, LN 37	283,691	852,864
21	ACCUM AMORTIZATION - TEL PLANT AD.	3600		0	S-7, LN 38	0	0
22	OPERATING DEFERRED INCOME TAX - N	VAR		16,858,582	S-7, LN 44	4,184,212	12,674,370
23	OTHER DEFERRED CREDITS - NET	4360		0	S-7, LN 49	0	0
24	NET TELEPHONE PLANT			33,153,248		7,085,129	26,068,119
25	% DISTRIBUTION			100.0000%		21.3708%	78.6292%
26	MATERIALS AND SUPPLIES	1220		221,021	S-6, LN 32	0	221,021
27	PREPAID EXPENSES	1300		0	S-6, LN 37	0	0
28	INVESTMENT IN NONAFFILIATED CO'S	1402		0	S-6, LN 38	0	0
29	OTHER JURISDICTIONAL ASSETS	1500		0	S-6, LN 39	0	0
30	CASH WORKING CAPITAL	XXXX		3,143,621	COMPUTED	863,029	2,280,593
31	NET TEL PLANT, M&S AND CASH WORKING CAPITAL			36,517,890		7,948,158	28,569,732
32	% DISTRIBUTION			100.0000%		21.7651%	78.2349%

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SUMMARY OF OPERATING EXPENSE AND TAX

S-8,1of1

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	ACCESS DIVISION	ALL OTHER
	OPERATING EXPENSE AND TAX SUMMARY						
1	NETWORK SUPPORT EXPENSE	6110		187,147	S-9,LN 13-23	62,473	124,674
2	GENERAL SUPPORT EXPENSE	6120		2,757,350	S-9,LN 24-27	1,021,174	1,736,176
3	CENTRAL OFFICE EXPENSE	6210		2,841,391	S-9,LN 33	963,356	1,878,035
4	CABLE AND WIRE FACILITIES EXPENSE	6410		26,868,987	S-9,LN 35	12,777,678	14,091,309
5	OTHER PLANT EXPENSE	6510		0	S-10,LN 6	0	0
6	NETWORK OPERATIONS EXPENSE	6530		3,371,263	S-10,LN 13	793,074	2,578,189
7	ACCESS CHARGE EXPENSE	6540		14,781,104	S-10,LN 15	0	14,781,104
8	MARKETING EXPENSE	6610		2,145,901	S-11,LN 15	0	2,145,901
9	SERVICES EXPENSE	6620		1,428,191	S-11,LN 39	192,367	1,235,824
10	EXECUTIVE AND PLANNING EXPENSE	6710		909,336	S-12,LN 7	352,092	557,244
11	GENERAL AND ADMINISTRATIVE EXPEN:	6720		3,296,902	S-12,LN 8-15	1,380,410	1,916,492
12	SUBTOTAL OPERATING EXPENSES			58,587,572		17,542,625	41,044,947
13	% DISTRIBUTION			100.0000%		29.9426%	70.0574%
14	DEPRECIATION - PLANT IN SERVICE	6561		9,129,986	S-10,LN 33	2,452,616	6,677,370
15	DEPRECIATION - FUTURE USE	6562		0	S-10,LN 34	0	0
16	AMORTIZATION - TANGIBLES	6563		164,066	S-3,LN42-44	54,053	110,013
17	AMORTIZATION - INTANGIBLES	6564		0	S-3,LN 45	0	0
18	AMORTIZATION - OTHER	6565		0	S-3,LN 46	0	0
19	OTHER OPERATING TAX	7240		606,282	S-12,LN 35	151,332	454,950
20	TOTAL OPERATING EXPENSE AND TAX			68,487,906		20,200,625	48,287,281
21	% DISTRIBUTION			100.0000%		29.4952%	70.5048%
	NON OPERATING EXPENSE						
22	ABANDONED CONSTRUCTION	7370		0	S-2,LN 8	0	0
23	CONTRIBUTIONS			54,507	S-12,LN 2	21,733	32,774
24	ALL OTHER			0	S-12,LN 2	0	0
25	TOTAL NON OPERATING EXPENSE			54,507		21,733	32,774
26	% DISTRIBUTION			100.0000%		39.8711%	60.1289%
	UNCOLLECTIBLES						
27	END USER MSG TOLLS	5310		311,747	DIRECT	XXX	311,747
28	IX CARRIER	5330		271,799	DIRECT	271,799	
29	TOTAL UNCOLLECTIBLES			583,546		271,799	311,747
30	ALLOWANCE FOR FUNDS USED DURING	7340		0	S-12,LN 4	0	0