

Warwick Valley Telephone Company
JSI Tariff FCC No. 1 - Transmittal No. 105
Federal Universal Service Charge (FUSC) Rates
Proposed Rates for First Quarter 2005

Attachment 1 - Schedule 1

	End User Access Rate Description	FUSC Rate Tariff Section	Old Rate (Through Dec. 31, 2004) - Input	New Rates for January 1, 2005 - Per Sch. 2	Change	% Change
Line	(A)	(B)	(C)	(D)	(E)	(F)
1	Per Residential Line or Trunk	Sec. 17.1.3(B)(1)	\$0.58	\$0.70	\$0.12	20.69%
2	Per Single Line Business Line or Trunk	Sec. 17.1.3(B)(2)	\$0.58	\$0.70	\$0.12	20.69%
3	Per Multiline Business Line or Trunk	Sec. 17.1.3(B)(3)	\$0.59	\$0.71	\$0.12	20.34%
4	Per Centrex Line	Sec. 17.1.3(B)(4)	\$0.07	\$0.08	\$0.01	14.29%
5	Per Basic Rate ISDN (BRI) Line	Sec. 17.1.3(B)(5)	\$0.58	\$0.70	\$0.12	20.69%
6	Per Primary Rate ISDN (PRI) Arrangement	Sec. 17.1.3(B)(6)	\$2.95	\$3.55	\$0.60	20.34%
7	Per ISDN-BRI End User Port	Sec. 17.1.3(B)(7)	\$0.20	\$0.24	\$0.04	20.00%
8	Per ISDN-PRI End User Port	Sec. 17.1.3(B)(8)	\$0.98	\$1.18	\$0.20	20.41%
Calculation of FUSC for All Other End User Charges						
7	All Other Interstate Recurring and Nonrecurring Charges Billed to End Users	Sec. 17.1.3(A)	8.9%	10.7%	0.0180	20.22%

Worksheet = Schd 2, Proposed FUSC Rates

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Attachment 1 - Schedule 2

Federal Universal Service Charge (FUSC) Rates

Multiline Rate Calculation For First Quarter 2005 - Effective January 1, 2005

FCC PROPOSED FACTOR 10.70%

Line	End User Access Rate Description (A)	Tariff Section for End User Access Rate (B)	End User Rate (C)	Number of Charges that Apply (D)	End User Access Charge Billed (E) = (C)*(D)	Corresponding FUSC Rate Section (F)	Factor (If Section 17.1.3(A) (G)	FUSC Rate - if Based on Direct Factor (H) = (E)*(G)	FUSC Rate - Based on Interim Waiver - Per Schedule 3 (I)	FUSC Rate Applied per Service (J) = (D)*(I) or (H)
1	Per Residential Line or Trunk	Section 17.1.2(A)	\$6.50	1	\$6.50	Sec. 17.1.3(A)(1)	10.7%	\$0.70		\$0.70
2	Per Single Line Business Line or Trunk	Section 17.1.2(B)	\$6.50	1	\$6.50	Sec. 17.1.3(A)(2)	10.7%	\$0.70		\$0.70
3	Per Multiline Business Line or Trunk	Section 17.1.2(C)	\$7.18	1	\$7.18	Sec. 17.1.3(A)(3)			\$0.71	\$0.71
4	Per Centrex Line	Section 17.1.2(B)	\$6.50	1	\$6.50	Sec. 17.1.3(A)(4)			\$0.08	\$0.08
5	Per Basic Rate ISDN (BRI) Line	Section 17.1.2(B)	\$6.50	1	\$6.50	Sec. 17.1.3(A)(5)	10.7%	\$0.70		\$0.70
6	Per Primary Rate ISDN (PRI) Arrangement	Section 17.1.2(B)	\$7.18	5	\$35.90	Sec. 17.1.3(A)(6)	10.7%	\$3.84	\$0.71	\$3.55
7	Per ISDN-BRI End User Port	Section 17.1.4(A)	\$2.21	1	\$2.21	Sec. 17.1.3(A)(7)	10.7%	\$0.24		\$0.24
8	Per ISDN-PRI End User Port	Section 17.1.4(B)	\$2.21	5	\$11.05	Sec. 17.1.3(A)(8)	10.7%	\$1.18		\$1.18

Calculation of FUSC for Special Access and Other End User Charges

9	FUSC Factor Applicable to all Other Interstate Charges Billed to End Users	Sec. 17.1.3(B)	10.7%
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Federal Universal Service Charge (FUSC) Rates
Multiline Rate Calculation For First Quarter 2005 - Effective January 1, 2005

Attachment 1 - Schedule 3

FCC PROPOSED FACTOR 10.70%

	Description	Source	Variable	Value
	(A)	(B)	(C)	(D)
1	Gross Up Factor	$x = (c(a+b))/(a+(b/d))$ [see bottom of page]	x	11.9%
2	Multiline Business Lines Excluding Cenrex	Per Line 22	a	3,247
3	Centrex Lines	Per Line 23	b	402
4	FUSC Factor	Per DA 03-2833, 9/5/03	c	10.7%
5	Multiline EUCL to Centrex Factor	Per DA 03-689, 3/7/03	d	9
6	Multiline EUCL	JSI Tariff FCC No. 1 Sec. 17.1.2	e	\$5.98
7	Multiline FUSC Rate Without Gross-Up	Line 4 X Line 6 (Rounded)		\$0.640
8	Multiline FUSC Rate Grossed-Up	Line 1 X Line 6 --> to Sch 2, Col (I) Ln 3		\$0.710
9	Centrex Rate	Line 8 / Line 5		\$0.079
10	Centrex Rate-Rounded Up	Line 12 Rounded Up --> to Sch 2, Col (I) Ln 4		\$0.080
11	Effective Ratio - Multiline to Centrex	Line 8 / Line 10		8.88
12	Primary Rate ISDN	Line 8 X 5 --> to Sch 2, Col (J) Ln 6		\$3.550

Proof

Proof			Lines	Rate	Revenue
13	Monthly FUSC from Regular Multiline Bus Lines	Lines from Line 19, Rate from Line 8	3,242	\$0.710	\$2,301.82
14	Monthly FUSC from ISDN-PRI Arrangements	Lines from Line 20, Rate from Line 12	1	\$3.550	\$3.55
15	Monthly FUSC from Centrex lines.	Lines from Line 23, Rate from Line 10	402	\$0.080	\$32.16
16	Monthly FUSC for Adjusted Multiline	Sum Lines 13-15			\$2,337.53
17	Rounding				\$2.68
18	Required FUSC Charges Before Centrex Adjustment	Line 24(G) X Line 6 X Line 4			\$2,334.85

Multiline Business Line Data for Calculation of Centrex Rate

19	Multiline Business Lines - Excluding Centrex	Customer Records	2,433	809	3,242
20	ISDN PRI Arrangements	Customer Records	1	0	1
21	ISDN PRI Equivalent Multi-Line Lines	Line 20 * 5	5	-	5
22	Multiline Business Lines - Excluding Centrex	Line 9 + Line 21	2,438	809	3,247
23	Centrex Lines - Business	Customer Records	402	0	402
24	Total Multiline Business Lines Before Centrex Adjmt	Line 22 + Line 23	2,840	809	3,649
25	Adjusted Centrex Lines	Line 23 / 9 - Rounded Down	44	-	44
27	Centrex Adjustment	Line 23 - Line 25	358	-	358
28	Adjusted Multiline Count	Line 24 - Line 27	2,482	809	3,291

Gross-Up Formula Development:

$$c(e(a+b)) = xe(a+b/d); c(e(a+b)) = xe(a+b/d); x = (c(a+b))/(a+(b/d))$$