

ATM Multimedia VCC Service

PROJECTED DEMAND

COSTS

Channel Mileage Termination Monthly Cost - OC12
 Channel Mileage Facility Monthly Cost - OC12

Average Interoffice Transport Mileage

Total Average OC12 Interoffice Transport

Total Average OC12 Interoffice Transport per Mile

OC12 Megabit Capacity

Average Monthly Cost Per Megabit

Monthly Cost Per 1 Megabit MM-VCC

Projected Annual Cost

REVENUES

Proposed Monthly Price per 1 Megabit MM-VCC

Projected Annual Revenue

CONTRIBUTION

Annual Contribution

Contribution Margin

	8.0	8.0	8.0	8.0	8.0
	Colorado	Montana	Oregon	Washington	Wisconsin
Channel Mileage Termination Monthly Cost - OC12	\$1,291.35	\$1,189.14	\$2,454.20	\$1,160.35	\$1,034.73
Channel Mileage Facility Monthly Cost - OC12	\$67.75	\$162.08	\$303.56	\$214.34	\$212.55
Average Interoffice Transport Mileage	21.50	20.90	20.00	11.30	15.20
Total Average OC12 Interoffice Transport	\$4,039.31	\$5,765.67	\$10,979.67	\$4,742.69	\$5,300.18
Total Average OC12 Interoffice Transport per Mile	\$187.87	\$275.87	\$548.98	\$419.71	\$348.70
OC12 Megabit Capacity	622.08	622.08	622.08	622.08	622.08
Average Monthly Cost Per Megabit	\$6.49	\$9.27	\$17.65	\$7.62	\$8.52
Monthly Cost Per 1 Megabit MM-VCC	\$0.81	\$1.16	\$2.21	\$0.95	\$1.07
Projected Annual Cost	\$77.92	\$111.22	\$211.80	\$91.49	\$102.24
Proposed Monthly Price per 1 Megabit MM-VCC	\$1.55	\$1.55	\$1.55	\$1.55	\$1.55
Projected Annual Revenue	\$148.80	\$148.80	\$148.80	\$148.80	\$148.80
Annual Contribution	\$70.88	\$37.58	(\$63.00)	\$57.31	\$46.56
Contribution Margin	91.0%	33.8%	-29.7%	62.6%	45.5%

8.00 L1 Input
TUECA
Average
 L2 Engineering
 L3 Engineering
 L4 Engineering
 L5 (L2*2)+(L3*L4)
 L6 L5 / L4
 L7 Engineering
 L8 L5 / L7
 L9 L8 / L1
\$118.93 L10 L1 * L9 * 12
\$1.55 L11 NECA Tariff
\$148.80 L12 L1 * L11 * 12
\$29.87 L13 L12 - L10
 25.1% L14 L12 / L10 -1

kmiller