

ATM Multimedia VCC Service

PROJECTED DEMAND	9.0	13.0	24.0	11.0	12.0	13.80 TUECA Average	L1	Marketing
RECURRING COSTS								
Channel Mileage Termination Monthly Cost - OC12	\$1,291.35	\$1,189.14	\$2,454.20	\$1,160.35	\$1,034.73		L2	Engineering
Channel Mileage Facility Monthly Cost - OC12	\$67.75	\$162.08	\$303.56	\$214.34	\$212.55		L3	Engineering
Average Interoffice Transport Mileage	21.50	20.90	20.00	11.30	15.20		L4	Engineering
Total Average OC12 Interoffice Transport	\$4,039.31	\$5,765.67	\$10,979.67	\$4,742.69	\$5,300.18		L5	(L2*2)+(L3*L4)
Total Average OC12 Interoffice Transport per Mile	\$187.87	\$275.87	\$548.98	\$419.71	\$348.70		L6	L5 / L4
OC12 Megabit Capacity	622.08	622.08	622.08	622.08	622.08		L7	Engineering
Average Monthly Megabit Cost	\$6.49	\$9.27	\$17.65	\$7.62	\$8.52		L8	L5 / L7
Monthly Cost Per 4 Megabit MM-VCC	\$2.89	\$2.85	\$2.94	\$2.77	\$2.84		L9	L8 / L1 * 4
Projected Annual Monthly Recurring Cost	\$311.67	\$444.88	\$847.20	\$365.95	\$408.96	\$475.73	L10	L1 * L9 * 12
<u>Nonrecurring Cost</u>								
Technician Labor Rate	\$79.57	\$78.94	\$79.57	\$79.57	\$72.29		L11	Engineering
Labor Hours	0.05	0.05	0.05	0.05	0.05		L12	Engineering
Nonrecurring Cost per MM-VCC	\$3.98	\$3.95	\$3.98	\$3.98	\$3.61	\$3.90	L13	L11 * L12
REVENUES								
Proposed Monthly Price per 4 Megabit MM-VCC	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	L14	NECA Tariff
Projected Annual Revenue	\$324.00	\$468.00	\$864.00	\$396.00	\$432.00	\$496.80	L15	L1 * L14 * 12
Proposed Nonrecurring Price						\$5.00	L16	NECA Tariff
CONTRIBUTION								
Annual Contribution	\$12.33	\$23.12	\$16.80	\$30.05	\$23.04	\$21.07	L17	L15 - L10
Contribution Margin	4.0%	5.2%	2.0%	8.2%	5.6%	4.4%	L18	(L15 / L10) -1

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PROJECTED DEMAND	16.0	12.0	8.0	L1	Marketing
RECURRING COSTS	CTOC-OH	CTOC-WI	CTOC-MI		
Channel Mileage Termination Monthly Cost - OC12	\$2,166.01	\$1,034.73	\$1,279.53	L2	Engineering
Channel Mileage Facility Monthly Cost - OC12	\$473.75	\$212.55	\$151.55	L3	Engineering
Average Interoffice Transport Mileage	6.30	15.20	7.50	L4	Engineering
Total Average OC12 Interoffice Transport	\$7,316.66	\$5,300.18	\$3,695.69	L5	(L2*2)+(L3*L4)
Total Average OC12 Interoffice Transport per Mile	\$1,161.37	\$348.70	\$492.76	L6	L5 / L4
OC12 Megabit Capacity	622.08	622.08	622.08	L7	Engineering
Average Monthly Cost Per Megabit	\$11.76	\$8.52	\$5.94	L8	L5 / L7
Monthly Cost Per 4 Megabit MM-VCC	\$2.94	\$2.84	\$2.97	L9	L8 / L1 * 4
Projected Annual Monthly Recurring Cost	\$564.56	\$408.96	\$285.16	L10	L1 * L9 * 12
<u>Nonrecurring Cost</u>					
Technician Labor Rate	\$71.83	\$72.29	\$71.83	L11	Engineering
Labor Hours	0.05	0.05	0.05	L12	Engineering
Nonrecurring Cost per MM-VCC	\$3.59	\$3.61	\$3.59	L13	L11 * L12
REVENUES					
Proposed Monthly Price per 4 Megabit MM-VCC	\$3.00	\$3.00	\$3.00	L14	NECA Tariff
Projected Annual Revenue	\$576.00	\$432.00	\$288.00	L15	L1 * L14 * 12
Proposed Nonrecurring Price	\$5.00	\$5.00	\$5.00	L16	NECA Tariff
CONTRIBUTION					
Annual Contribution	\$11.44	\$23.04	\$2.84	L17	L15 - L10
Contribution Margin	2.0%	5.6%	1.0%	L18	(L15 / L10) -1

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	19.0	18.0		
PROJECTED DEMAND			L1	Marketing
RECURRING COSTS	CTOC-AL	CTOC-MO		
Channel Mileage Termination Monthly Cost - OC12	\$1,391.67	\$1,356.99	L2	Engineering
Channel Mileage Facility Monthly Cost - OC12	\$313.45	\$236.73	L3	Engineering
Average Interoffice Transport Mileage	18.82	22.30	L4	Engineering
Total Average OC12 Interoffice Transport	\$8,682.47	\$7,993.06	L5	(L2*2)+(L3*L4)
Total Average OC12 Interoffice Transport per Mile	\$461.34	\$358.43	L6	L5 / L4
OC12 Megabit Capacity	622.08	622.08	L7	Engineering
Average Monthly Cost Per Megabit	\$13.96	\$12.85	L8	L5 / L7
Monthly Cost Per 4 Megabit MM-VCC	\$2.94	\$2.86	L9	L8 / L1 * 4
Projected Annual Monthly Recurring Cost	\$669.94	\$616.75	L10	L1 * L9 * 12
<u>Nonrecurring Cost</u>				
Technician Labor Rate	\$86.72	\$86.72	L11	Engineering
Labor Hours	0.05	0.05	L12	Engineering
Nonrecurring Cost per MM-VCC	\$4.34	\$4.34	L13	L11 * L12
REVENUES				
Proposed Monthly Price per 4 Megabit MM-VCC	\$3.00	\$3.00	L14	NECA Tariff
Projected Annual Revenue	\$684.00	\$648.00	L15	L1 * L14 * 12
Proposed Nonrecurring Price	\$5.00	\$5.00	L16	NECA Tariff
CONTRIBUTION				
Annual Contribution	\$14.06	\$31.25	L17	L15 - L10
Contribution Margin	2.1%	5.1%	L18	(L15 / L10) -1