

Concord Telephone Company
DS1 Channel Service
Development of Demand and Revenue Impact

	ITEM	Source	Quantity	Annual Revenue
			A	B
1	DS1 Channel Service as of July 2005	Company Records	37	\$37,271
2	Average number of SLC per Channelized DS1 Arrangement	L1 Col B/ L1 Col A / L16 Col B / 12	9.9	
3	Total Multi-Line Business Access Line for 2004-2005 Test Period	2004 Annual Access Filing - TRP DMD 3	20,757	
4	Channelized DS1 SLCs as a percent of total MLB SLCs	L1 Col A * L2 Col A / L3 Col A	0.0177	
	Estimated 2004-2005 Test Period Annualized Impacts			
5	Total Multi-Line Business Access Line for 2004-2005 Test Period	L3 Col A	20,757	
6	Estimated DS1 Channel Service Arrangements	L5 Col A * L4 Col A / L2 Col A	37	
7	Estimated SLC MLB Line Loss	L6 Col A * (L2 Col A-5)	183	
8	Current MLB Rate			\$8.44
9	Estimated SLC Revenue Loss	L8 Col B * L7 Col A * 12		\$18,534
10	Annualized Estimated DS1 Channel Service Port Revenue	L6 Col A * L17 Col B * 12		\$10,438
11	Estimated Net Common Line Revenue Loss	L9 Col B - L10 Col B		\$8,096
	Estimated Impacts for Remaining Test Period			
12	September 1 Effective Date Adjustment Factor	July 1 through June 30 less July 1 through Aug. 31	0.833	
13	Estimated Annual SLC Revenue Loss	L9 Col B * L12 Col A		\$15,439
14	Estimated Annual DS1 Channel Service Port Revenue	L10 Col B * L12 Col A		\$8,695
15	Estimated Annual Net Common Line Revenue Loss *	L13 Col B - L14 Col B		\$6,744
	Current or Proposed Rates			
16	Current Multie-Line Business EUCL			\$8.44
17	Proposed Channelized DS1 Rate			\$23.51

* CTC proposes absorbing this loss by continuing to bill customers the current \$8.44 per MLB line monthly revenue per MLB EUCL and reporting to the NECA Common Line Pool and ICLS revenue at \$8.45 per MLB line.

ILLUSTRATIVE

John Staurulakis, Inc. Transmittal No. 110
 8/XX/2005
 Concord Telephone Company
 Channelized DS1 Service
 Development of Demand and Revenue Impact
 Recasted 2004-2005 Test Period Common Line Revenue

EXHIBIT 2

		2004-2005 Test Period	Source	DS1 Channelized Service Filing Impacts	Source	Recasted 2004-2005 Test Period
		A	B	C	D	E = A + C
1	Net End User Revenue	\$10,283,611	L10 Col A	-\$15,438.99	EX 1 L13 Col C	\$10,268,172
2	DS1 Line Port Revenue	\$0.00		\$8,695.22	EX 1 L14 Col C	\$8,695
3	ISDN Port Revenue	\$26,750.00	2004 Annual Filing	\$0.00		\$26,750
4	Additional MLB EUCL Revenue Reported to Pool			\$6,743.77	-L2 - L15	\$6,744
4	Total End User Revenue	\$10,283,611	L1 + L2 + L3 + L4	\$0.00	L1 + L2 + L3 + L4 *	\$10,283,611
5	Estimated Interstate Common Line Support	\$2,441,816	L6 Col A - L4 Col A	\$0	L6 Col C - L4 Col C *	\$2,441,816
6	Common Line Revenue Requirement	\$12,725,427	2004 TRP ACR-1 (P)	\$0.00	Input	\$12,725,427

* Because CTC will report MLB EUCL revenue to NECA Common Line Pool at \$8.45 per line per month, the projected \$6,743.77 impact of the DS1 Channel Service will not affect CTC receipts from the CL Pool or ICLS.

End User Revenue

7	Single Line Customers	104,889	L15
8	Single Line Rate	\$6.50	Capped Rate
9	Single Line Revenue	\$8,181,342	L7 * L8 * 12
10	Test Year Multi-Line Business EUCL Revenue	\$2,102,269	2004 Annual Filing TRP DMD-3
11	Total Test Year End User Common Line Revenue	\$10,283,611	L9 + L 10

12	Percentage Impact on CTC Receipt from ICLS:			0.000%	L5 Col C / L4 Col C
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13	Total End Users	125,646	Input
14	Multi-Line Busines End Users	20,757	2004 TRP DMD-3
15	Single Line and Residence Multi-Line	104,889	L13 - L14

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EXHIBIT 3

		A	Source of Column A
		A	
1	Test Period Common Line Revenue Requirement	\$12,725,427	EX 2 L5 Col A
2	Total End Users Before Channelized DS1	125,646	EX 2 L12 Col A
3	Current Multiline Business EUCL Rate	\$8.4400	L1 / K2 /12
4	Projected Channelized DS1 Port Revenue	\$8,695	EX 1 L14 Col B
5	Revised EUCL Revenue Requirement	\$12,716,732	L1 - L2
6	Reduction in EUCL Accounts	183	EX 1 L7 Col A
7	Revised Multiline Business EUCL Demand	125,463	L2 - L6
8	Revised Cost Per Line	\$8.4465	L5 / L7 / 12
9	Increase in Cost Per Line	\$0.0065	L8 - L3
10	Rounded Increase	\$0.0100	L9 Rounded
11	Required New Rate without Waiver	\$8.4500	L3 + L 10
11	Percentage Increase in Rate	0.12%	L10 / L3

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