

John Staurulakis, Inc. Transmittal No. 110  
8/XX/2005  
Concord Telephone Company  
DS1 Channel Service  
Development of Demand and Revenue Impact

EXHIBIT 1

|    | 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 | Annulaized 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        |
|    | <b>Estimated Impacts for Remaining Test Period</b>              |  |          |                |
| 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        |
|    | <b>Current or Proposed Rates</b>                                |  |          |                |
| 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.

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Recasted 2004-2005 Test Period Common Line Revenue

EXHIBIT 2

|   |  | 2004-2005 Test<br>Period | Source              | DS1 Channelized<br>Service Filing<br>Impacts | Source                | Recasted<br>2004-2005<br>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 |
|----|---|--|--|--------|---------------------|

|    |                                      |         |                |
|----|--------------------------------------|---------|----------------|
| 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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**Analysis of De Minimis Impact on Multiline EUCL Rate**

**EXHIBIT 3**

|    |   | <b>A</b>     | <b>Source of Column A</b> |
|----|---|--------------|---------------------------|
|    |   | <b>A</b>     |                           |
| 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  | Revused 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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