

TELECOMMUNICATIONS RELAY SERVICE
EXOGENOUS COST DEVELOPMENT

July 1, 2004 through June 30, 2005

2002 Annual Interstate End User Revenue (A)	TM # 358 10/1/2003 0.001490 (B)=(A)*.00149	04/01/2004 0.002200 C=A*0.0022	One Time Prior Year Adjustment D=C-B	2003 Annual Interstate End User Revenues (E)
3,998,090,414	5,957,155	8,795,799	2,838,644	3,836,414,326
95.956%				

July 1, 2005 through June 30, 2006

Estimated 2004 Annual Interstate End User Revenues (A')	7/04-6/05 0.00356 (B')=(F)	7/05-6/06 0.00528 (C')=(A')*.00528	7/05-6/06 Exogenous (D')=C-B	Removal of One time Prior Year Adjustment (E')=(-D'/E*A')
4,125,601,567	13,657,635	21,783,176	8,125,541	(3,052,620)

	Common Line End User 499	Special End User 499	PC Interexchange End User 499	Excluded Revenues
2004 End User Revenues	2,661,195,054	728,741,183	0	735,665,330
Allocation Basis	64.5044%	17.6639%	0.0000%	17.8317%
TRS	3,272,258	896,075	0	904,589

October 1, 2005 through June 30, 2006

Estimated 2004 Annual Interstate End User Revenues (A')	7/05-6/06 0.00528 (B'')=(A')*.00528	7/05-6/06 0.00564 (C'')=(A')*.00564	10/05-6/06 Exogenous (D'')=(C''-B'')*(12/9)
4,125,601,567	21,783,176	23,268,393	1,980,289

	Common Line End User 499	Special End User 499	PC Interexchange End User 499	Excluded Revenues
2004 End User Revenues	2,661,195,054	728,741,183	0	735,665,330
Allocation Basis	64.5044%	17.6639%	0.0000%	17.8317%
TRS	1,277,374	349,796	0	353,119

Workpaper 1

07/04-06/05
0.00356
(F)=(E)*0.00356

13,657,635

7/04-6/05
Exogenous
(G)=F-B

7,700,480

Total
7/05-6/06
Exogenous
(F')=D'+E'
5,072,921

Total
Revenue
4,125,601,567
100.0000%
5,072,921

Price Cap
Exogenous
4,168,333

**Total
Revenue**
4,125,601,567
100.0000%
1,980,289

**Price Cap
Exogenous**

1,627,169