



ALL TEL Corporation
Cost Support for DSL Promotional Filing
1st Quarter 2006

Promotion Description: \$14.95 per month for first 12 months of 3Mb/384K service			
ALL TEL Markets: All			
Months of Promotion: 6			
Months of Discounted Rate: 12			
Months Customer Must Retain Service: 12			
Study Months: 18			
Promotion Period:	Start 1-Jan-06	Stop 30-Jun-06	Months Until Start Date (2) 1.0

Description		Current	Forecast	Promotion
	(a)	(b)	(c)	(d)
1. DSL Rate		\$34.95	\$34.95	\$14.95
2. Average Monthly DSL Customer Growth Rate (without promotion)			1.60%	
3. Estimated Promotion Generated Customer Increase				17,500
4. Estimated Customer Retention After Promotion				75.00%
5. Estimated Monthly DSL Customers		\$2,201	\$5,589	
6. Estimated Monthly Customer Churn		2.05%	2.05%	
7. Current DSL Revenue Requirement @ 03/31/05		\$14,186,750		
8. Estimated Revenue Requirement Increase per Month			0.15%	0.26%
9. Estimated Revenue Requirement Through Promotion			\$14,455,398	\$14,607,820

		78,644																				
Description	Source	Current	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Total	
10. Monthly Revenue Requirement	L.7/ 12 + 0.15% per mo.	\$1,187,549	\$1,189,331	\$1,191,115	\$1,192,901	\$1,194,691	\$1,196,483	\$1,198,277	\$1,200,075	\$1,201,875	\$1,203,678	\$1,205,483	\$1,207,291	\$1,209,102	\$1,210,916	\$1,212,732	\$1,214,551	\$1,216,373	\$1,218,198	\$1,220,025	\$21,683,097	
11. Monthly Rev. Requirement W/Promotion	L.7/ 12 + 0.26% per mo.	\$1,187,549	\$1,190,637	\$1,193,732	\$1,196,836	\$1,199,948	\$1,203,068	\$1,206,196	\$1,209,332	\$1,212,476	\$1,215,629	\$1,218,789	\$1,221,958	\$1,225,135	\$1,228,321	\$1,231,514	\$1,234,716	\$1,237,926	\$1,241,145	\$1,244,372	\$21,911,730	
Current DSL Revenue:																						
12. Current Customer Demand	Forecast	\$2,201	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	\$5,589	
13. Current Rate	Line 1(b)	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	
14. Current Customer Revenues	Line 12 * Line 13	\$1,824,425	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$1,942,836	\$34,971,040	
Forecasted DSL Revenue Increase Excluding Promotion:																						
15. Forecasted New Customer Demand	Prior mo.+(L.2c*(L.12+Prior mo.))÷Net L.16		2,029	4,151	6,365	8,673	11,074	13,570	16,160	18,786	21,449	24,148	26,884	29,659	32,472	35,318	38,195	41,106	44,050	47,029	23,395	
16. Forecasted Customer Disconnects	Prior mo.+(L.6c*(L.12+Prior L.15])		-1,140	-2,358	-3,654	-5,029	-6,482	-8,015	-9,627	-11,259	-12,912	-14,585	-16,279	-17,995	-19,732	-21,484	-23,251	-25,033	-26,831	-28,645	-14,128	
17. Net Customers Billed at Forecasted Rate	1/2 Curr. Mo. + Prior L.15 + Prior L.16		445	1,341	2,252	3,178	4,118	5,073	6,044	7,030	8,032	9,050	10,084	11,135	12,202	13,287	14,389	15,509	16,646	17,802	8,756	
18. Forecasted Rate	Line 1(c)		\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	
19. Forecasted Revenue Increase (Decr)	Line 17 * Line 18		\$15,543	\$46,877	\$78,712	\$111,057	\$143,919	\$177,307	\$211,230	\$245,695	\$280,711	\$316,288	\$352,434	\$389,158	\$426,470	\$464,379	\$502,894	\$542,026	\$581,784	\$622,178	\$5,508,660	
Forecasted DSL Promotion Revenue:																						
20. Promotion Generated Customer Increase	Line 3(d) Phased In		2,917	5,833	8,750	11,667	14,583	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,135	16,771	16,406	16,042	15,677	15,313	14,644	
21. Billed at Promotional Rate	1/2 Curr. Mo.+Prior L.20 for 12 months		1,458	4,375	7,292	10,208	13,125	16,042	17,500	17,500	17,500	17,500	17,500	17,500	16,042	13,125	10,208	7,292	4,375	1,458	11,667	
22. Billed at Full Rate	After 12 mo. = L.20 - L.21		0	0	0	0	0	0	0	0	0	0	0	0	1,094	3,646	6,198	8,750	11,302	13,854	2,977	
23. Promotion Rate For 12 Months	Line 1(d)		\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	
24. Full DSL Rate After Promotion	Line 1(c)		\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	\$34.95	
25. Promotion Customer Revenues	(L.21*(L.23)+(L.22*(L.24)		\$21,802	\$65,406	\$109,010	\$152,615	\$196,219	\$239,823	\$261,625	\$261,625	\$261,625	\$261,625	\$261,625	\$261,625	\$278,049	\$323,641	\$369,232	\$414,823	\$460,414	\$506,005	\$4,706,789	
26. Ordinary Customer Growth	Line 15		2,029	4,151	6,365	8,673	11,074	13,570	16,160	18,786	21,449	24,148	26,884	29,659	32,472	35,318	38,195	41,106	44,050	47,029	23,395	
27. Percent Taking Promotion	Input	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
28. Forecasted Taking Promotion Rate	Line 26 * Line 27		2,029	4,151	6,365	8,673	11,074	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570	11,594	
29. Billed at Promotional Rate	1/2 Curr.+Prior L.28 - 12 mo.		1,015	3,090	5,258	7,519	9,873	12,322	13,570	13,570	13,570	13,570	13,570	13,570	12,555	10,479	8,311	6,051	3,696	1,248	9,046	
30. Discount Amount	Line 1(d) - Line 1(c)		-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	-\$20.00	
31. Revenue Loss on Ordinary Customer Growth	Line 29 * Line 30		-\$20,294	-\$61,805	-\$105,163	-\$150,382	-\$197,467	-\$246,433	-\$271,392	-\$271,392	-\$271,392	-\$271,392	-\$271,392	-\$271,392	-\$271,392	-\$251,098	-\$209,587	-\$166,230	-\$121,010	-\$73,925	-\$3,256,708	
32. Net Promotional Revenues	Line 25 + Line 31		\$1,508	\$3,601	\$3,848	\$2,233	-\$1,248	-\$6,610	-\$9,767	-\$9,767	-\$9,767	-\$9,767	-\$9,767	-\$9,767	-\$9,767	\$26,951	\$114,053	\$203,002	\$293,812	\$386,489	\$481,046	\$1,450,082
33. Total Revenues	L.14 + L.19 + L.32		\$1,824,425	\$1,959,886	\$1,993,314	\$2,025,395	\$2,056,125	\$2,085,506	\$2,113,532	\$2,144,298	\$2,178,763	\$2,213,779	\$2,249,356	\$2,285,502	\$2,322,226	\$2,396,257	\$2,521,268	\$2,648,732	\$2,778,674	\$2,911,108	\$3,046,060	\$41,929,782
34. Total Revenues less Revenue Requirement Before Promotion	L.14 + L.19 - L.10		\$636,876	\$769,048	\$798,598	\$828,646	\$859,202	\$890,272	\$921,865	\$953,990	\$986,655	\$1,019,869	\$1,053,640	\$1,087,978	\$1,122,891	\$1,158,390	\$1,194,482	\$1,231,178	\$1,268,488	\$1,306,421	\$1,344,988	\$18,796,604
35. Total Revenues less Revenue Requirement After Promotion	Line 33 - Line 11		\$636,876	\$769,249	\$799,581	\$828,559	\$856,177	\$882,438	\$907,337	\$934,966	\$966,287	\$998,151	\$1,030,567	\$1,063,544	\$1,097,091	\$1,167,936	\$1,289,754	\$1,414,016	\$1,540,748	\$1,669,963	\$1,801,688	\$20,018,051

Notes:
1) Assumed 0.15% monthly increase in revenue requirement to handle normal customer growth, and 0.26% with promotion.
2) Current customer data is as of December 1, 2005.
3) Data is for all ALLTEL companies except those covered by the NECA access tariff.
4) Customer counts and revenue requirement are for 3Mb/384K customers only.