

COS-1(P)  
Filing Date: 6/16/2006  
Filing Entity: ALTO  
Transmittal Number 165  
COSA: ALTOAN06

Rate-of Return TRP For Companies Filing Under CFR 61.38  
Cost Analysis Summary  
Test Year: 7/06 - 6/07

	Total Company (A)	Part 64 Adjustments (B)	Other Adjustments (C)	Subject to Separations (D)	Total Interstate (E)	Billing & Collection (F)	Inter- exchange (G)	ROR Regulated IS Access (H)	Pay Phone (I)	Inside Wire (J)	BFP (K)	Total Common Line (L)	Local Switching (M)	Equal Access (N)	SS7 (O)	Information (P)	Tandem Switching (Q)	Local Transport (R)	Host Remote (S)	Total Switched Traffic Sensitive (T)	Special Access (U)		
<b>Revenues</b>																							
100 Network Access	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	10,098,777	0	0	5,365,114	5,365,114	2,182,089	0	43,453	13,034	21,712	493,928	253,107	2,754,217	1,979,446	
110 Uncollectibles	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	n/a	n/a	n/a	n/a	
120 Common Line Support	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
130 Long Term	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
140 Transitional	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
150 Miscellaneous	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	8,025	0	4,937	4,937	1,438	0	59	0	21	419	n/a	1,937	1,151		
160 Net Revenues	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	
<b>Expenses</b>																							
170 Plant Specific	n/a	n/a	n/a	n/a	n/a	1,615,775	880	3,796	1,611,109	0	0	655,289	655,289	402,860	0	12,657	0	4,454	64,807	n/a	484,778	471,041	
171 Network Support	n/a	n/a	n/a	n/a	n/a	91,386	20	360	91,006	0	0	49,020	49,020	23,506	0	505	0	175	5,948	n/a	30,135	11,851	
172 General Support	n/a	n/a	n/a	n/a	n/a	209,829	860	1,060	207,910	0	0	111,354	111,354	51,500	0	1,483	0	517	12,813	n/a	66,313	30,244	
173 Central Office	n/a	n/a	n/a	n/a	n/a	813,375	0	1,152	812,223	0	0	49,817	49,817	327,854	0	10,632	0	3,761	23,329	n/a	365,576	396,830	
174 Operator Systems	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	
175 COE Switching	n/a	n/a	n/a	n/a	n/a	342,201	0	0	342,201	0	0	0	0	327,854	0	10,586	0	3,761	0	n/a	342,201	0	
176 COE Transmission	n/a	n/a	n/a	n/a	n/a	471,174	0	1,152	470,023	0	0	49,817	49,817	0	0	46	0	0	23,329	n/a	23,376	396,830	
177 IOT	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	
178 Cable & Wire Facilities	n/a	n/a	n/a	n/a	n/a	501,194	0	1,215	499,969	0	0	445,098	445,098	0	0	37	0	0	22,716	n/a	22,754	32,117	
180 Plant Non-Sp. Less Dep/Amor	n/a	n/a	n/a	n/a	n/a	863,973	0	1,660	862,313	0	0	515,917	515,917	76,810	0	2,321	0	810	19,045	n/a	98,967	247,409	
190 Depreciation / Amortization	6,913,345	199,252	0	6,714,093	2,247,622	445	12,623	2,234,553	0	0	1,133,485	1,133,485	498,995	0	11,610	3,992	182,752	n/a	697,340	403,728	219,829		
200 Customer Operations	n/a	n/a	n/a	n/a	n/a	598,506	158,570	492	437,444	0	0	144,032	144,032	49,313	0	1,525	10,206	532	12,207	n/a	73,793	219,829	
201 Marketing	n/a	n/a	n/a	n/a	n/a	220,166	22	485	219,659	0	0	44,386	44,386	20,042	0	677	0	237	4,928	n/a	25,884	149,389	
202 Local Business Office	n/a	n/a	n/a	n/a	n/a	9,782	0	0	9,782	0	0	0	0	0	0	9,782	0	0	0	n/a	9,782	0	
203 Revenue Accounting	n/a	n/a	n/a	n/a	n/a	366,559	158,548	8	208,003	0	0	99,646	99,646	29,271	0	848	424	296	7,279	n/a	38,117	70,240	
204 Other Billing & Collection	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	
210 Access	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	
220 Corporate Operations	n/a	n/a	n/a	n/a	n/a	877,490	44,955	1,637	830,898	0	0	370,383	370,383	149,121	0	4,549	2,829	1,597	27,291	n/a	185,387	275,128	
230 AFUDC	n/a	n/a	n/a	n/a	n/a	6,524	2	29	6,493	0	0	3,488	3,488	1,645	0	41	0	14	413	n/a	2,113	892	
240 Other Exp. & Adjustments	n/a	n/a	n/a	n/a	n/a	6,915	17	6,896	0	0	3,741	3,741	1,873	0	25	0	8	483	n/a	2,389	766		
250 Taxes Other than FIT	n/a	n/a	n/a	n/a	n/a	801,786	158	3,052	798,577	0	0	432,646	432,646	216,626	0	5,051	0	1,762	46,725	n/a	270,164	95,767	
260 Total Exp and Other Taxes	n/a	n/a	n/a	n/a	n/a	7,016,592	205,011	23,297	6,788,284	0	0	3,258,981	3,258,981	1,397,233	0	37,780	13,034	13,171	353,724	n/a	1,814,941	1,714,361	
<b>FIT Adjustments</b>																							
270 Adjustment for FIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	
280 Amortized ITC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	
290 Federal Income Taxes	n/a	n/a	n/a	n/a	n/a	3,421,869	1,140,218	117	2,901	1,137,201	0	0	628,957	628,957	359,987	0	8,289	0	2,915	47,664	n/a	418,854	89,389
300 Total Expenses & Taxes	n/a	n/a	n/a	n/a	n/a	3,421,869	8,156,810	n/a	26,198	7,925,484	0	0	3,887,938	3,887,938	1,757,220	0	46,069	13,034	16,085	401,387	n/a	2,233,796	1,803,750
<b>Telephone Plant in Service</b>																							
310 General Support	8,370,596	229,731	0	8,140,865	2,676,379	10,730	12,623	2,653,027	0	0	1,423,330	1,423,330	665,489	0	17,678	0	6,159	166,432	n/a	855,758	373,938		
320 Central Office Equip-Switch	22,394,007	0	0	22,394,007	11,668,785	0	0	11,668,785	0	0	0	0	11,329,213	0	250,552	0	89,021	0	n/a	11,668,785	0		
321 Operator Systems	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	
322 Tandem Switching	228,421	0	0	228,421	97,220	0	0	97,220	0	0	0	0	0	0	0	0	89,021	0	n/a	97,220	0		
323 Local Switching Cat. 3	22,165,587	0	0	22,165,587	11,571,565	0	0	11,571,565	0	0	0	0	11,329,213	0	242,352	0	0	0	n/a	11,571,565	0		
324 Equal Access	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0		
330 Central Office Equip-Trans	27,513,701	0	0	27,513,701	10,187,945	0	135,042	10,052,904	0	0	3,877,574	3,877,574	0	0	3,935	0	0	1,789,527	n/a	1,793,461	4,381,868		
331 Subscriber Lines	20,175,473	0	0	20,175,473	7,637,767	0	0	7,637,767	0	0	3,877,574	3,877,574	0	0	0	0	0	0	n/a	0	3,760,193		
332 Exchange Circuit	130,779	0	0	130,779	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0		
333 Interexchange Circuit	4,526,733	0	0	4,526,733	1,666,635	0	135,042	1,531,594	0	0	0	0	0	0	3,935	0	0	905,984	n/a	909,918	621,675		
334 Host Remote	2,680,716	0	0	2,680,716	883,543	0	0	883,543	0	0	0	0	0	0	0	0	0	883,543	883,543	883,543	0		
340 Cable & Wire	85,790,613	0	0	85,790,613	22,473,964	0	47,404	22,426,559	0	0	19,881,434	19,881,434	0	0	1,642	0	0	1,069,946	n/a	1,071,588	1,473,537		
341 Subscriber Lines	81,419,022	0	0	81,419,022	20,674,935	0	0	20,674,935	0	0	19,881,434	19,881,434	0	0	0	0	0	0	n/a	0	753,501		
342 Exchange	1,127,251	0	0	1,127,251	567,785	0	0	567,785	0	0	0	0	0	0	0	0	0	0	n/a	0	567,785		
343 Interexchange	1,586,960	0	0	1,586,960	700,512	0	47,404	653,107	0	0	0	0	0	0	1,642	0	0	539,214	n/a	540,856	112,251		
344 Host Remote	1,657,380	0	0	1,657,380	530,732	0	0	530,732	0	0	0	0	0	0	0	0	0	530,732	530,732	530,732	0		
350 Info Orig/Term Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0		
360 Amortizable Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0		
370 Total Plant in Service	144,068,917	229,731	0	143,839,186	47,007,072	10,730	195,069	46,801,274	0	0	25,182,338	25,182,338	11,994,701	0	273,807	0	95,180	3,025,904	n/a	15,389,592	6,229,344		
<b>Adjustments to TPIS</b>																							
380 Dep'r / Amor Reserve	66,532,835	806,112	0	65,726,723	21,615,725	7,333	120,935	21,487,457	0	0	11,325,916	11,325,916	4,277,693	0	95,366	0	32,564	1,834,283	n/a	6,239,905	3,921,636		
390 Accum Deferred Income Tax	19,676,855	36,066	0	19,640,790	6,439,514	1,414	24,422	6,413,678	0	0	3,408,601	3,408,601	1,753,710	0	39,073	0	13,610	400,780	n/a	2,207,172	797,905		
400 Other Rate Base Adjust.	n/a	n/a	n/a	n/a	578,698	134	2,520	573,044	0	0	307,985	307,985	145,649	0	3,534	0	1,230	36,621	n/a	187,033	78,025		
<b>Return Data</b>																					</		

COS-1(H)  
Filing Date: 6/16/2006  
Filing Entity: ALTO  
Transmittal Number 165  
COSA: ALTOAN06

Rate-of Return TRP  
Cost Analysis Summary  
Historical, Calendar Year 2005

	Total Company (A)		Part 64 Adjustments (B)		Other Adjustments (C)		Subject to Separations (D)		Total Interstate (E)		Billing & Collection (F)		Inter-exchange (G)		ROR Regulated I/S Access (H)		Pay Phone (I)		Inside Wire (J)		BFP (K)		Total Common Line (L)		Local Switching (M)		Equal Access (N)		SS7 (O)		Information (P)		Tandem Switching (Q)		Local Transport (R)		Host Remote (S)		Total Switched Traffic Sensitive (T)		Special Access (U)					
Revenues																																														
100 Network Access	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	9,458,978	0	0	0	0	0	0	5,309,534	5,309,534	2,170,948	0	43,240	21,610	0	43,240	21,610	0	282,032	219,977	253,107	2,737,807	1,411,637	0	0	0	0	0	0	0	0	
110 Uncollectibles	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
120 Common Line Support	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
130 Long Term	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
140 Transitional	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
150 Miscellaneous	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	7,800	0	0	0	0	0	0	5,014	5,014	1,483	0	61	21	0	61	21	0	186	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
160 Net Revenues	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	9,466,778	0	0	0	0	0	0	5,314,548	5,314,548	2,172,431	0	43,301	21,631	0	43,301	21,631	0	282,264	220,163	253,107	2,739,790	1,412,439	0	0	0	0	0	0	0	0	0
Expenses	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
170 Plant Specific	n/a	n/a	n/a	n/a	n/a	n/a	1,404,319	954	3,900	1,399,464	0	643,207	643,207	373,336	0	11,450	4,024	36,678	28,398	n/a	453,886	302,372	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
171 Network Support	n/a	n/a	n/a	n/a	n/a	n/a	86,567	21	346	86,201	0	0	48,356	48,356	23,142	0	512	178	3,584	2,179	n/a	29,595	8,250	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
172 General Support	n/a	n/a	n/a	n/a	n/a	n/a	197,949	933	1,017	195,999	0	0	110,068	110,068	50,995	0	1,502	524	7,922	4,472	n/a	65,414	20,517	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
173 Central Office	n/a	n/a	n/a	n/a	n/a	n/a	642,066	0	1,372	640,694	0	0	57,122	57,122	299,199	0	9,400	3,322	25,173	0	n/a	337,093	246,478	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
174 Operator Systems	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
175 COE Switching	n/a	n/a	n/a	n/a	n/a	n/a	311,870	0	0	311,870	0	0	0	0	299,199	0	9,349	3,322	0	0	n/a	311,870	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
176 COE Transmission	n/a	n/a	n/a	n/a	n/a	n/a	330,196	0	1,372	328,824	0	0	57,122	57,122	0	0	51	0	25,173	0	n/a	25,224	246,478	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
177 IOT	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
178 Cable & Wire Facilities	n/a	n/a	n/a	n/a	n/a	n/a	477,736	0	1,165	476,571	0	0	427,661	427,661	0	0	36	0	0	21,747	n/a	21,783	27,127	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
180 Plant Non-Sp. Less Dep/Amor	n/a	n/a	n/a	n/a	n/a	n/a	818,134	0	1,600	816,533	0	0	499,476	499,476	76,308	0	2,358	824	11,870	6,594	n/a	97,554	219,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
190 Depreciation / Amortization	2,119,245	61,079	0	6,386,819	2,058,166	506	11,647	2,058,013	0	0	1,108,222	1,108,222	492,345	0	11,344	3,908	124,932	43,852	n/a	676,381	261,409	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
200 Customer Operations	n/a	n/a	n/a	n/a	n/a	n/a	525,109	158,463	396	366,251	0	0	135,779	135,779	45,764	0	1,431	500	7,109	14,140	n/a	68,945	161,527	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
201 Marketing	n/a	n/a	n/a	n/a	n/a	n/a	148,768	20	388	148,360	0	0	36,234	36,234	16,400	0	572	200	2,551	1,359	n/a	21,083	91,043	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
202 Local Business Office	n/a	n/a	n/a	n/a	n/a	n/a	9,782	0	0	9,782	0	0	0	0	0	0	0	0	9,782	n/a	9,782	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
203 Revenue Accounting	n/a	n/a	n/a	n/a	n/a	n/a	366,559	158,442	8	208,108	0	0	99,545	99,545	29,364	0	899	300	4,558	2,999	n/a	38,080	70,483	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
204 Other Billing & Collection	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
210 Access	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	n/a	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
220 Corporate Operations	n/a	n/a	n/a	n/a	n/a	n/a	723,085	41,789	1,532	679,765	0	0	334,075	334,075	129,718	0	3,977	1,396	14,545	12,866	n/a	162,502	183,188	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
230 AFUDC	n/a	n/a	n/a	n/a	n/a	n/a	6,355	2	29	6,324	0	0	3,549	3,549	1,674	0	43	15	259	153	n/a	2,143	632	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
240 Other Exp. & Adjustments	n/a	n/a	n/a	n/a	n/a	n/a	2,535	1	13	2,521	0	0	1,415	1,415	655	0	20	7	102	57	n/a	840	266	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
250 Taxes Other than FIT	n/a	n/a	n/a	n/a	n/a	n/a	757,629	164	2,892	754,573	0	0	422,455	422,455	212,972	0	5,091	1,778	26,035	19,293	n/a	265,168	66,950	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
260 Total Exp and Other Taxes	n/a	n/a	n/a	n/a	n/a	n/a	6,295,332	201,879	22,009	6,071,444	0	0	3,148,178	3,148,178	1,332,771	0	35,713	12,451	221,531	125,353	n/a	1,727,819	1,195,446	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FIT Adjustments	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
270 Adjustment for FIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
280 Amortized ITC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
290 Federal Income Taxes	n/a	n/a	n/a	n/a	n/a	n/a	3,612,330	1,165,922	120	3,018	1,162,784	0	648,605	648,605	376,272	0	8,887	3,124	20,155	32,603	n/a	441,041	73,138	0																						

**COS-2**

**Filing Date:** 6/16/2006  
**Filing Entity:** ALTO  
**Transmittal Number :** 165  
**COSA:** ALTOAN06

**Rate-of-Return TRP**  
**7/06 - 6/07 Forecast**  
**Versus 2005 Actual**

		Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
<b>Forecast, 7/06 - 6/07</b>							
	<b>Revenue Requirement</b>						
100	Depreciation / Amortization	1,133,485	697,340	403,728	13,069	2,247,622	6,714,093
105	Expense Less Dep & Amor	1,692,850	847,438	1,214,866	212,030	3,967,184	(6,714,093)
110	Taxes Less FIT	432,646	270,164	95,767	3,210	801,786	n/a
115	Return	1,210,028	802,074	178,631	0	2,190,733	n/a
120	FIT	628,957	418,854	89,389	3,017	1,140,218	3,421,869
125	Uncol., IDC & Other Adj.	(4,937)	(1,937)	(1,151)	0	(8,025)	n/a
130	Revenue Requirements	5,093,030	3,033,933	1,981,230	231,326	10,339,518	3,421,869
135	Access Service Revenue	5,093,030	3,033,933	1,981,230	231,326	10,339,518	3,421,869
	<b>Rate Base</b>						
140	Telephone Plant in Service	25,182,338	15,389,592	6,229,344	205,798	47,007,072	143,839,186
145	Rate Base Adjustments	307,985	187,033	78,025	2,654	575,698	n/a
150	Depreciation Reserves	11,325,916	6,239,905	3,921,636	128,268	21,615,725	65,726,723
155	Accum Deferred Income Tax	3,408,601	2,207,172	797,905	25,836	6,439,514	19,640,790
160	Average Rate Base	10,755,807	7,129,549	1,587,827	0	19,473,184	n/a
<b>Actual, 1/05 - 12/05</b>							
	<b>Revenue Requirement</b>						
190	Depreciation / Amortization	1,108,222	676,381	261,409	12,153	2,058,166	6,386,819
205	Expense Less Depr & Amor	1,617,502	786,270	867,087	208,679	3,479,537	(6,386,819)
210	Taxes Less FIT	422,455	265,168	66,950	3,056	757,629	n/a
215	Return	1,250,668	845,840	145,119	0	2,241,627	n/a
220	FIT	648,605	441,041	73,138	3,138	1,165,922	3,612,330
225	Uncol., IDC & Other Adj.	(5,014)	(1,983)	(802)	0	(7,800)	n/a
230	Revenue Requirements	5,042,437	3,012,717	1,412,901	227,026	9,695,081	3,612,330
235	Access Service Revenue	5,042,437	3,012,717	1,412,901	227,026	9,695,081	3,612,330
	<b>Rate Base</b>						
240	Telephone Plant in Service	24,317,518	14,816,729	4,225,440	192,737	43,552,425	136,673,362
245	Rate Base Adjustments	281,613	170,426	49,789	2,373	504,202	n/a
250	Depreciation Reserves	9,990,611	5,240,733	2,394,702	112,038	17,738,084	56,211,503
255	Accum Deferred Income Tax	3,491,471	2,227,843	590,581	26,569	6,336,464	19,790,138
260	Average Rate Base	11,117,049	7,518,580	1,289,946	0	19,925,575	n/a
<b>Forecast, 7/05 - 6/06</b>							
	<b>Revenue Requirement</b>						
100	Depreciation / Amortization	1,066,767	664,498	244,665	11,422	1,987,352	6,144,668
105	Expense Less Dep & Amor	1,509,563	829,018	310,716	211,195	2,860,492	8,784,327
110	Taxes Less FIT	398,184	256,919	60,798	2,739	718,640	2,246,610
115	Return	1,283,023	882,841	150,635	6,459	2,322,959	7,194,976
120	FIT	641,884	445,329	72,327	3,019	1,162,559	3,600,372

**COS-2**

Filing Date: 6/16/2006  
Filing Entity: ALTO  
Transmittal Number : 165  
COSA: ALTOAN06

Rate-of-Return TRP  
7/06 - 6/07 Forecast  
Versus 2005 Actual

		Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
125	Uncol., IDC & Other Adj.	(4,775)	(2,131)	(737)	(39)	(7,682)	(24,867)
130	Revenue Requirements	4,894,648	3,076,475	838,405	234,794	9,044,321	27,946,087
135	Access Service Revenue	4,894,648	3,076,475	838,405	234,794	9,044,321	27,946,087
<b>Rate Base</b>							
140	Telephone Plant in Service	23,707,399	14,796,474	4,023,593	184,689	42,712,155	133,514,914
145	Rate Base Adjustments	287,941	178,991	49,563	2,364	518,859	1,632,069
150	Depreciation Reserves	9,127,127	4,870,118	2,158,852	103,249	16,259,346	51,195,828
155	Accum Deferred Income Tax	3,463,561	2,257,870	575,322	26,392	6,323,145	19,664,254
160	Average Rate Base	11,404,652	7,847,477	1,338,982	57,412	20,648,523	64,286,901
<b>Actual, 1/04 - 12/04</b>							
<b>Revenue Requirement</b>							
200	Depreciation / Amortization	1,066,767	664,498	244,665	11,422	1,987,352	6,144,668
205	Expense Less Depr & Amor	1,509,563	829,018	310,716	211,195	2,860,492	8,784,327
210	Taxes Less FIT	398,184	256,919	60,798	2,739	718,640	2,246,610
215	Return	1,283,023	882,841	150,635	6,459	2,322,959	7,194,976
220	FIT	641,884	445,329	72,327	3,019	1,162,559	3,600,372
225	Uncol., IDC & Other Adj.	(4,775)	(2,131)	(737)	(39)	(7,682)	(24,867)
230	Revenue Requirements	4,894,648	3,076,475	838,405	234,794	9,044,321	27,946,087
235	Access Service Revenue	4,894,648	3,076,475	838,405	234,794	9,044,321	27,946,087
<b>Rate Base</b>							
240	Telephone Plant in Service	23,707,399	14,796,474	4,023,593	184,689	42,712,155	133,514,914
245	Rate Base Adjustments	287,941	178,991	49,563	2,364	518,859	1,632,069
250	Depreciation Reserves	9,127,127	4,870,118	2,158,852	103,249	16,259,346	51,195,828
255	Accum Deferred Income Tax	3,463,561	2,257,870	575,322	26,392	6,323,145	19,664,254
260	Average Rate Base	11,404,652	7,847,477	1,338,982	57,412	20,648,523	64,286,901 C.10

**COS-2**

Filing Date: 6/16/2006  
 Filing Entity: ALTO  
 Transmittal Number : 165  
 COSA: ALTOAN06

**Rate-of-Return TRP**  
 7/06 - 6/07 Forecast  
 Versus 2005 Actual

		Common Line (A) Line (A)	Traffic Sensitive Switched (B) Switched (B)	Traffic Sensitive Special (C) Special (C)	Other Interstate (D) Interstate (D)	Total Interstate (E) Interstate (E)	Total Co. Subject to Separations (F) Separations (F)
<b>Forecast, 7/04 - 6/05</b>							
	<b>Revenue Requirement</b>						
100	Depreciation / Amortization	1,063,552	673,124	268,925	10,989	2,016,590	6,165,064
105	Expense Less Dep & Amor	1,540,340	856,054	332,542	214,432	2,943,369	9,003,109
110	Taxes Less FIT	434,725	288,094	74,646	3,125	800,589	2,474,235
115	Return	1,277,411	899,828	162,247	6,451	2,345,938	7,230,446
120	FIT	630,001	447,481	75,927	2,958	1,156,367	3,564,407
125	Uncol., IDC & Other Adj.	(1,546)	(932)	(209)	(4)	(2,690)	(8,630)
130	Revenue Requirements	4,944,484	3,163,650	914,078	237,951	9,260,163	28,428,631
135	Access Service Revenue	4,944,484	3,163,650	914,078	237,951	9,260,163	28,428,631
	<b>Rate Base</b>						
140	Telephone Plant in Service	24,257,645	15,699,193	4,554,518	189,875	44,701,230	138,085,377
145	Rate Base Adjustments	254,866	169,500	41,077	1,252	466,696	1,483,523
150	Depreciation Reserves	9,719,432	5,573,260	2,536,792	108,255	17,937,739	55,444,454
155	Accum Deferred Income Tax	3,438,313	2,296,958	616,610	25,526	6,377,408	19,659,982
160	Average Rate Base	11,354,767	7,998,475	1,442,191	57,345	20,852,779	64,464,464
<b>Actual, 1/03 - 12/03</b>							
	<b>Revenue Requirement</b>						
200	Depreciation / Amortization	1,020,030	650,403	263,007	10,809	1,944,248	5,986,060
205	Expense Less Depr & Amor	1,481,860	805,786	285,233	209,781	2,782,659	8,688,657
210	Taxes Less FIT	390,095	258,353	90,557	3,115	742,120	2,275,075
215	Return	1,264,696	916,467	284,354	7,580	2,473,098	7,415,376
220	FIT	606,314	446,416	135,441	3,398	1,191,569	3,571,585
225	Uncol., IDC & Other Adj.	(3,417)	(1,719)	(767)	(26)	(5,930)	(18,704)
230	Revenue Requirements	4,759,578	3,075,707	1,057,825	234,656	9,127,766	27,918,049
235	Access Service Revenue	4,759,578	3,075,707	1,057,825	234,656	9,127,766	27,918,049
	<b>Rate Base</b>						
240	Telephone Plant in Service	22,888,102	14,728,880	5,470,757	178,540	43,266,279	132,715,508
245	Rate Base Adjustments	458,153	294,894	107,466	3,258	863,771	2,679,787
250	Depreciation Reserves	8,744,092	4,621,445	2,251,485	89,589	15,706,612	49,468,704
255	Accum Deferred Income Tax	3,360,418	2,255,953	799,144	24,828	6,440,344	19,642,274
260	Average Rate Base	11,241,745	8,146,375	2,527,593	67,381	21,983,094	66,284,317

**MAG-1**

**Filing Date:** 6/16/2006  
**Filing Entity:** Telephone Company  
**Transmittal Number :** 165 165  
**COSA:** ALTOAN06 ALTOAN06

**Rate-of Return TRP**  
**MAG Adjustments**  
**Test Year, 7/06 - 6/07**

Access Element	Interstate Revenue Requirement Prior to Adjustments	Local Switching Support	Sub-Total	Line Port Transfer	Universal Service Fund Contribution
	(A) Note 1	(B) Note 2	(C) Cols. A-B	(D) Note 3	(E) Note 4
Carrier Common Line	\$5,086,053		\$5,086,053	\$265,918	\$348,682
Local Switching	\$2,504,602	1618209	\$886,393	(\$265,918)	
Information	\$13,034		\$13,034		
Transport	\$515,641		\$515,641		
Special Access	\$1,979,446		\$1,979,446		
Total	\$10,098,777	\$1,618,209	\$8,480,568	\$0	\$348,682

Note 1: Source of Revenue Requirements Column (A)

Factor Used for Line Port Adjust

Carrier Common Line **TRP COS-1(P) Line 100, Column L**  
Local Switching **TRP COS-1(P) Line 100, Column M**  
Information **TRP COS-1(P) Line 100, Column P**  
Transport **TRP COS-1(P) Line 100, Column Q,R,S**  
Special Access **TRP COS-1(P) Line 100, Column U**

Note 2: Calculated using USAC Algorithm for Test Period

Note 3: Column C, Local Switching \* Port Adjustment Factor

Note 4: Projected Amount per Account 6540

Note 5: From TRP Form MAG-2

Note 6: Distributed on Column G Totals

Frozen TIC Revenue	Interstate Revenue Requirement Subject to TIC Re-allocation	Frozen TIC Re- allocation	Interstate Revenue Requirement Subject to Rate Making
(F) Note 5	(G) Cols. C+D+E+F	(G) Note 6	
	\$5,003,289	\$0	\$5,351,971
	\$620,475	\$0	\$2,238,684
	\$13,034	\$0	\$13,034
\$0	\$515,641	\$0	\$515,641
	<u>\$1,979,446</u>	<u>\$0</u>	<u>\$1,979,446</u>
<b>\$0</b>	<b>\$8,131,886</b>	<b>\$0</b>	<b>\$10,098,777</b>

tment: 30.0000%

MAG-2

Filing Date: 6/16/2006

Filing Entity: ALTO

Transmittal Number : 165

COSA: ALTOAN06

Rate-of Return TRP

TIC Revenues

Test Year, 7/06 - 6/07

DEVELOPMENT FROZEN TIC REVENUE JULY 00 TO JUNE 01

Month	Transport Interconnection Charge Minutes Billed	Rate in Effect	Calculated Revenues
-------	--	----------------	---------------------

Jul-00	6,336,960	0.000000
Aug-00	13,744,285	0.000000
Sep-00	8,373,336	0.000000
Oct-00	8,781,361	0.000000
Nov-00	8,026,652	0.000000
Dec-00	8,694,323	0.000000
Jan-01	9,306,318	0.000000
Feb-01	6,938,392	0.000000
Mar-01	8,091,352	0.000000
Apr-01	7,964,285	0.000000
May-01	9,775,516	0.000000
Jun-01	8,877,768	0.000000

\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0

Total Frozen TIC Revenues

\$0

(Development based on FCC Order 01-304, Paragraph 103 )

Or - Override (No Greater than Above):

\$0

(Actual TIC Revenue Used in December 17, 2001 Filing should be listed here)

Override = Actual TIC Revenues from Last Filing

(Development based on FCC Order 01-304, Paragraph 103 )

Actual TIC Revenue Requirement from Filing Prior to MAG Filing in December 2001

0



REV-1

Filing Date: 6/16/2006  
 Filing Entity: ALTO  
 Transmittal Number : 165  
 COSA: ALTOAN06

Rate-of-Return TRP  
 Switched Access Revenue  
 Test Year, 7/06 - 6/07

	Minute or Message Rate (A)	Minute Miles Rate (B)	Line or Trunk Rate (C)	Minute or Message Demand (D)	Minute Miles Demand (E)	Line or Trunk Demand (F)	Access Revenue (G)	Revenue Requirement (H)
<b>Common Line</b>								
100 Multiline Business EUCL	N/A	N/A	9.20	N/A	N/A	35659	328,063	N/A
110 Single Line Business EUCL	N/A	N/A	6.50	N/A	N/A	60452.3532	392,940	N/A
120 Residential EUCL	N/A	N/A	6.50	N/A	N/A	288144	1,872,936	N/A
130 Special Access Surcharge	N/A	N/A	25.00	N/A	N/A	0	0	N/A
140 Terminating CCL Premium	0.000000	N/A	N/A	N/A	N/A	N/A	0	N/A
150 Terminating CCL Non-Prem.	0.000000	N/A	N/A	N/A	N/A	N/A	0	N/A
160 Originating CCL Premium	0.000000	N/A	N/A	N/A	N/A	N/A	0	N/A
170 Originating CCL Non-Prem.	0.000000	N/A	N/A	N/A	N/A	N/A	0	N/A
180 Common Line - - Total	N/A	N/A	N/A	N/A	N/A	N/A	2,593,939	5,365,114
<b>Information</b>								
190 Directory Assistance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
200 White Page Surcharge Prem.	0.000120	N/A	N/A	108,297,070	N/A	N/A	12,996	N/A
210 White Pg. Surcharge Non-Prem.	0.000054	N/A	N/A	0	N/A	N/A	0	N/A
220 Other Information	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
230 Information - - Total	N/A	N/A	N/A	N/A	N/A	N/A	12995.64843	13,034
<b>Local Switching</b>								
240 Premium	0.005608	N/A	N/A	108,297,070	N/A	N/A	607,330	N/A
250 Non-Premium	0.002524	N/A	N/A	0	N/A	N/A	0	N/A
260 Equal Access	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
270 Switching - Total	N/A	N/A	N/A	N/A	N/A	N/A	607329.97	2,225,542
<b>Local Transport</b>								
280 Premium LT Term.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
290 Non-Prem. LT Term	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
300 Premium LT Facility	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
310 Non-Prem. LT Facility	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
320 Tandem Switching	0.000940	N/A	N/A	42,162,505	N/A	N/A	39,633	N/A
330 TST Termination	0.000863	N/A	N/A	149,051,800	N/A	N/A	128,632	N/A
340 TST Facility	N/A	0.000301	N/A	N/A	870,403,400	N/A	261,991	N/A
350 Premium Interconnection	0.000000	N/A	N/A	108,297,070	N/A	N/A	0	N/A
360 Non-Prem. Interconnection	0.000000	N/A	N/A	0	N/A	N/A	0	N/A
370 Installation NRC per Trunk	N/A	N/A	112.00	N/A	N/A	0	0	N/A

	Termination Rate (A)	Circuit Rate (B)	Mileage Rate (C)	Termination Demand (D)	Circuit Demand (E)	Mileage Demand (F)	Access Revenue (G)	Revenue Requirement (H)
<b>Local Transport (Cont.)</b>								
380 DS3 Entrance Facility	N/A	1394.7	N/A	N/A	0	N/A	0	N/A
390 DS3 Direct Term.	431.69	N/A	N/A	0	N/A	N/A	0	N/A
400 DS3 Direct Facility	N/A	N/A	27.34	N/A	N/A	0	0	N/A
410 DS1 Entrance Facility	N/A	79.17	N/A	N/A	5.04	N/A	399	N/A
420 DS1 Direct Term.	24.92	N/A	N/A	422.6	N/A	N/A	10,531	N/A
430 DS1 Direct Facility	N/A	N/A	9.11	N/A	N/A	4472.81648	40,747	N/A
440 VG Entrance Facility - 4 Wire	N/A	21.00	N/A	N/A	0	N/A	0	N/A
450 VG Direct Term.	9.17	N/A	N/A	198	N/A	N/A	1,816	N/A
460 VG Direct Facility	N/A	N/A	0.59	N/A	N/A	1090.9901	644	N/A
470 Other Transport	N/A	N/A	N/A	N/A	N/A	N/A	31,479	N/A
480 Local Transport - - Total	N/A	N/A	N/A	N/A	N/A	N/A	515,871	515,641
<b>Special - - Voice Grade</b>								
490 2-Wire Chan. Term.	N/A	13.12	N/A	N/A	0	N/A	0	N/A
500 4 -Wire Chan. Term.	N/A	21	N/A	N/A	572	N/A	12,012	N/A
510 Channel Mileage Term.	9.17	N/A	N/A	466.9387755	N/A	N/A	4,282	N/A
520 Channel Mileage Facility	N/A	N/A	0.59	N/A	N/A	3151.74918	1,860	N/A
530 Non-Recurring	N/A	215	N/A	N/A	4	N/A	860	N/A
<b>Special - - High Capacity</b>								
540 High Capacity Chan. Term.	N/A	79.17	N/A	N/A	5304	N/A	419,918	N/A
550 Channel Mileage Term.	24.92	N/A	N/A	4656.47191	N/A	N/A	116,039	N/A
560 Channel Mileage Facility	N/A	N/A	9.11	N/A	N/A	56137.7629	511,415	N/A
570 Non-Recurring	N/A	303	N/A	N/A	112	N/A	33,936	N/A
580 Special Access - - Total	N/A	N/A	N/A	N/A	N/A	N/A	1,100,321	1,979,446

Notes: A composite special access NRC should be used if the installation rates vary among the services. If the company does not file a particular rate, then the rate and demand =0. Col. G equals Cols. (A x D) + (B x E) + (C x F).

REV-2

Filing Date: 6/16/2006

Filing Entity: ALTO

Transmittal Number : 165

COSA: ALTOAN06

Rate-of-Return TRP

Revenue Summary

Test Year, 7/06 - 6/07

	Total Network Access (A)	Recurring without ICB (B)	Non-Recurring without ICB (C)	ICB (D)
100 Carrier Common Line	0	0 0		0
110 Special Access	1,979,446	1,940,428	39,018	0
120 Local Switching	607,330	607,330	0	0
130 Equal Access	0	0	0	0
140 Information	12,996	12,996	0	0
150 Local Transport	515,871	494,269	21,602	0
160 Total TS - Switched	1,136,197	1,114,595	21,602	0

Notes : Col. A = Cols. B + C + D. If a particular category is inapplicable, then that category equals 0.

**RTE-1**

**Filing Date:** 6/16/2006  
**Filing Entity:** ALTO  
**Transmittal Number :** 165  
**COSA:** ALTOAN06

**Rate-of-Return TRP  
Percent Change in  
Historical Rate Levels**

	7/1/2005 Rate (A)	Current Effective Rate (B)	Proposed 7/1/2006 Rate (C)	% Change 7/1/2004 to 7/1/06 (D)	% Change Current 7/1/2006 (E)
<b>Switched Access</b>					
100 Premium CCL Term. (\$/Mou)	N/A	N/A	N/A	N/A	N/A
110 N.P. CCL Term. (\$/Mou)	N/A	N/A	N/A	N/A	N/A
120 Premium Switching (\$/Mou)	0.00728300	0.00728300	0.00560800	-23.00%	-23.00%
130 N.P. Switching (\$/Mou)	0.00327700	0.00327700	0.00252400	-22.98%	-22.98%
140 Equal Access	N/A	N/A	N/A	N/A	N/A
<b>End User Common Line</b>					
150 Multiline Business (\$/Month)	9.2	9.20	9.20	0.00%	0.00%
160 Residential & Single Line Bus.	6.5	6.50	6.50	0.00%	0.00%
<b>Local Transport Rates</b>					
	(A)	(B)	(C)	(D)	(E)
170 Prem. LT (\$/Mou, Avg. Mileage)	N/A	N/A	N/A	N/A	N/A
180 N.P. LT (\$/Mou, Avg. Mileage)	N/A	N/A	N/A	N/A	N/A
190 DS1 Entr. Facility (\$/Circuit)	96.92	96.92	79.17	-18.31%	-18.31%
200 DS1 Direct Trunk (\$/Circuit)	30.51	30.51	24.92	-18.32%	-18.32%
210 Tdm Sw. Transport (\$/Circuit)	0.000753	0.000753	0.000863	14.61%	14.61%
220 Tdm. Switching (\$/Tdm. Mou)	0.001063	0.001063	0.000940	-11.57%	-11.57%
230 Prem. Interconnection (\$/Mou)	0.000000	0.000000	0.000000	0.00%	0.00%
240 N.P. Interconnection (\$/Mou)	0.000000	0.000000	0.000000	0.00%	0.00%
250 NRC (\$/Tk. or Tks. Activated)	112.00	112.00	112.00	0.00%	0.00%
260 2-Wire VG (\$/Cir., Avg. Mileage)*	34.49	34.49	28.19	-18.27%	-18.27%
270 4-Wire VG (\$/Cir., Avg. Mileage)*	44.13	44.13	36.07	-18.26%	-18.26%

Notes : If Lines 170 & 180 or any other entry is inapplicable, then that rate = 0.

\* (Lines 260 and 270 have been calculated based on one CT, one CMT, and ten miles of transport.)

RTE-2  
Filing Date: 6/16/2006  
Filing Entity: ALTO  
Transmittal Number : 165  
COSA: ALTOAN06

Rate-of-Return TRP  
Revenue Priceouts  
Using 2005 Demand

	Revenue at 7/1/2005 Rates (A)	Revenue at Current Rate (B)	Change in Revenue, Cols. B-A (C)	Revenue at 7/1/2006 Rates (D)	Change in Revenue, Cols. D-B (E)
<b>Switched Access</b>					
100 Multiline Business	348,864	348,864	0	348,864	0
110 Residential & Single Line Bus.	2,412,404	2,412,404	0	2,412,404	0
120 Carrier Common Line	N/A	N/A	0	N/A	0
130 Special Access	1,313,335	1,313,335	0	1,073,148	(240,188)
140 Local Switching	822,643	822,643	0	633,446	(189,198)
150 Equal Access	0	0	0	0	0
160 Information	13,216	13,216	0	13,554	339
170 Local Transport	221,227	221,227	0	226,698	5,471

Notes: If company belongs to the NECA common line pool, then revenue = 0.

RTE-3  
Filing Date: 6/16/2006  
Filing Entity: ALTO  
Transmittal Number : 165  
COSA: ALTOAN06

Rate-of-Return TRP  
COSAs for Which Rates  
are Averaged or Pooled

COSA	Multi-line Business (A)	Residential & Single Line Business (B)	Carrier Common Line (C)	Local Switching (D)	Local Transport (E)	Information (F)	Equal Access (G)	Special Access (H)
100 ALLTEL Oklahoma, Inc. (ALOK)	ALTO	ALTO	NECA	ALTO	ALTO	ALTO	ALTO	ALTO
110 Oklahoma ALLTEL, Inc. (ALAO)	ALTO	ALTO	NECA	ALTO	ALTO	ALTO	ALTO	ALTO
120 N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
130								
140								
150								
160								
170								
180								
190								
200								
210								
220								
230								

Notes: Companies should list all COSAs for which rates are averaged or pooled.

DMD-1

Filing Date: 6/16/2006  
 Filing Entity: ALTO  
 Transmittal Number : 165  
 COSA: ALTOAN06

Rate-of-Return TRP  
 Common Line  
 Minutes-of-Use

Page 1 of 3

		Premium Originating (A)	Premium Terminating (B)	Premium Total (C)	Non-Premium Originating (D)	Non-Premium Terminating (E)	Non-Premium Total (F)
	Historical						
1Q02	100 1st Qtr. 2002	N/A	N/A	0	N/A	N/A	0
2Q02	110 2nd Qtr. 2002	N/A	N/A	0	N/A	N/A	0
3Q02	120 3rd Qtr. 2002	N/A	N/A	0	N/A	N/A	0
4Q02	130 4th Qtr. 2002	N/A	N/A	0	N/A	N/A	0
1Q03	140 1st Qtr. 2003	N/A	N/A	0	N/A	N/A	0
2Q03	150 2nd Qtr. 2003	N/A	N/A	0	N/A	N/A	0
3Q03	160 3rd Qtr. 2003	N/A	N/A	0	N/A	N/A	0
4Q03	170 4th Qtr. 2003	N/A	N/A	0	N/A	N/A	0
1Q04	180 1st Qtr. 2004	N/A	N/A	0	N/A	N/A	0
2Q04	190 2nd Qtr. 2004	N/A	N/A	0	N/A	N/A	0
3Q04	200 3rd Qtr. 2004	N/A	N/A	0	N/A	N/A	0
4Q04	210 4th Qtr. 2004	N/A	N/A	0	N/A	N/A	0
	220 Pycos Year, 1/05 - 12/05	N/A	N/A	0	N/A	N/A	0
	230 Test Year, 7/06 - 6/07	N/A	N/A	0	N/A	N/A	0

Page 2 of 3

		Total Originating (A)	Total Terminating (B)	Grand Total (C)	Total Chargeable Originating (D)	Total Chargeable Terminating (E)
	Historical					
	100 1st Qtr. 2002	0	0	0	0	0
	110 2nd Qtr. 2002	0	0	0	0	0
	120 3rd Qtr. 2002	0	0	0	0	0
	130 4th Qtr. 2002	0	0	0	0	0
	140 1st Qtr. 2003	0	0	0	0	0
	150 2nd Qtr. 2003	0	0	0	0	0
	160 3rd Qtr. 2003	0	0	0	0	0
	170 4th Qtr. 2003	0	0	0	0	0
	180 1st Qtr. 2004	0	0	0	0	0
	190 2nd Qtr. 2004	0	0	0	0	0
	200 3rd Qtr. 2004	0	0	0	0	0
	210 4th Qtr. 2004	0	0	0	0	0
	220 Pycos Year, 1/05 - 12/05	0	0	0	0	0
	230 Test Year, 7/06 - 6/07	0	0	0	0	0

DMD-1  
Filing Date: 6/16/2006  
Filing Entity: ALTO  
Transmittal Number : 165  
COSA: ALTOAN06

Rate-of-Return TRP  
Common Line  
Minutes-of-Use



**DMD-1**  
**Filing Date:** 6/16/2006  
**Filing Entity:** ALTO  
**Transmittal Number :** 165  
**COSA:** ALTOAN06

Rate-of-Return TRP  
Traffic Sensitive  
Minutes-of-Use

			Premium Local Switching (A)	Non-Premium Local Switching (B)	Total Local Switching (C)	Total Chargeable Switching (D)	Total Tandem Switching* (E)	Tandem Switching Transport ** (F)
J1SUM Key	DMD1 Key	Historical						
1Q02	02Q1	100 1st Qtr. 2002	25,433,356	0	25,433,356	25,433,356	6,623,363	26,417,799
2Q02	02Q2	110 2nd Qtr. 2002	26,182,203	0	26,182,203	26,182,203	7,184,490	27,101,182
3Q02	02Q3	120 3rd Qtr. 2002	26,230,340	0	26,230,340	26,230,340	7,179,124	27,153,125
4Q02	02Q4	130 4th Qtr. 2002	25,470,253	0	25,470,253	25,470,253	6,677,019	26,435,381
1Q03	03Q1	140 1st Qtr. 2003	25,861,649	0	25,861,649	25,861,649	6,805,934	26,376,350
2Q03	03Q2	150 2nd Qtr. 2003	26,240,605	0	26,240,605	26,240,605	6,873,401	26,531,660
3Q03	03Q3	160 3rd Qtr. 2003	26,577,013	0	26,577,013	26,577,013	7,153,567	26,809,819
4Q03	03Q4	170 4th Qtr. 2003	26,636,075	0	26,636,075	26,636,075	7,189,076	26,880,066
1Q04	04Q1	180 1st Qtr. 2004	28,139,132	0	28,139,132	28,139,132	7,436,562	30,074,384
2Q04	04Q2	190 2nd Qtr. 2004	28,428,628	0	28,428,628	28,428,628	7,238,121	30,240,775
3Q04	04Q3	200 3rd Qtr. 2004	28,926,504	0	28,926,504	28,926,504	6,252,049	30,769,373
4Q04	04Q4	210 4th Qtr. 2004	27,777,922	0	27,777,922	27,777,922	5,578,124	29,751,033
		220 Pycos Year, 1/05 - 12/05	112,953,914	0	112,953,914	112,953,914	26,030,577	79,973,755
		230 Test Year, 7/06 - 6/07	108,297,070	0	108,297,070	108,297,070	42,162,505	76,676,611

Notes: Local switching mou are the same as the billable units for the interconnection charge.

\* Refers to the mou switched at a company tandem, as discussed in Part 69.11(f-g).

\*\* Refers to the mou carried over non-dedicated trunks; i.e., tandem switched transport or common trunks.

**DMD-2**

**Filing Date:** 6/16/2006  
**Filing Entity:** ALTO  
**Transmittal Number :** 165  
**COSA:** ALTOAN06

**Rate-of-Return TRP**

**Special Access**  
**Demand**

	1/05 - 12/05 Channel Terminations (A)	1/05 - 12/05 Number of Circuits (B)	1/05 - 12/05 Interoffice Miles (C)	7/06 - 6/07 Channel Terminations (D)	7/06 - 6/07 Number of Circuits (E)	7/06 - 6/07 Interoffice Miles (F)
100 Metallic	0	0	0	0	0	0
110 Telegraph	0	0	0	0	0	0
120 VG less WATS	593	593	3279.19	572	572	3151.749184
130 WATS	0	0	0	0	0	0
140 Full-Time Audio	0	0	0	0	0	0
150 High Capacity	4544	4544	47444.75	5304	5304	56137.76292

**DMD-3**

**Filing Date:** 6/16/2006  
**Filing Entity:** ALTO  
**Transmittal Number :** 165  
**COSA:** ALTOAN06

**Rate-of-Return TRP**  
**Common Line**  
**Revenue and Demand**

		1/05 - 12/05	1/05 - 12/05	7/06 - 6/07	7/06 - 6/07
		Historical	Historical	Test Year	Test Year
		Revenue	MOU or Lines	Revenue	MOU or Lines
		(A)	(B)	(C)	(D)
100	End User Common Line, Total	N/A	N/A	N/A	N/A
110	Line Port Element	N/A	N/A	N/A	N/A
120	Residential	N/A	N/A	N/A	N/A
130	Single Line Business	N/A	N/A	N/A	N/A
140	Multiline Business	N/A	N/A	N/A	N/A
150	Special Access Surcharge	N/A	N/A	N/A	N/A
160	Carrier Common Line	N/A	N/A	N/A	N/A
170	Total Common Line Revenue	N/A	N/A	N/A	N/A

Note: Inapplicable to NECA CL pool participants.

**DMD-4**  
**Filing Date:** 6/16/2006  
**Filing Entity:** ALTO  
**Transmittal Number :** 165  
**COSA:** ALTOAN06  
**Page 1 of 1**

**Rate-of-Return TRP**  
**Minutes-of-Use**  
**Historical Vs. Forecast**

			<b>Common Line Mou (A)</b>	<b>Traffic Sensitive Mou (B)</b>
100	Test Year	7/06 - 6/07	0	108,297,070
110	Pycos Year,	1/05 - 12/05	0	112,953,914
120	Test Year	7/05 - 6/06	0	0
130	Pycos Year,	1/04 - 12/04	0	113,272,186
140	Test Year	7/04 - 6/05	0	106,042,704
150	Pycos Year,	1/03 - 12/03	0	105,315,342
160	Test Year	7/03 - 6/04	0	104,036,689
170	Pycos Year,	1/02 - 12/02	0	103,316,152

Notes: Actual operating statistics should be reported for the PYCOS years.  
 These data should be consistent with those in Chart DMD-4 in previous TRPs.  
 If a forecast was not reported for any particular test year, then enter 0.

DMD-5

Filing Date: 6/16/2006

Filing Entity: ALTO

Transmittal Number : 165

COSA: ALTOAN06

Page 1 of 1

Rate-of-Return TRP

Minutes-of-Use

Direct Trunked Transport

		1/05 - 12/05	1/05 - 12/05	1/05 - 12/05	Test Year 7/06 - 6/07	Test Year 7/06 - 6/07	Test Year 7/06 - 6/07
		VG	DSI	DS3	VG	DS1	DS3
		(A)	(B)	(C)	(D)	(E)	(F)
100	Entrance Facility	0.00	11.79	0.00	0.00	5.04	0.00
110	Direct Trunked Transport	197.00	366.24	0.00	198.00	422.60	0.00

Notes: Demand should be annualized and reflect application of the percent interstate usage factor (PIU).

ERN-1  
Filing Date: 6/16/2006  
Filing Entity: ALTO  
Transmittal Number : 165  
COSA: ALTOAN06  
Page 1 of 1

Rate-of-Return TRP  
Rate-of-Return  
Summary

	2003/2004 FCC Monitoring Period (A)	2005 Calendar Year (B)	7/06 - 6/07 Test Year (C)
100 Interstate Access, Total	12.37%	13.20%	11.25%
110 Carrier Common Line	11.25%	11.25%	11.25%
120 Special Access	28.84%	31.94%	11.25%
130 Local Switching	10.37%	13.08%	11.25%
140 Information	0.00%	0.00%	0.00%
150 Local Transport	17.98%	11.58%	11.25%
160 Traffic Sensitive Switched, Total	11.42%	12.87%	11.25%

RORBSF-1

Filing Date: 06/16/06

Filing Entity: ALTO

Transmittal Number : 165

COSA: ALTOAN06

Page 1 of 1

Rate-of-Return TRP

Base Study Factor

	Actual 1997 (A)	Actual 1998 (B)	Actual 1999 (C)	Actual 2000 (D)	Actual 2001 (E)	Prospective 2002 (F)
<b>Relative MOUs - Tandem Switching</b>						
100 Interstate	n/a	n/a	n/a	n/a	n/a	n/a
110 Total Company	n/a	n/a	n/a	n/a	n/a	n/a
120 IS Factor	n/a	n/a	n/a	n/a	n/a	n/a
<b>Host/Remote MOUs</b>						
130 Interstate	n/a	n/a	n/a	n/a	n/a	n/a
140 Total Company	n/a	n/a	n/a	n/a	n/a	n/a
150 IS Factor	n/a	n/a	n/a	n/a	n/a	n/a
<b>Host/Remote MOU Miles</b>						
160 Interstate	n/a	n/a	n/a	n/a	n/a	n/a
170 Total Company	n/a	n/a	n/a	n/a	n/a	n/a
180 IS Factor	n/a	n/a	n/a	n/a	n/a	n/a
<b>Conversation Minutes</b>						
190 Interstate	n/a	n/a	n/a	n/a	n/a	n/a
200 Total Company	n/a	n/a	n/a	n/a	n/a	n/a
210 IS Factor	n/a	n/a	n/a	n/a	n/a	n/a
<b>Conversation Minute Miles</b>						
220 Interstate	n/a	n/a	n/a	n/a	n/a	n/a
230 Total Company	n/a	n/a	n/a	n/a	n/a	n/a
240 IS Factor	n/a	n/a	n/a	n/a	n/a	n/a

The above Base Study Factors apportion on the following investment:

	Part 32 Account	Part 36 Category
Relative MOU's-Tandem Switching	2210	COE Cat. 3
Host/Remote MOU's	2230	COE Cat. 4.3
Host/Remote MOU Miles	2410	C&WF Cat. 4
Conversation Minutes	2230	COE Cat. 4.23
Conversation Minutes Miles	2410	C&WF Cat. 3

### Rate-of-Return TRP

## Verification of WDEM

[illegible]





























```
macro    {goto}ha106~  
1 /cha106..hb135~hd106~  
/che107~hf111~  
/mhd108..he135~hd107~  
:prcrs  
aa135.am180  
~g  
{if hd107="stop"}{quit}  
{branch branch2}
```



```
macro    {goto}ha206~  
1 /cha206..hb235~hd206~
```

```
/che207~hf211~  
/mhd208..he235~hd207~  
:prcrs  
fn15..fz60  
~g  
{if hd207="stop"}{quit}  
{branch branch3}
```





```
macro      {goto}ha306~  
1 /cha306..hb335~hd306~  
/che307~hf311~  
/mhd308..he335~hd307~  
:prcrs  
cn75..cz120  
~g  
{if hd307="stop"}{quit}  
{branch branch4}
```





```
macro      {goto}ha406~  
1 /cha406..hb435~hd406~  
/che407~hf411~  
/mhd408..he435~hd407~  
:prcrs  
fa15..fm60  
~g  
{if hd407="stop"}{quit}  
{branch branch5}
```