Filing Date: 6/16/2015
Filing Entity: NECA
Transmittal Number: 1455

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
RATE OF RETURN
HISTORICAL COST ANALYSIS SUMMARY ($000)

---------- COMMON LINE ----------

	HISTORICAL DATA PERIOD 2014	PAY PHONE (I)	INSIDE WIRE (J)	BFP (K)	TOTAL COMMON LINE (L)
	REVENUES				
100	Network Access	N/A	N/A	N/A	446,787
110	Uncollectibles	N/A	N/A	N/A	0
120	Common Line Support	N/A	N/A	N/A	0
130	Long Term Support (NOTE 1)	N/A	N/A	N/A	0
135	Interstate Common Line Support (NOTE 1)	N/A	N/A	N/A	908,300
140	Transitional	N/A	N/A	N/A	0
150	Miscellaneous	N/A	N/A	N/A	0
160	Net Revenues	N/A	N/A	N/A	1,355,087
	EXPENSES				
170	Plant Specific	0	0	185,503	185,503
171	Network Support	0	0	4,756	4,756
172	General Support	0	0	46,787	46,787
173	Central Office	0	0	41,792	41,792
174	Operator Systems	0	0	0	0
175	COE Switching	0	0	1	1
176	COE Transmission	0	0	41,791	41,791
177	IOT	0	0	3	3
178	Cable & Wire Facilities	0	0	92,165	92,165
180	Plant Non Specific excl Depr & Amort	0	0	70,555	70,555
190	Depreciation/Amortization	0	0	238,512	238,512
200	Customer Operations	0	0	48,836	48,836
201	Marketing	0	0	16,214	16,214
202	Local Business Office	0	0	27,138	27,138
203	Revenue Accounting	0	0	2,740	2,740
204	Other Billing and Collections	0	0	2,662	2,662
210	Access	N/A	N/A	N/A	0
215	Universal Service Contributions (NOTE 2)	N/A	N/A	N/A	117,709
220	Corporate Operations	0	0	141,513	141,513
230	AFUDC	0	0	2,326	2,326
240	Other Expenses and Adjustments	0	0	(620)	(620)
250	Taxes Other than FIT	0	0	33,700	33,700
260	Total Expenses and Other Taxes	0	0	715,674	833,383
	NECA ADJUSTMENTS				
261	NECA Administrative Expenses	0	0	27,514	27,514
262	Average Schedule Settlements	0	0	135,299	135,299
263	Adjustment for Line Port/TIC	0	0	114,871	114,871
264	Total NECA Adjustments	0	0	277,684	277,684
	FIT ADJUSTMENTS				
270	Adjustments for FIT	0	0	26,359	26,359
280	Amortized ITC	0	0	7	7
290	Federal Income Taxes	0	0	38,718	38,718
300	TOTAL EXPENSES AND TAXES	0	0	1,032,077	1,149,786
	TELEPHONE PLANT IN SERVICE				
310	General Support	0	0	546,676	546,676
320	Central Office Equipment - Switch	0	0	0	0
321	Operator Systems	0	0	0	0
322	Tandem Switching	0	0	0	0
323	Local Switching Cat 3	0	0	0	0
324	Equal Access	0	0	0	0
330	Central Office Equipment - Trans	0	0	797,445	797,445
331	Subscriber Line	0	0	797,445	797,445
332	Exchange Circuit	0	0	0	0
333	Interexchange Circuit	0	0	0	0
334	Host Remote	0	0	0	0
340	Cable and Wire	0	0	3,763,147	3,763,147
341	Subscriber Line	0	0	3,763,147	3,763,147
342	Exchange	0	0	0	0
343	Interexchange Circuit	0	0	0	0
344	Host Remote	0	0	0	0
350	Info Orig/Term Equipment	0	0	626	626
360	Amortizable Assets	0	0	12,024	12,024
370	Total Plant in Service	0	0	5,119,918	5,119,918
	ADJUSTMENTS TO TPIS				
380	Depreciation/Amortization Reserve	0	0	3,322,780	3,322,780
390	Accum. Deferred Income Tax	0	0	97,348	97,348
400	Other Rate Base Adjustments	0	0	125,110	125,110
	RETURN DATA				
410	Average Rate Base	0	0	1,824,900	1,824,900
420	Return	0	0	205,301	205,301
430	Rate of Return	11.25%	11.25%	11.25%	11.25%

NOTE 1: Effective 7/1/04, Long-Term Support is folded into Interstate Common Line Support (ICLS). ICLS is recovered from the universal service support program. ICLS excludes excess of $2.4M attributable to price cap affiliates.

NOTE 2: Universal service include amounts for both Cost and Average Schedule companies.

Filing Date: 6/16/2015
Filing Entity: NECA
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NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
RATE OF RETURN
HISTORICAL COST ANALYSIS SUMMARY ($000)

	HISTORICAL DATA PERIOD 2014	TOTAL SWTCH TRFFC SNSTV * (M)	SPECIAL ACCESS (N)
	REVENUES		
100	Network Access		704,280
110	Uncollectibles		0
120	Local Switching Support		N/A
130	N/A		N/A
135	N/A		N/A
140	N/A		N/A
150	Miscellaneous		N/A
160	Net Revenues		704,280
	EXPENSES		
170	Plant Specific		141,917
171	Network Support		2,919
172	General Support		25,740
173	Central Office		86,243
174	Operator Systems		0
175	COE Switching		0
176	COE Transmission		86,243
177	IOT		0
178	Cable & Wire Facilities		27,016
180	Plant Non Spec excl Depr & Amort		39,511
190	Depreciation/Amortization		165,240
200	Customer Operations		21,770
201	Marketing		6,824
202	Local Business Office		2,952
203	Revenue Accounting		10,866
204	Other Billing and Collections		0
210	Access		N/A
220	Corporate Operations		81,574
230	AFUDC		1,462
240	Other Expenses and Adjustments		333
250	Taxes Other than FIT		18,835
260	Total Expenses and Other Taxes		467,718
	NECA ADJUSTMENTS		
261	NECA Administrative Expenses		16,996
262	Average Schedule Settlements		68,784
263	Adjustment for Line Port/TIC		17,334
264	Total NECA Adjustments		103,114
	FIT ADJUSTMENTS		
270	Adjustments for FIT		18,113
280	Amortized ITC		4
290	Federal Income Taxes		20,774
300	TOTAL EXPENSES AND TAXES		591,607
	TELEPHONE PLANT IN SERVICE		
310	General Support		323,254
320	Central Office Equipment - Switch		0
321	Operator Systems		0
322	Tandem Switching		0
323	Local Switching Cat 3		0
324	Equal Access		0
330	Central Office Equipment - Trans		1,387,471
331	Subscriber Lines		450,666
332	Exchange Circuit		927,868
333	Interexchange Circuit		8,936
334	Host Remote		0
340	Cable and Wire		1,123,520
341	Subscriber Lines		37,095
342	Exchange		755,432
343	Interexchange Circuit		330,993
344	Host Remote		0
350	Info Orig/Term Equipment		105
360	Amortizable Assets		7,659
370	Total Plant in Service		2,842,008
	ADJUSTMENTS TO TPIS		
380	Depreciation/Amortization Reserve		1,857,717
390	Accum. Deferred Income Tax		55,960
400	Other Rate Base Adjustments		73,210
	RETURN DATA		
410	Average Rate Base		1,001,541
420	Return		112,673
430	Rate of Return		11.25%

* Switched Access detail is no longer relevant pursuant to the freezing of Switched Access revenue requirement at the Test Period 2011/2012 level consistent with the provisions of the *USF/ICC Transformation Order*.

Filing Date: 6/16/2015
Filing Entity: NECA
Transmittal Number: 1455

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
RATE OF RETURN
PROSPECTIVE COST ANALYSIS SUMMARY ($000)

	TEST YEAR FORECAST 7/1/15 THROUGH 6/30/16	---------- COMMON LINE ---------- PAY PHONE (I)	INSIDE WIRE (J)	BFP (K)	TOTAL (L)
	REVENUES				
100	Network Access	N/A	N/A	N/A	435,289
110	Uncollectibles	N/A	N/A	N/A	0
120	Common Line Support	N/A	N/A	N/A	0
130	Long Term Support (NOTE 1)	N/A	N/A	N/A	0
135	Interstate Common Line Support (NOTE 1)	N/A	N/A	N/A	952,735
140	Transitional	N/A	N/A	N/A	0
150	Miscellaneous	N/A	N/A	N/A	0
160	Net Revenues	N/A	N/A	N/A	1,388,024
	EXPENSES				
170	Plant Specific	0	0	190,306	190,306
171	Network Support	0	0	5,105	5,105
172	General Support	0	0	48,662	48,662
173	Central Office	0	0	42,928	42,928
174	Operator Systems	0	0	0	0
175	COE Switching	0	0	0	0
176	COE Transmission	0	0	42,928	42,928
177	IOT	0	0	4	4
178	Cable & Wire Facilities	0	0	93,607	93,607
180	Plant Non Specific excl Depr & Amort	0	0	72,285	72,285
190	Depreciation/Amortization	0	0	243,811	243,811
200	Customer Operations	0	0	50,648	50,648
201	Marketing	0	0	16,932	16,932
202	Local Business Office	0	0	28,113	28,113
203	Revenue Accounting	0	0	2,807	2,807
204	Other Billing and Collections	0	0	2,709	2,709
210	Access	N/A	N/A	N/A	0
215	Universal Service Contributions (NOTE 2)	N/A	N/A	N/A	119,863
220	Corporate Operations	0	0	142,094	142,094
230	AFUDC	0	0	2,100	2,100
240	Other Expenses and Adjustments	0	0	(1,033)	(1,033)
250	Taxes Other than FIT	0	0	34,135	34,135
260	Total Expenses and Other Taxes	0	0	730,145	850,009
	NECA ADJUSTMENTS				
261	NECA Administrative Expenses	0	0	29,453	29,453
262	Average Schedule Settlements	0	0	150,464	150,464
263	Adjustment for Line Port/TIC	0	0	114,871	114,871
264	Total NECA Adjustments	0	0	294,789	294,789
	FIT ADJUSTMENTS				
270	Adjustments for FIT	0	0	25,797	25,797
280	Amortized ITC	0	0	5	5
290	Federal Income Taxes	0	0	38,003	38,003
300	TOTAL EXPENSES AND TAXES	0	0	1,062,937	1,182,800
	TELEPHONE PLANT IN SERVICE				
310	General Support	0	0	572,797	572,797
320	Central Office Equipment - Switch	0	0	0	0
321	Operator Systems	0	0	0	0
322	Tandem Switching	0	0	0	0
323	Local Switching Cat 3	0	0	0	0
324	Equal Access	0	0	0	0
330	Central Office Equipment - Trans	0	0	846,975	846,975
331	Subscriber Line	0	0	846,975	846,975
332	Exchange Circuit	0	0	0	0
333	Interexchange Circuit	0	0	0	0
334	Host Remote	0	0	0	0
340	Cable and Wire	0	0	3,995,181	3,995,181
341	Subscriber Line	0	0	3,995,181	3,995,181
342	Exchange	0	0	0	0
343	Interexchange Circuit	0	0	0	0
344	Host Remote	0	0	0	0
350	Info Orig/Term Equipment	0	0	662	662
360	Amortizable Assets	0	0	12,144	12,144
370	Total Plant in Service	0	0	5,427,758	5,427,758
	ADJUSTMENTS TO TPIS				
380	Depreciation/Amortization Reserve	0	0	3,602,996	3,602,996
390	Accum. Deferred Income Tax	0	0	97,224	97,224
400	Other Rate Base Adjustments	0	0	96,675	96,675
	RETURN DATA				
410	Average Rate Base	0	0	1,824,213	1,824,213
420	Return	0	0	205,224	205,224
430	Rate of Return	11.25%	11.25%	11.25%	11.25%

NOTE 1: Effective 7/1/04, Long-Term Support is folded into Interstate Common Line Support (ICLS). ICLS is recovered from the universal service support program. ICLS excludes excess of $3.4M attributable to price cap affiliates.

NOTE 2: Universal service include amounts for both Cost and Average Schedule companies.

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
RATE OF RETURN
PROSPECTIVE COST ANALYSIS SUMMARY ($000)

	TEST YEAR FORECAST 7/1/15 THROUGH 6/30/16	TOTAL SWTCH TRFFC SNSTV * (M)	SPECIAL ACCESS (N)
	REVENUES		
100	Network Access		755,916
110	Uncollectibles		0
120	Local Switching Support		N/A
130	N/A		N/A
135	N/A		N/A
140	N/A		N/A
150	Miscellaneous		N/A
160	Net Revenues		755,916
	EXPENSES		
170	Plant Specific		156,940
171	Network Support		3,301
172	General Support		29,324
173	Central Office		94,493
174	Operator Systems		0
175	COE Switching		0
176	COE Transmission		94,493
177	IOT		0
178	Cable & Wire Facilities		29,823
180	Plant Non Spec excl Depr & Amort		44,233
190	Depreciation/Amortization		179,358
200	Customer Operations		24,546
201	Marketing		7,780
202	Local Business Office		3,146
203	Revenue Accounting		12,374
204	Other Billing and Collections		0
210	Access		N/A
220	Corporate Operations		91,104
230	AFUDC		1,445
240	Other Expenses and Adjustments		99
250	Taxes Other than FIT		20,904
260	Total Expenses and Other Taxes		515,739
	NECA ADJUSTMENTS		
261	NECA Administrative Expenses		17,835
262	Average Schedule Settlements		66,500
263	Adjustment for Line Port/TIC		17,334
264	Total NECA Adjustments		101,669
	FIT ADJUSTMENTS		
270	Adjustments for FIT		18,858
280	Amortized ITC		4
290	Federal Income Taxes		22,400
300	TOTAL EXPENSES AND TAXES		639,809
	TELEPHONE PLANT IN SERVICE		
310	General Support		362,982
320	Central Office Equipment - Switch		0
321	Operator Systems		0
322	Tandem Switching		0
323	Local Switching Cat 3		0
324	Equal Access		0
330	Central Office Equipment - Trans		1,570,695
331	Subscriber Lines		501,278
332	Exchange Circuit		1,059,356
333	Interexchange Circuit		10,061
334	Host Remote		0
340	Cable and Wire		1,293,846
341	Subscriber Lines		41,203
342	Exchange		877,963
343	Interexchange Circuit		374,680
344	Host Remote		0
350	Info Orig/Term Equipment		119
360	Amortizable Assets		8,745
370	Total Plant in Service		3,236,386
	ADJUSTMENTS TO TPIS		
380	Depreciation/Amortization Reserve		2,204,682
390	Accum. Deferred Income Tax		61,424
400	Other Rate Base Adjustments		61,789
	RETURN DATA		
410	Average Rate Base		1,032,069
420	Return		116,108
430	Rate of Return		11.25%

* Switched Access detail is no longer relevant pursuant to the freezing of Switched Access revenue requirement at the Test Period 2011/2012 level consistent with the provisions of the *USF/ICC Transformation Order*.

Filing Date: 06/16/2015
Filing Entity: NECA
Transmittal Number: 1455

Rate of Return
Special Access Demand Comparison

		Historical 1/14 thru 12/14			Prospective 7/15 thru 6/16		
		Channel Termination	Circuits	Interoffice Miles	Channel Termination	Circuits	Interoffice Miles
100	Metallic	17,480	8,740	0	9,062	4,531	0
110	Telegraph	0	0	0	0	0	0
120	Voice Grade	22,125	17,019	247,301	19,043	14,649	214,120
130	Wats	N/A	N/A	N/A	N/A	N/A	N/A
140	Audio Program (Full time)	0	0	0	0	0	0
150	High Capacity	593,122	423,659	4,714,166	405,673	289,767	3,224,312

NOTE: This chart should be populated with annualized demand.

Filing Date: 6/16/2015
Filing Entity: NECA
Transmittal Number: 1455

COMMON LINE DEMAND AND REVENUE

		1/14-12/14 Historical Revenue (A)	1/14-12/14 Historical Lines (B)	TP '15/ '16 Test Year Revenue (C)	TP '15/ '16 Test Year Lines (D)
100	End User Common Line, Total [1]	$332,645,646	3,909,493	$316,004,550	3,712,204
110	Line Port Element [2]	$1,965,530	6,967	$1,962,709	6,957
120	Residential	$228,688,902	2,931,909	$216,967,842	2,781,639
130	Single Line Business	$14,285,700	183,150	$13,626,834	174,703
140	Multi-line Business	$87,705,514	794,434	$83,447,165	755,862
150	Special Access Surcharge	$4,500	15	$4,800	16
160	Carrier Common Line	N/A	N/A	N/A	N/A
170	Total Common Line Revenue	$332,650,146	N/A	$316,009,350	N/A

(1) Lines 110, 120, 130, and 140 are included in End User Common Line, Total (line 100) in Columns (A) and (C)
Lines 120, 130, and 140 are included in line 100 in Lines Columns (B) and (D).
(2) Only ISDN PRI and DS1 arrangements are used to compute Line Port Element historical and test year revenues.

Filing Date: 06/16/2015
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Transmittal Number: 1455

RATE OF RETURN
ACCESS RATE ANALYSIS

		7/1/14 RATE	CURRENTLY EFFECTIVE RATE	PROPOSED 7/1/15 RATE	PROPOSED TO 7/1/14 % CHANGE	PROPOSED TO CURRENT % CHANGE
		(A)	(B)	(C)	D=((C-A)/A)*100	E=((C-B)/B)*100
	END USER COMMON LINE					
100	Line Port (Note 1)	$23.51	$23.51	$23.51	0.00%	0.00%
160	USF Contribution	15.7%	17.4%	17.1%	8.92%	-1.72%
170	Special Access Surcharge	$25.00	$25.00	$25.00	0.00%	0.00%
180	Multiline Business	$9.20	$9.20	$9.20	0.00%	0.00%
190	Residence and Single Line Bus.	$6.50	$6.50	$6.50	0.00%	0.00%

Note 1 : In Line 100, for Line Port Element, rates for ISDN PRI and DS1 arrangements are reflected.

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RATE OF RETURN
ACCESS RATE ANALYSIS

		7/1/14 RATE	CURRENTLY EFFECTIVE RATE	PROPOSED 7/1/15 RATE	PROPOSED TO 7/1/14 % CHANGE	PROPOSED TO CURRENT % CHANGE
		(A)	(B)	(C)	D=((C-A)/A*100)	E = ((C-B)B*100)
	SPECIAL ACCESS RATES					
290	2-Wire Voice Grade, $ Per Circuit (Avg Mileage)	$248.28	$248.28	$305.84	23.18%	23.18%
300	4-Wire Voice Grade, $ Per Circuit (Avg Mileage)	$320.18	$320.18	$394.38	23.17%	23.17%

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RATE OF RETURN
ANNUALIZED ACCESS PRICEOUT COMPARISONS

		REVENUE AT 7/1/14 RATE	REVENUE AT CURRENTLY EFFECTIVE RATE	CHANGE	REVENUE AT PROPOSED 7/1/15 RATE	CHANGE
		(A)	(B)	(C)=B-A	(D)	(E)=D-B
100	Line Port	$1,962,709	$1,962,709	$0	$1,962,709	$0
110	Multi Line Business	$83,447,165	$83,447,165	$0	$83,447,165	$0
120	Residence and Single Line Business	$230,594,676	$230,594,676	$0	$230,594,676	$0
130	Carrier Common Line	N/A	N/A	N/A	N/A	N/A
140	Special Access	$671,692,562	$671,692,562	$0	$755,914,586	$84,222,024
150	Special Access Surcharge	$4,800	$4,800	$0	$4,800	$0
200	USF Contributions	$110,049,886	$121,966,115	$11,916,230	$119,863,251	($2,102,864)
	TOTAL	$1,097,751,797	$1,109,668,027	$11,916,230	$1,191,787,187	$82,119,160

NOTE 1: Both NECA end user and non end user tariff participants are displayed on lines 100, 110 and 120.
NOTE 2 : In Line 100, for Line Port Element, both ISDN PRI and DS1 arrangements are reflected.

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Annualized Rate of Return Comparison

		Preliminary 2013/2014 FCC Monitoring Period*	Preliminary 2014 Period**	Prospective 7/14 - 6/15
100	Total Interstate Access	9.80%	10.15%	11.25%
110	Carrier Common Line	11.32%	11.19%	11.25%
120	Special Access	7.92%	9.61%	11.25%
130	Local Switching			
140	Information			
150	Local Transport			
160	Total TS - Switched	8.61%	7.29%	N/A

* Preliminary 2013/2014 Monitoring Period ROR is taken directly from the FCC492, filed March, 2015.
** Preliminary 2014 Period ROR is taken directly from the March, 2015 Assessment.

NOTE: Calendar year 2014 data is subject to true-up through December 2016. Historically, cost levels increase as companies begin reporting actual data. Considering this, it is expected that the rates of return reported on NECA's Form 492 Report and pool actuals will decline as companies update their studies.

ANNUALIZED TEST PERIOD 7/15 TO 6/16 ACCESS REVENUE REQUIREMENTS
DEMAND AND RATE RECONCILIATION

	RATES			RATEMAKING DEMAND			ANTICIPATED	REVENUE
	MIN/MSG	MIN MILE	LINE OR TRUNK	MIN/MSG	MIN MILE	LINE OR TRUNK	GROSS REVENUE	REQUIREMENTS
	(A)	(B)	(C)	(D)	(E)	(F)	G=12*(A*D)+ (B*E)+(C*F)	(H)
COMMON LINE								
100 Line Port/Element	N/A	N/A	$23.51	N/A	N/A	6,957	$1,962,709	N/A
110 Multi Line Business	N/A	N/A	$9.20	N/A	N/A	755,862	$83,447,165	N/A
120 Single Line Business	N/A	N/A	$6.50	N/A	N/A	174,723	$13,635,834	N/A
130 Residence	N/A	N/A	$6.50	N/A	N/A	2,791,639	$218,967,842	N/A
140 Special Access Surcharge	N/A	N/A	$25.00	N/A	N/A	16	$4,800	N/A
150 Terminating CCL Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
160 Terminating CCL Non Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
170 Originating CCL Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
180 Originating CCL Non Premium	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
190 USF Contribution	N/A	N/A	17.1%	N/A	N/A	N/A	$119,863,251	$119,863,251
200 Common Line - Total w/o ICLS							$435,872,601	$436,420,065

NOTE: Effective 4/1/03, Federal Universal Service Charge is set equal to FCC's quarterly USF contribution factor.
NOTE: For Line Port/Element category, ISDN PRI and DS1 arrangements are included in line 100.

Common Line	435,872,601	436,420,065
Long Term Sup	472,329,994	472,329,994
CCL Total	908,202,595	908,750,059
Common Line	435,872,601	436,420,065
All Other	#REF!	#REF!
Sub Total	#REF!	#REF!
Long Term Sup	472,329,994	472,329,994
Grand Total	#REF!	#REF!

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ANNUALIZED TEST PERIOD 7/15 TO 6/16 ACCESS REVENUE REQUIREMENTS
DEMAND AND RATE RECONCILIATION

		RATES			RATE MAKING DEMAND				
		TERMINATIONS	CIRCUITS	MILES	TERMINATIONS	CIRCUITS	MILES	ANTICIPATED GROSS REVENUE	REVENUE REQUIREMENTS
		(A)	(B)	(C)	(D)	(E)	(F)	G=(A*D)+ (B*E)+(C*F)	(H)
	SPECIAL - VOICE GRADE								
510	2-Wire Channel Term	N/A	73.80	N/A	N/A	4,312	N/A	$318,193	N/A
520	4-Wire Channel Term	N/A	118.07	N/A	N/A	14,732	N/A	$1,739,393	N/A
530	Channel Mileage Term	52.82	N/A	N/A	13,994	N/A	N/A	$739,158	N/A
540	Channel Mileage Facility	N/A	N/A	5.26	N/A	N/A	214,120	$1,126,272	N/A
550	Non-Recurring (Note 1)	N/A	450.00	N/A	N/A	67	N/A	$30,150	N/A
	SPECIAL - HIGH CAPACITY								
560	Hi-Cap Channel Term	N/A	343.77	N/A	N/A	400,756	N/A	$137,767,890	N/A
570	Channel Mileage Term	110.35	N/A	N/A	381,224	N/A	N/A	$42,068,068	N/A
580	Channel Mileage Facility	N/A	N/A	21.26	N/A	N/A	3,198,642	$68,003,129	N/A
590	Non-Recurring (Note 1)	N/A	387.50	N/A	N/A	0	N/A	$0	N/A
600	Special Access Total							$755,914,586	$755,915,709

NOTE 1: A "composite" Special NRC must be used if the installation rates vary among the services.

Filing Date: 6/16/2015
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Transmittal Number: 1455

RATE OF RETURN TEST PERIOD REVENUES

		TOTAL NETWORK ACCESS	RECURRING w/o ICB	NON-RECURRING w/o ICB	ICB
		(A)=B+C+D	(B)	(C)	(D)
100	Common Line (Note 1)	$1,268,161,168	$1,268,161,168	$0	$0
110	Special Access	$755,914,586	$755,528,600	$385,986	$0

Note 1: Includes ICLS.

MAG-1 Historical
Filing Date: 6/16/2015
Filing Entity: NECA
Transmittal Number: 1455

Rate-of Return TRP
MAG Adjustments *
Historical (Calendar Year 2014)
($000)

Access Category	Interstate Revenue Requirement Prior to Adjustments	Frozen Line Port Transfer	Universal Service Fund Contribution	Interstate Revenue Requirement Used as Base for TIC Reallocation	Frozen TIC Reallocation	Frozen Line Port Transfer NonTS Companies	Frozen TIC Reallocation NonTS Companies	Interstate Revenue Requirement Subject to Rate Making
	(A) Note 1	(B) Note 2	(C) Note 3	(E) Cols. (A)+(B)-(C)	(F) Note 4	(G)	(H)	(I) Note 5
Common Line	$1,165,950	$55,765	$117,709	$1,104,007	$43,444	$9,907	$5,755	$1,355,087
Special Access	$686,946			$686,946	$17,334			$704,280

Note 1: Source: company workpapers - After reallocating General Support Facilities Investment, but before other part 69 adjustments.
as a result of the Rate-of-Return Access Charge Reform Order as reflected in this form. Express as ANNUAL amounts.
Note 2: Amount based on Test Period 2011/2012 per *USF/ICC Transformation Order*.
Note 3: Based on projected USF Contributions.
Note 4: Amount based on Test Period 2011/2012 per *USF/ICC Transformation Order*.
Note 5: Includes NECA expenses

* Reflects the impact of the corporate operations expense limitation provision of the USF/ICC Transformation Order.

MAG-1 Projected
Filing Date: 6/16/2015
Filing Entity: NECA
Transmittal Number: 1455

Rate of Return TRP
MAG Adjustments *
Test Year, 7/1/15-6/30/16
($000)

Access Category	Interstate Revenue Requirement Prior to Adjustments	Frozen Line Port Transfer	Universal Service Fund Contribution	Interstate Revenue Requirement Used as Base for TIC Reallocation	Frozen TIC Reallocation	Frozen Line Port Transfer NonTS Companies	Frozen TIC Reallocation NonTS Companies	Interstate Revenue Requirement Subject to Rate Making
	(A) Note 1	(B) Note 2	(C) Note 3	(E) Cols. (A)+(B)-(C)	(F) Note 4	(G)	(H)	(I) Note 5
Common Line	$1,124,968	$55,765	$119,863	$1,060,870	$43,444	$9,907	$5,755	$1,389,156
Special Access	$720,746			$720,746	$17,334			$755,916

Note 1: Source: company workpapers - After reallocating General Support Facilities Investment, but before other part 69 adjustments.
as a result of the Rate-of-Return Access Charge Reform Order as reflected in this form. Express as ANNUAL amounts.
Note 2: Amount based on Test Period 2011/2012 per *USF/ICC Transformation Order*.
Note 3: Based on projected USF Contributions.
Note 4: Amount based on Test Period 2011/2012 per *USF/ICC Transformation Order*.
Note 5: Includes NECA expenses

* Reflects the impact of the corporate operations expense limitation provision of the USF/ICC Transformation Order.

NECA MAG-1
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COST TO BE MOVED TO COMMON LINE
TEST PERIOD JULY 1, 2015 THROUGH JUNE 30, 2016

DATA USED IN NECA TARIFF FILIN

SAC	COMPANY NAME	SETTLEMENT TYPE	SECTION 61.38 OR 61.39	FROZEN LINE PORT TRANSFER	FROZEN TRANSPORT (TIC) REALLOCATION
100022	SACO RIVER TEL LLC	A	61.39	$67,824	$76,920
170175	IRONTON TEL CO	A	61.39	$52,068	$86,592
190226	LUMOS TEL.	A	61.39	$188,724	$20,028
230501	SKYLINE MEMBERSHIP	A	61.38	$173,436	$313,272
230511	YADKIN VALLEY TEL	A	61.38	$129,300	$176,748
240515	CHESNEE TEL CO	A	61.38	$61,380	$43,164
240516	CHESTER TEL CO - SC	A	61.38	$164,268	$198,396
240532	LOCKHART TEL CO INC	A	61.39	$22,632	$0
240541	RIDGEWAY TEL CO	A	61.39	$58,788	$24,264
250283	BRINDLEE MOUNTAIN	A	61.38	$115,128	$186,228
250312	OTELCO TELEPHONE LLC	A	61.38	$80,292	$71,244
260408	GEARHEART-COALFIELDS	A	61.39	$103,956	$129,576
330889	HAGER TELECOM INC.	A	61.39	$44,292	$11,688
351212	JEFFERSON TEL CO -IA	A	61.39	$34,476	$14,544
351213	JORDAN SOLDIERVALLEY	A	61.38	$31,128	$168
351278	READLYN TEL CO	A	61.39	$41,832	$13,788
361440	CANNON VLY TELECOM	A	61.39	$34,476	$40,032
391650	CITY OF BROOKINGS	A	61.39	$154,752	$0
442107	LIVINGSTON TEL CO	A	61.39	$66,804	$41,268
482252	RONAN TEL CO	A	61.39	$47,952	$0
100024	SOMERSET TEL CO	C	61.38	$41,618	$78,328
120045	KEARSARGE TEL CO	C	61.38	$48,421	$88,909
120047	MERRIMACK COUNTY TEL	C	61.38	$103,124	$44,807
120049	UNION TEL CO	C	61.38	$95,653	$59,731
120050	WILTON TEL CO - NH	C	61.38	$36,985	$4,711
123321	MCTA, INC.	C	61.38	$92,285	$102,374
190217	AMELIA TEL CORP	C	61.38	$27,613	$2,326
190253	VIRGINIA TEL CO	C	61.38	$45,581	$27,021
210330	SMART CITY TEL LLC	C	61.38	$209,453	$28,328
210338	QUINCY TEL CO-FL DIV	C	61.38	$55,398	$20,130
220338	QUINCY TEL CO-GA DIV	C	61.38	$3,352	$7,430
220346	BLUE RIDGE TEL CO	C	61.38	$33,911	$116,291
220351	CAMDEN TEL & TEL CO	C	61.38	$144,127	$55,184
220360	ELLIJAY TEL CO	C	61.38	$62,487	$69,399
220375	NELSON-BALL GROUND	C	61.38	$20,797	$46,171
230468	ATLANTIC MEMBERSHIP	C	61.38	$419,459	$1,764
230473	CITIZENS TEL CO	C	61.39	$53,072	$7,466
240512	BLUFFTON TEL. CO.	C	61.38	$130,839	$2,632
240520	FARMERS TEL COOP	C	61.38	$243,186	$11,948
240521	FORT MILL TEL CO	C	61.38	$185,413	$16,323
240523	HARGRAY TEL CO	C	61.38	$399,076	$104,248
240527	HOME TELECOM	C	61.38	$168,306	$12,154
240528	HORRY TEL COOP	C	61.38	$1,510,835	$80,537
240531	LANCASTER TEL CO	C	61.38	$228,607	$7,108
240542	COMPORIUM, INC.	C	61.38	$250,149	$8,969
240551	WILLISTON TEL CO	C	61.38	$12,452	$24,678
250284	BUTLER TEL CO	C	61.38	$15,884	$17,959
250314	PEOPLES TEL CO	C	61.38	$40,589	$18,241

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COST TO BE MOVED TO COMMON LINE
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DATA USED IN NECA TARIFF FILIN

SAC	COMPANY NAME	SETTLEMENT TYPE	SECTION 61.38 OR 61.39	FROZEN LINE PORT TRANSFER	FROZEN TRANSPORT (TIC) REALLOCATION
260411	LESLIE COUNTY TEL CO	C	61.38	$36,637	$30,440
260418	SOUTH CENTRAL RURAL	C	61.39	$57,387	$11,877
270429	EAST ASCENSION TEL	C	61.39	$69,229	$339,644
290559	CONCORD TEL EXCHANGE	C	61.38	$82,474	$31,450
290571	MILLINGTON RITTER	C	61.38	$104,497	$14,117
290575	TENNESSEE TEL CO	C	61.39	$187,234	$50,830
290578	TELLICO TEL CO	C	61.38	$30,224	$19,048
300597	THE CHILLICOTHE TEL	C	61.38	$185,743	$61,389
320776	COMM CORP OF INDIANA	C	61.38	$69,814	$27,264
320818	SMITHVILLE COMM.	C	61.38	$139,428	$0
320829	TIPTON TEL CO	C	61.38	$37,116	$42,982
320830	TRI-COUNTY TEL CO	C	61.38	$41,522	$47,805
330844	BADGER TELECOM, INC.	C	61.38	$20,813	$10,293
330859	CENTRAL STATE TEL CO	C	61.38	$35,840	$13,967
330881	MID-PLAINS TEL CO	C	61.38	$235,216	$356,362
330909	MIDWAY TEL CO	C	61.38	$16,402	$14,611
330916	MOUNT HOREB TEL CO	C	61.38	$27,470	$54
330917	MT VERNON TEL CO	C	61.38	$121,656	$505
330943	RIVERSIDE TELECOM	C	61.38	$29,681	$22,241
330954	STOCKBRIDGE & SHERWD	C	61.38	$11,915	$16,767
330963	UTELCO, INC	C	61.38	$62,352	$74,985
330968	WAUNAKEE TEL CO	C	61.38	$80,446	$0
341003	EGYPTIAN COOP ASSN	C	61.39	$56,866	$39,992
341026	HARRISONVILLE TEL CO	C	61.38	$76,980	$60,623
361350	ARVIG TEL CO	C	61.38	$41,457	$26,074
361358	BLUE EARTH VALLEY	C	61.39	$68,908	$0
361362	BRIDGEWATER TEL CO	C	61.38	$5,564	$9,010
361384	EASTON TEL CO	C	61.39	$38,384	$0
361399	GRANADA TEL CO	C	61.39	$7,760	$1,610
361433	MID STATE TEL CO	C	61.38	$25,715	$17,237
361454	PINE ISLAND TEL CO	C	61.39	$21,827	$11,697
411817	PIONEER TEL ASSN INC	C	61.39	$335,625	$236,141
421866	Ozark Tel. Co.	C	61.38	$22,237	$3,554
421945	SENECA TEL CO	C	61.39	$6,514	$32,396
431969	BIXBY TEL CO	C	61.38	$123,588	$58,612
431984	OKLAHOMA COMM SYSTEM	C	61.38	$47,774	$18,378
432016	PANHANDLE TEL COOP	C	61.39	$253,902	$457,150
442070	ETEX TEL COOP INC	C	61.38	$104,567	$0
452171	ARIZONA TELEPHONE CO	C	61.38	$69,820	$51,306
452174	SOUTHWESTERN TEL CO	C	61.38	$49,960	$65,231
462184	DELTA COUNTY TEL CO	C	61.38	$29,685	$33,619
462207	STRASBURG TEL CO	C	61.38	$13,500	$14,213
502278	EMRY dba EMRY TELCOM	C	61.39	$165,123	$123,538
512296	TRI COUNTY TEL ASSN	C	61.38	$75,038	$47,981
512297	UNION TELEPHONE CO	C	61.38	$230,722	$746,838
				$9,906,792	$5,754,918

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COST TO BE MOVED TO COMMON LINE
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DATA USED IN NECA TARIFF FILIN

SAC	COMPANY NAME	SETTLEMENT TYPE	SECTION 61.38 OR 61.39	FROZEN LINE PORT TRANSFER	FROZEN TRANSPORT (TIC) REALLOCATION

Notes:

- NECA calculated projected test period amounts for all companies in its Common Line pool (including 61.38 and 61.39 companies t own TS tariffs) in accrodance with the *MAG Order* and *USF/ICC Transformation Order* and are reflected as follows:

1. Shift of line port cost from traffic sensitive to common line: Shifts are based on the 2011/2012 base period amounts and reflect th USF/ICC Transformation Order provision limiting corporate operations expense.

2. Reallocation of Transport Interconnections Charge (TIC) cost to all other access elements:
   a. Allocations are based on the 2011/2012 base period amounts
   b. Shifts to CL reflect the corporate operations expense limitation

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