

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

**Kentucky
2-Wire Voice Grade Loop**

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$21.7827	\$2.2063	\$23.9890	\$0.0000	\$0.0000	\$0.0000
LABOR EXPENSES:						
OTHER EXPENSES:						
Subscriber Line Testing	\$0.4789	\$0.0000	\$0.4789	\$0.0000	\$0.0000	\$0.0000
NTW - Monthly Cost Per Access Line	\$0.1253	\$0.0000	\$0.1253	\$0.0000	\$0.0000	\$0.0000
Total Monthly Cost	<u>\$22.3868</u>	<u>\$2.2063</u>	<u>\$24.5932</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor			X 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$24.5932</u>			<u>\$0.0000</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$24.5932</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$24.5932

Investment Development - Volume Sensitive

Primary Res and Single Line Bus

Kentucky
2-Wire Voice Grade Loop

Description	FRC	Sub FRC	A Material	B Inflation Factor	C=AxB Adjusted Material	D1 Plug-in Inventory Factor	D2 Mat'l Factor	D3 Telco Factor	D4 Plug-in Factor	D5 Hardwire Factor	E=Cx(D1xD2 x...xD5) In-Plant Investment	F Supporting Equipment &/or Power Loading	G=ExF Total Investment					
														In-Plant Factors (Default = 1)				
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0010	1.1254	\$0.0011	NA	4.8081	NA	NA	NA	\$0.0054	NA	\$0.0054					
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0032	1.1254	\$0.0036	NA	4.8081	NA	NA	NA	\$0.0171	NA	\$0.0171					
Aerial Ca - Metal	22C	00	\$4.4315	1.1254	\$4.9874	NA	3.7866	NA	NA	NA	\$18.8855	NA	\$18.8855					
Aerial Ca - Metal - Drop	22C	01	\$19.1979	1.1254	\$21.6061	NA	NA	NA	NA	NA	\$21.6061	NA	\$21.6061					
Aerial Ca - Metal 24-Guage	22C4	00	\$34.0852	1.1254	\$38.3608	NA	3.7866	NA	NA	NA	\$145.2574	NA	\$145.2574					
Digitl Circ - Pair Gain - C O - Hardwired - MCEP	257C	03	\$10.3513	0.9800	\$10.1443	NA	NA	NA	NA	2.4536	\$24.8904	1.0351	\$25.7651					
Digitl Circ - Pair Gain - C O - Com. Plug-in - MCEP	257C	06	\$43.7011	0.9800	\$42.8271	NA	NA	NA	1.2339	NA	\$52.8457	1.0351	\$54.7029					
Digitl Circ - Pair Gain - C O - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$7.8215	0.9800	\$7.6651	NA	NA	NA	1.2339	NA	\$9.4581	1.0351	\$9.7905					
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0001	0.9800	\$0.0001	NA	NA	NA	NA	2.4536	\$0.0001	1.0275	\$0.0001					
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0001	0.9800	\$0.0001	NA	NA	NA	1.2339	NA	\$0.0001	1.0275	\$0.0001					
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0002	0.9800	\$0.0002	NA	NA	NA	1.2339	NA	\$0.0003	1.0275	\$0.0003					
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$70.2842	0.9800	\$68.8785	NA	NA	NA	NA	2.4536	\$169.0034	1.0275	\$173.6534					
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$58.0249	0.9800	\$56.8644	NA	NA	NA	1.2339	NA	\$70.1667	1.0275	\$72.0973					
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$29.2553	0.9800	\$28.6702	NA	NA	NA	1.2339	NA	\$35.3770	1.0275	\$36.3504					
Digital Elec Switch - MDF	377C	05	\$4.0200	1.0338	\$4.1558	NA	1.4783	NA	NA	NA	\$6.1436	1.1447	\$7.0324					
Buried Ca - Metal	45C	00	\$7.7525	1.1037	\$8.5561	NA	6.1313	NA	NA	NA	\$52.4596	NA	\$52.4596					
Buried Ca - Metal - Drop	45C	01	\$48.2847	1.1037	\$53.2898	NA	NA	NA	NA	NA	\$53.2898	NA	\$53.2898					
Buried Ca - Metal 24-Guage	45C4	00	\$51.0828	1.1037	\$56.3780	NA	6.1313	NA	NA	NA	\$345.6695	NA	\$345.6695					
Intrbid Network - Metal	52C	00	\$0.2180	1.1325	\$0.2469	NA	4.8689	NA	NA	NA	\$1.2019	NA	\$1.2019					
Intrbid Network - Metal 24-Guage	52C4	00	\$0.0245	1.1325	\$0.0278	NA	4.8689	NA	NA	NA	\$0.1351	NA	\$0.1351					
Underground Ca - Metal	5C	00	\$4.5416	1.1325	\$5.1432	NA	3.4606	NA	NA	NA	\$17.7988	NA	\$17.7988					
Underground Ca - Metal 24-Guage	5C4	00	\$6.2854	1.1325	\$7.1181	NA	3.4606	NA	NA	NA	\$24.6329	NA	\$24.6329					
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	1.0235	\$0.0000	NA	2.5943	NA	NA	NA	\$0.0000	NA	\$0.0000					
Aerial Ca - Fiber	822C	00	\$12.9588	1.0235	\$13.2629	NA	2.2355	NA	NA	NA	\$29.6488	NA	\$29.6488					
Buried Ca - Fiber	845C	00	\$14.3793	1.0578	\$15.2105	NA	3.4301	NA	NA	NA	\$52.1728	NA	\$52.1728					
Underground Ca - Fiber	85C	00	\$2.2060	0.9933	\$2.1913	NA	2.6778	NA	NA	NA	\$5.8680	NA	\$5.8680					
											\$1,136.5344		\$1,148.0415					

Kentucky
2-Wire Voice Grade Loop

A=Prev Page Col G B C=AxB D E=AxD F G=AxF H I=AxH

Description	Sub		Land	Land	Building	Building	Pole	Pole	Conduit	Conduit	
	FRC	FRC									Investment
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0054	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0171	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal	22C	00	\$18,885.5	NA	\$0.0000	NA	\$0.0000	0.3604	\$6,805.4	NA	\$0.0000
Aerial Ca - Metal - Drop	22C	01	\$21,606.1	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal 24-Guage	22C4	00	\$145,257.4	NA	\$0.0000	NA	\$0.0000	0.3604	\$52,343.8	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$25,765.1	0.0101	\$0,259.4	0.1588	\$4,092.2	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$54,702.9	0.0101	\$0,550.8	0.1588	\$8,688.4	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$9,790.5	0.0101	\$0,098.6	0.1588	\$1,555.0	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0001	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0001	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0003	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$173,653.4	0.0101	\$1,748.6	0.1588	\$27,581.1	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$72,097.3	0.0101	\$0,726.0	0.1588	\$11,451.1	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$36,350.4	0.0101	\$0,366.0	0.1588	\$5,773.5	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$7,032.4	0.0101	\$0,070.8	0.1588	\$1,116.9	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal	45C	00	\$52,459.6	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal - Drop	45C	01	\$53,289.8	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal 24-Guage	45C4	00	\$345,669.5	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbl Network - Metal	52C	00	\$1,201.9	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbl Network - Metal 24-Guage	52C4	00	\$0,135.1	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Metal	5C	00	\$17,798.8	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$15,938.9
Underground Ca - Metal 24-Guage	5C4	00	\$24,632.9	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$22,058.8
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Fiber	822C	00	\$29,648.8	NA	\$0.0000	NA	\$0.0000	0.3604	\$10,684.0	NA	\$0.0000
Buried Ca - Fiber	845C	00	\$52,172.8	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Fiber	85C	00	\$5,868.0	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$5,254.8
			FRC 20C:		\$3,820.3	FRC 10C:	\$60,258.3	FRC 1C:	\$69,833.2	FRC 4C:	\$43,252.5

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Kentucky
2-Wire Voice Grade Loop**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
			<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>	
Buildings - COE	10C	\$60.2583	\$1.2632	\$5.3818	\$2.5529	\$2.4945	\$0.3857	\$12.0782	
			0.0210	0.0893	0.0424	0.0414	0.0064		
Aerial Ca - Metal - Building Entrance	12C	\$0.0225	\$0.0017	\$0.0015	\$0.0007	\$0.0006	\$0.0001	\$0.0047	
			0.0775	0.0669	0.0317	0.0273	0.0064		
Poles	1C	\$69.8332	\$3.0625	\$5.0482	\$2.3947	\$0.9850	\$0.4470	\$11.9374	
			0.0439	0.0723	0.0343	0.0141	0.0064		
Land - COE	20C	\$3.8203	\$0.0000	\$0.4297	\$0.2038	\$0.0000	\$0.0245	\$0.6580	
			0.0000	0.1125	0.0534	0.0000	0.0064		
Aerial Ca - Metal	22C	\$164.1428	\$12.7185	\$10.9745	\$5.2059	\$4.4817	\$1.0508	\$34.4314	
			0.0775	0.0669	0.0317	0.0273	0.0064		
Aerial Ca - Metal - Drop	22C	\$21.6061	\$1.6741	\$1.4446	\$0.6853	\$0.5899	\$0.1383	\$4.5322	
			0.0775	0.0669	0.0317	0.0273	0.0064		
Digitl Circ - Pair Gain	257C	\$372.3602	\$41.8098	\$18.2757	\$8.6693	\$4.7714	\$2.3837	\$75.9099	
			0.1123	0.0491	0.0233	0.0128	0.0064		
Digital Elec Switch	377C	\$7.0324	\$0.6934	\$0.3611	\$0.1713	\$0.1647	\$0.0450	\$1.4356	
			0.0986	0.0513	0.0244	0.0234	0.0064		
Buried Ca - Metal	45C	\$398.1292	\$28.6201	\$26.8705	\$12.7464	\$9.7421	\$2.5486	\$80.5277	
			0.0719	0.0675	0.0320	0.0245	0.0064		
Buried Ca - Metal - Drop	45C	\$53.2898	\$3.8308	\$3.5966	\$1.7061	\$1.3040	\$0.3411	\$10.7787	
			0.0719	0.0675	0.0320	0.0245	0.0064		
Conduit Systems	4C	\$43.2525	\$0.5113	\$3.5602	\$1.6888	\$0.0379	\$0.2769	\$6.0751	

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Kentucky
2-Wire Voice Grade Loop

Description	FRC	A Investment	B=AxFactor Depreciation & Factor	C=AxFactor Cost of Money & Factor	D=AxFactor Income Tax & Factor	E=AxFactor Plant Specific Expense & Factor	F=AxFactor Ad Valorem Expense & Factor	I=(B+C+D +E+F) Direct Cost
Intrblld Network - Metal	52C	\$1.3371	0.0118 \$0.0774	0.0823 \$0.0890	0.0390 \$0.0422	0.0009 \$0.0135	0.0064 \$0.0086	\$0.2306
Underground Ca - Metal	5C	\$42.4318	0.0579 \$3.3341	0.0665 \$2.8345	0.0316 \$1.3446	0.0101 \$0.5497	0.0064 \$0.2716	\$8.3345
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	0.0786 \$0.0000	0.0668 \$0.0000	0.0317 \$0.0000	0.0130 \$0.0000	0.0064 \$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$29.6488	0.0600 \$1.7780	0.0665 \$1.9730	0.0316 \$0.9359	0.0042 \$0.1258	0.0064 \$0.1898	\$5.0026
Buried Ca - Fiber	845C	\$52.1728	0.0600 \$2.8819	0.0665 \$3.5088	0.0316 \$1.6645	0.0042 \$0.1076	0.0064 \$0.3340	\$8.4967
Underground Ca - Fiber	85C	\$5.8680	0.0552 \$0.3362	0.0673 \$0.3885	0.0319 \$0.1843	0.0021 \$0.0121	0.0064 \$0.0376	\$0.9586
		<u>\$1,325.2057</u>	0.0573	0.0662	0.0314	0.0021	0.0064	<u>\$261.3918</u>
Monthly Cost(Total / 12):								\$21.7827

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Kentucky
2-Wire Voice Grade Loop**

<u>Description</u>	<u>FRC</u>	A	B=Prev Rpt Col I	C	D=AxC	E=B+D
		<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$60.2583	\$12.0782	0.0001	\$0.0064	\$12.0846
Aerial Ca - Metal - Building Entrance	12C	\$0.0225	\$0.0047	0.0277	\$0.0006	\$0.0053
Poles	1C	\$69.8332	\$11.9374	0.0137	\$0.9589	\$12.8963
Land - COE	20C	\$3.8203	\$0.6580	0.0000	\$0.0000	\$0.6580
Aerial Ca - Metal	22C	\$164.1428	\$34.4314	0.0277	\$4.5435	\$38.9750
Aerial Ca - Metal - Drop	22C	\$21.6061	\$4.5322	0.0277	\$0.5981	\$5.1303
Digtl Circ - Pair Gain	257C	\$372.3602	\$75.9099	0.0171	\$6.3730	\$82.2828
Digital Elec Switch	377C	\$7.0324	\$1.4356	0.0167	\$0.1174	\$1.5529
Buried Ca - Metal	45C	\$398.1292	\$80.5277	0.0246	\$9.7765	\$90.3042
Buried Ca - Metal - Drop	45C	\$53.2898	\$10.7787	0.0246	\$1.3086	\$12.0873
Conduit Systems	4C	\$43.2525	\$6.0751	0.0098	\$0.4241	\$6.4992

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Kentucky
2-Wire Voice Grade Loop**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>	A	B=Prev Rpt Col I	C	D=AxC	E=B+D
Intrbld Network - Metal	52C	\$1.3371	\$0.2306	0.0135	\$0.0180	\$0.2486					
Underground Ca - Metal	5C	\$42.4318	\$8.3345	0.0191	\$0.8098	\$9.1443					
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000	\$0.0000					
Aerial Ca - Fiber	822C	\$29.6488	\$5.0026	0.0219	\$0.6479	\$5.6504					
Buried Ca - Fiber	845C	\$52.1728	\$8.4967	0.0151	\$0.7896	\$9.2863					
Underground Ca - Fiber	85C	\$5.8680	\$0.9586	0.0177	\$0.1036	\$1.0622					
		<u>\$1,325.2057</u>	<u>\$261.3918</u>		<u>\$26.4759</u>	<u>\$287.8677</u>					
Monthly Costs (Total / 12):			\$21.7827		\$2.2063	\$23.9890					

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

**Kentucky
Exchange Port - 2-Wire Line Port**

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$2.0004	\$0.1406	\$2.1410	\$0.1232	\$0.0000	\$0.1232
LABOR EXPENSES:						
OTHER EXPENSES:						
Total Monthly Cost	<u>\$2.0004</u>	<u>\$0.1406</u>	<u>\$2.1410</u>	<u>\$0.1232</u>	<u>\$0.0000</u>	<u>\$0.1232</u>
Gross Receipts Tax Factor			X 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$2.1410</u>			<u>\$0.1232</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$2.1410</u>			<u>\$0.1232</u>

Total Monthly Economic Cost: \$2.2642

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

Description	FRC	Sub FRC	A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF
			Material	Inflation Factor	Adjusted Material	In-Plant Factors (Default = 1)					In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
						Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor			
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$71.4379	1.0338	\$73.8503	NA	NA	1.1946	NA	NA	\$88.2230	1.1447	\$100.9851
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.4783	NA	NA	NA	\$0.0000	1.1447	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	NA	NA	NA	NA	\$0.0000	NA	\$0.0000
											<u>\$88.2230</u>		<u>\$100.9851</u>

Kentucky
Exchange Port - 2-Wire Line Port

A=Prev Page Col G B C=AxB D E=AxD F G=AxF H I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$100.9851	0.0101	\$1.0169	0.1588	\$16.0393	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0101	\$0.0000	0.1588	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$1.0169</u>	FRC 10C:	<u>\$16.0393</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

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Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Kentucky
Exchange Port - 2-Wire Line Port**

<u>Description</u>	A <u>FRC</u>	B=AxFactor <u>Investment</u>	C=AxFactor <u>Depreciation & Factor</u>	D=AxFactor <u>Cost of Money & Factor</u>	E=AxFactor <u>Income Tax & Factor</u>	F=AxFactor <u>Plant Specific Expense & Factor</u>	G=AxFactor <u>Ad Valorem Expense & Factor</u>	I=(B+C+D +E+F) <u>Direct Cost</u>
Buildings - COE	10C	\$16.0393	\$0.3362	\$1.4325	\$0.6795	\$0.6640	\$0.1027	\$3.2149
			0.0210	0.0893	0.0424	0.0414	0.0064	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0141	0.0064	
Land - COE	20C	\$1.0169	\$0.0000	\$0.1144	\$0.0543	\$0.0000	\$0.0065	\$0.1751
			0.0000	0.1125	0.0534	0.0000	0.0064	
Digital Elec Switch	377C	\$100.9851	\$9.9580	\$5.1849	\$2.4595	\$2.3657	\$0.6465	\$20.6146
			0.0986	0.0513	0.0244	0.0234	0.0064	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0009	0.0064	
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.3333	0.0525	0.0249	NA	0.0064	
		<u>\$118.0413</u>						<u>\$24.0047</u>
Monthly Cost(Total / 12):								\$2.0004

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Kentucky
Exchange Port - 2-Wire Line Port**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>	A	B=Prev Rpt Coll	C	D=AxC	E=B+D
Buildings - COE	10C	\$16.0393	\$3.2149	0.0001	\$0.0017	\$3.2166					
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000					
Land - COE	20C	\$1.0169	\$0.1751	0.0000	\$0.0000	\$0.1751					
Digital Elec Switch	377C	\$100.9851	\$20.6146	0.0167	\$1.6852	\$22.2998					
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000					
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	NA	\$0.0000	\$0.0000					
		<u>\$118.0413</u>	<u>\$24.0047</u>		<u>\$1.6869</u>	<u>\$25.6916</u>					
Monthly Costs (Total / 12):			\$2.0004		\$0.1406	\$2.1410					

Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

Description	FRC	Sub FRC	A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF
			Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor	In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
			In-Plant Factors (Default = 1)										
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	1.0338	\$0.0000	NA	NA	1.1946	NA	NA	\$0.0000	1.1447	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.4783	NA	NA	NA	\$0.0000	1.1447	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$3.5440	NA	\$3.5440	NA	NA	NA	NA	NA	\$3.5440	NA	\$3.5440
											<u>\$3.5440</u>		<u>\$3.5440</u>

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

A=Prev Page
Col G

B C=AxB D E=AxD F G=AxF H I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	0.0101	\$0.0000	0.1588	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0101	\$0.0000	0.1588	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$3.5440	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.0000</u>	FRC 10C:	<u>\$0.0000</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

11/6/2001

Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Kentucky
Exchange Port - 2-Wire Line Port

Description	A FRC	B=AxFactor Investment	C=AxFactor Depreciation & Factor	D=AxFactor Cost of Money & Factor	E=AxFactor Income Tax & Factor	F=AxFactor Plant Specific Expense & Factor	G=AxFactor Ad Valorem Expense & Factor	I=(B+C+D +E+F) Direct Cost
Land - COE	20C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0000	0.1125	0.0534	0.0000	0.0064	
Buildings - COE	10C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0210	0.0893	0.0424	0.0414	0.0064	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0141	0.0064	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0009	0.0064	
Digital Elec Switch	377C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0986	0.0513	0.0244	0.0234	0.0064	
Intangibles - Network Switch Software RTU	560C	\$3.5440	\$1.1813	\$0.1860	\$0.0882	\$0.0000	\$0.0227	\$1.4783
			0.3333	0.0525	0.0249	NA	0.0064	
		<u>\$3.5440</u>						<u>\$1.4783</u>
Monthly Cost(Total / 12):								\$0.1232

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

**Kentucky
Exchange Port - 2-Wire Line Port**

<u>Description</u>	<u>FRC</u>	A	B=Prev Rpt Col I	C	D=AxC	E=B+D
		<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Land - COE	20C	\$0.0000	\$0.0000	0.0000	\$0.0000	\$0.0000
Buildings - COE	10C	\$0.0000	\$0.0000	0.0001	\$0.0000	\$0.0000
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Digital Elec Switch	377C	\$0.0000	\$0.0000	0.0167	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$3.5440	\$1.4783	NA	\$0.0000	\$1.4783
		<u>\$3.5440</u>	<u>\$1.4783</u>		<u>\$0.0000</u>	<u>\$1.4783</u>
Monthly Costs (Total / 12):			\$0.1232		\$0.0000	\$0.1232

11/6/2001

Recurring Cost Summary

Primary Res. and Single Line Bus.

**Louisiana
2-Wire Voice Grade Loop**

Volume Sensitive

Volume Insensitive

<u>Description</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$20.4247	\$1.9531	\$22.3778	\$0.0000	\$0.0000	\$0.0000
LABOR EXPENSES:						
OTHER EXPENSES:						
Subscriber Line Testing	\$0.2412	\$0.0000	\$0.2412	\$0.0000	\$0.0000	\$0.0000
Total Monthly Cost Per Access Line - NTW	<u>\$0.0855</u>	<u>\$0.0000</u>	<u>\$0.0855</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Total Monthly Cost	<u>\$20.7515</u>	<u>\$1.9531</u>	<u>\$22.7046</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>
Gross Receipts Tax Factor			X 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$22.7046</u>			<u>\$0.0000</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$22.7046</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$22.7046

Louisiana
2-Wire Voice Grade Loop

Description	A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF	In-Plant Factors (Default = 1)					Supporting Equipment &/or Power Loading	Total Investment					
												Sub FRC	Material	Inflation Factor	Adjusted Material	Plug-in Inventory Factor			Mat'l Factor	Telco Factor	Plug-in Factor	Hardware Factor	In-Plant Investment
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0060	1.1254	\$0.0067	NA	4.2733	NA	NA	NA	\$0.0287	NA	\$0.0287										
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0068	1.1254	\$0.0077	NA	4.2733	NA	NA	NA	\$0.0329	NA	\$0.0329										
Aerial Ca - Metal	22C	00	\$4.4440	1.1254	\$5.0015	NA	4.3033	NA	NA	NA	\$21.5230	NA	\$21.5230										
Aerial Ca - Metal - Drop	22C	01	\$16.6593	1.1254	\$18.7490	NA	NA	NA	NA	NA	\$18.7490	NA	\$18.7490										
Aerial Ca - Metal 24-Guage	22C4	00	\$26.5844	1.1254	\$29.9192	NA	4.3033	NA	NA	NA	\$128.7525	NA	\$128.7525										
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$7.2327	0.9800	\$7.0880	NA	NA	NA	NA	2.7169	\$19.2572	1.0238	\$19.7148										
Digitl Circ - Pair Gain - C.O. - Com Plug-in - MCEP	257C	06	\$29.8427	0.9800	\$29.2459	NA	NA	NA	1.1864	NA	\$34.6977	1.0238	\$35.5221										
Digitl Circ - Pair Gain - C.O. - Def Plug-in - MCEP W/O Sp. Stock	257C	12	\$6.7555	0.9800	\$6.6204	NA	NA	NA	1.1864	NA	\$7.8545	1.0238	\$8.0412										
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0056	0.9800	\$0.0055	NA	NA	NA	NA	2.7169	\$0.0149	1.0230	\$0.0152										
Digitl Circ - Pair Gain - Prem - Com Plug-in - Power Only	257C	22	\$0.0109	0.9800	\$0.0107	NA	NA	NA	1.1864	NA	\$0.0127	1.0230	\$0.0130										
Digitl Circ - Pair Gain - Prem - Def Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0182	0.9800	\$0.0178	NA	NA	NA	1.1864	NA	\$0.0211	1.0230	\$0.0216										
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$48.3090	0.9800	\$47.3428	NA	NA	NA	NA	2.7169	\$128.6243	1.0230	\$131.5886										
Digitl Circ - Pair Gain - Remote - Com Plug-in - Power Only	257C	40	\$38.7472	0.9800	\$37.9723	NA	NA	NA	1.1864	NA	\$45.0508	1.0230	\$46.0891										
Digitl Circ - Pair Gain - Remote - Def Plug-in - Power Only W/O Sp. Stock	257C	46	\$28.4343	0.9800	\$27.8656	NA	NA	NA	1.1864	NA	\$33.0602	1.0230	\$33.8221										
Digital Elec Switch - MDF	377C	05	\$3.9714	1.0338	\$4.1055	NA	1.3822	NA	NA	NA	\$5.6744	1.1099	\$6.2978										
Buried Ca - Metal	45C	00	\$8.0672	1.1037	\$8.9035	NA	6.7271	NA	NA	NA	\$59.8941	NA	\$59.8941										
Buried Ca - Metal - Drop	45C	01	\$43.6530	1.1037	\$48.1779	NA	NA	NA	NA	NA	\$48.1779	NA	\$48.1779										
Buried Ca - Metal 24-Guage	45C4	00	\$40.8970	1.1037	\$45.1363	NA	6.7271	NA	NA	NA	\$303.6342	NA	\$303.6342										
Intrbld Network - Metal	52C	00	\$0.6024	1.1325	\$0.6822	NA	5.8269	NA	NA	NA	\$3.9751	NA	\$3.9751										
Intrbld Network - Metal 24-Guage	52C4	00	\$0.0634	1.1325	\$0.0718	NA	5.8269	NA	NA	NA	\$0.4182	NA	\$0.4182										
Underground Ca - Metal	5C	00	\$6.9848	1.1325	\$7.9101	NA	3.9456	NA	NA	NA	\$31.2106	NA	\$31.2106										
Underground Ca - Metal 24-Guage	5C4	00	\$7.5265	1.1325	\$8.5236	NA	3.9456	NA	NA	NA	\$33.6313	NA	\$33.6313										
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	1.0235	\$0.0000	NA	6.6621	NA	NA	NA	\$0.0000	NA	\$0.0000										
Aerial Ca - Fiber	822C	00	\$8.5343	1.0235	\$8.7345	NA	2.3529	NA	NA	NA	\$20.5518	NA	\$20.5518										
Buried Ca - Fiber	845C	00	\$9.4628	1.0578	\$10.0098	NA	4.2427	NA	NA	NA	\$42.4684	NA	\$42.4684										
Underground Ca - Fiber	85C	00	\$2.0342	0.9933	\$2.0207	NA	2.3212	NA	NA	NA	\$4.6903	NA	\$4.6903										
											\$992.0059		\$998.8634										

Louisiana
2-Wire Voice Grade Loop

A=Prev Page Col G B C=AxB D E=AxD F G=AxF H I=AxH

Description	FRC	Sub FRC	Investment	Land	Land	Building	Building	Pole	Pole	Conduit	Conduit
				Factor	Investment	Factor	Investment	Factor	Investment	Factor	Investment
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0287	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0329	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal	22C	00	\$21.5230	NA	\$0.0000	NA	\$0.0000	0.3175	\$6.8337	NA	\$0.0000
Aerial Ca - Metal - Drop	22C	01	\$18.7490	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal 24-Guage	22C4	00	\$128.7525	NA	\$0.0000	NA	\$0.0000	0.3175	\$40.8799	NA	\$0.0000
Digitl Circ - Pair Gain - C O - Hardwired - MCEP	257C	03	\$19.7148	0.0103	\$0.2040	0.1766	\$3.4812	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C O - Com. Plug-in - MCEP	257C	06	\$35.5221	0.0103	\$0.3675	0.1766	\$6.2724	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C O - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$8.0412	0.0103	\$0.0832	0.1766	\$1.4199	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0152	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0130	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0216	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$131.5886	0.0103	\$1.3615	0.1766	\$23.2355	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$46.0891	0.0103	\$0.4769	0.1766	\$8.1383	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$33.8221	0.0103	\$0.3499	0.1766	\$5.9722	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$6.2978	0.0103	\$0.0652	0.1766	\$1.1121	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal	45C	00	\$59.8941	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal - Drop	45C	01	\$48.1779	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal 24-Guage	45C4	00	\$303.6342	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrblnd Network - Metal	52C	00	\$3.9751	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrblnd Network - Metal 24-Guage	52C4	00	\$0.4182	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Metal	5C	00	\$31.2106	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$28.2229
Underground Ca - Metal 24-Guage	5C4	00	\$33.6313	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$30.4119
Aerial Ca - Fiber - Building Entrance	812C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Fiber	822C	00	\$20.5518	NA	\$0.0000	NA	\$0.0000	0.3175	\$6.5254	NA	\$0.0000
Buried Ca - Fiber	845C	00	\$42.4684	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Fiber	85C	00	\$4.6903	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$4.2413
				FRC 20C:	\$2.9081	FRC 10C:	\$49.6315	FRC 1C:	\$54.2390	FRC 4C:	\$62.8761

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Louisiana
2-Wire Voice Grade Loop**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
			<u>Depreciation & Factor</u>	<u>Cost of Money & Factor</u>	<u>Income Tax & Factor</u>	<u>Plant Specific Expense & Factor</u>	<u>Ad Valorem Expense & Factor</u>	<u>Direct Cost</u>	
Buildings - COE	10C	\$49.6315	\$1.0404	\$4.4327	\$2.1027	\$2.6844	\$0.6793	\$10.9396	
			0.0210	0.0893	0.0424	0.0541	0.0137		
Aerial Ca - Metal - Building Entrance	12C	\$0.0616	\$0.0048	\$0.0041	\$0.0020	\$0.0022	\$0.0008	\$0.0139	
			0.0775	0.0669	0.0317	0.0358	0.0137		
Poles	1C	\$54.2390	\$2.3786	\$3.9209	\$1.8599	\$0.9819	\$0.7424	\$9.8838	
			0.0439	0.0723	0.0343	0.0181	0.0137		
Land - COE	20C	\$2.9081	\$0.0000	\$0.3271	\$0.1552	\$0.0000	\$0.0398	\$0.5221	
			0.0000	0.1125	0.0534	0.0000	0.0137		
Aerial Ca - Metal	22C	\$150.2756	\$11.6440	\$10.0474	\$4.7661	\$5.3758	\$2.0569	\$33.8901	
			0.0775	0.0669	0.0317	0.0358	0.0137		
Aerial Ca - Metal - Drop	22C	\$18.7490	\$1.4528	\$1.2536	\$0.5946	\$0.6707	\$0.2566	\$4.2283	
			0.0775	0.0669	0.0317	0.0358	0.0137		
Digtl Circ - Pair Gain	257C	\$274.8275	\$30.8585	\$13.4887	\$6.3986	\$5.1555	\$3.7617	\$59.6631	
			0.1123	0.0491	0.0233	0.0188	0.0137		
Digital Elec Switch	377C	\$6.2978	\$0.6210	\$0.3234	\$0.1534	\$0.1650	\$0.0862	\$1.3489	
			0.0986	0.0513	0.0244	0.0262	0.0137		
Buried Ca - Metal	45C	\$363.5283	\$26.1327	\$24.5352	\$11.6386	\$11.7427	\$4.9759	\$79.0251	
			0.0719	0.0675	0.0320	0.0323	0.0137		
Buried Ca - Metal - Drop	45C	\$48.1779	\$3.4633	\$3.2516	\$1.5425	\$1.5562	\$0.6594	\$10.4731	
			0.0719	0.0675	0.0320	0.0323	0.0137		
Conduit Systems	4C	\$62.8761	\$0.7432	\$5.1755	\$2.4551	\$0.1418	\$0.8606	\$9.3762	

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Louisiana
2-Wire Voice Grade Loop

Description	FRC	Investment	A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D+E+F)
			Depreciation & Factor	Cost of Money & Factor	Income Tax & Factor	Plant Specific Expense & Factor	Ad Valorem Expense & Factor	Direct Cost	
Intrbld Network - Metal	52C	\$4.3933	0.0118	0.0823	0.0390	0.0023	0.0137		
			\$0.2542	\$0.2924	\$0.1387	\$0.0015	\$0.0601		\$0.7469
Underground Ca - Metal	5C	\$64.8419	0.0579	0.0665	0.0316	0.0003	0.0137		
			\$5.0949	\$4.3316	\$2.0547	\$0.9604	\$0.8875		\$13.3292
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	0.0786	0.0668	0.0317	0.0148	0.0137		
			\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0000
Aerial Ca - Fiber	822C	\$20.5518	0.0600	0.0665	0.0316	0.0038	0.0137		
			\$1.2324	\$1.3677	\$0.6488	\$0.0782	\$0.2813		\$3.6084
Buried Ca - Fiber	845C	\$42.4684	0.0600	0.0665	0.0316	0.0038	0.0137		
			\$2.3458	\$2.8562	\$1.3549	\$0.1053	\$0.5813		\$7.2435
Underground Ca - Fiber	85C	\$4.6903	0.0552	0.0673	0.0319	0.0025	0.0137		
			\$0.2688	\$0.3105	\$0.1473	\$0.0140	\$0.0642		\$0.8048
			0.0573	0.0662	0.0314	0.0030	0.0137		
		<u>\$1,168.5181</u>							<u>\$245.0970</u>
Monthly Cost(Total / 12):									\$20.4247

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Louisiana
2-Wire Voice Grade Loop**

	A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost ir. & Shrd.</u>
Buildings - COE	10C	\$49.6315	\$10.9396	0.0001	\$0.0053 \$10.9449
Aerial Ca - Metal - Building Entrance	12C	\$0.0616	\$0.0139	0.0277	\$0.0017 \$0.0156
Poles	1C	\$54.2390	\$9.8838	0.0137	\$0.7448 \$10.6286
Land - COE	20C	\$2.9081	\$0.5221	0.0000	\$0.0000 \$0.5221
Aerial Ca - Metal	22C	\$150.2756	\$33.8901	0.0277	\$4.1597 \$38.0498
Aerial Ca - Metal - Drop	22C	\$18.7490	\$4.2283	0.0277	\$0.5190 \$4.7473
Digitl Circ - Pair Gain	257C	\$274.8275	\$59.6631	0.0171	\$4.7037 \$64.3667
Digital Elec Switch	377C	\$6.2978	\$1.3489	0.0167	\$0.1051 \$1.4540
Buried Ca - Metal	45C	\$363.5283	\$79.0251	0.0246	\$8.9268 \$87.9520
Buried Ca - Metal - Drop	45C	\$48.1779	\$10.4731	0.0246	\$1.1831 \$11.6562
Conduit Systems	4C	\$62.8761	\$9.3762	0.0098	\$0.6165 \$9.9927

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Louisiana
2-Wire Voice Grade Loop

Description	FRC	A	B=Prev Rpt Col I	C	D=AxC	E=B+D
		Investment	Direct Cost	Shared Cost Factor	Shared Cost	ir. & Shrd.
Intrbld Network - Metal	52C	\$4.3933	\$0.7469	0.0135	\$0.0592	\$0.8061
Underground Ca - Metal	5C	\$64.8419	\$13.3292	0.0191	\$1.2375	\$14.5667
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$20.5518	\$3.6084	0.0219	\$0.4491	\$4.0574
Buried Ca - Fiber	845C	\$42.4684	\$7.2435	0.0151	\$0.6427	\$7.8862
Underground Ca - Fiber	85C	\$4.6903	\$0.8048	0.0177	\$0.0828	\$0.8875
		<u>\$1,168.5181</u>	<u>\$245.0970</u>		<u>\$23.4369</u>	<u>\$268.5339</u>
Monthly Costs (Total / 12):			\$20.4247		\$1.9531	\$22.3778

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Recurring Cost Summary

Primary Res. and Single Line Bus.

**Louisiana
Exchange Port - 2-Wire Line Port**

<u>Description</u>	<u>Volume Sensitive</u>			<u>Volume Insensitive</u>		
	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>	<u>Direct Cost</u>	<u>Shared Cost</u>	<u>Dir. & Shrd.</u>
Recurring Cost Development Reports	\$1.4951	\$0.0980	\$1.5931	\$0.0943	\$0.0000	\$0.0943
LABOR EXPENSES:						
OTHER EXPENSES:						
Total Monthly Cost	<u>\$1.4951</u>	<u>\$0.0980</u>	<u>\$1.5931</u>	<u>\$0.0943</u>	<u>\$0.0000</u>	<u>\$0.0943</u>
Gross Receipts Tax Factor			X <u>1.0000</u>			X <u>1.0000</u>
Cost (Including Gross Receipts Tax)			<u>\$1.5931</u>			<u>\$0.0943</u>
Common Cost Factor			X <u>1.0000</u>			X <u>1.0000</u>
Monthly Economic Cost			<u>\$1.5931</u>			<u>\$0.0943</u>

Total Monthly Economic Cost: \$1.6873

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus

Louisiana
Exchange Port - 2-Wire Line Port

Description	FRC	Sub FRC	A	B	C=AxB	D1	D2	D3	D4	D5	E=Cx(D1xD2 x...xD5)	F	G=ExF
			Material	Inflation Factor	Adjusted Material	In-Plant Factors (Default = 1)					In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
						Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor			
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$53.7209	1.0338	\$55.5350	NA	NA	1.1416	NA	NA	\$63.4012	1.1099	\$70.3664
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.3822	NA	NA	NA	\$0.0000	1.1099	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	NA	NA	NA	NA	\$0.0000	NA	\$0.0000
											<u>\$63.4012</u>		<u>\$70.3664</u>

Louisiana
Exchange Port - 2-Wire Line Port

			A=Prev Page Col G	B	C=AxB	D	E=AxD	F	G=AxF	H	I=AxH
<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$70.3664	0.0103	\$0.7280	0.1766	\$12.4251	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0103	\$0.0000	0.1766	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.7280</u>	FRC 10C:	<u>\$12.4251</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

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Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

Description	A FRC	B=AxFactor Investment	C=AxFactor Depreciation & Factor	D=AxFactor Cost of Money & Factor	E=AxFactor Income Tax & Factor	F=AxFactor Plant Specific Expense & Factor	G=AxFactor Ad Valorem Expense & Factor	I=(B+C+D +E+F) Direct Cost
Buildings - COE	10C	\$12.4251	\$0.2605 0.0210	\$1.1097 0.0893	\$0.5264 0.0424	\$0.6720 0.0541	\$0.1701 0.0137	\$2.7387
Poles	1C	\$0.0000	\$0.0000 0.0439	\$0.0000 0.0723	\$0.0000 0.0343	\$0.0000 0.0181	\$0.0000 0.0137	\$0.0000
Land - COE	20C	\$0.7280	\$0.0000 0.0000	\$0.0819 0.1125	\$0.0388 0.0534	\$0.0000 0.0000	\$0.0100 0.0137	\$0.1307
Digital Elec Switch	377C	\$70.3664	\$6.9387 0.0986	\$3.6128 0.0513	\$1.7138 0.0244	\$1.8433 0.0262	\$0.9632 0.0137	\$15.0719
Conduit Systems	4C	\$0.0000	\$0.0000 0.0118	\$0.0000 0.0823	\$0.0000 0.0390	\$0.0000 0.0023	\$0.0000 0.0137	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000 0.3333	\$0.0000 0.0525	\$0.0000 0.0249	\$0.0000 NA	\$0.0000 0.0137	\$0.0000
		<u>\$83.5195</u>						<u>\$17.9413</u>
Monthly Cost(Total / 12):								\$1.4951

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Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

**Louisiana
Exchange Port - 2-Wire Line Port**

	A	B=Prev Rpt Col I	C	D=AxC	E=B+D
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost ir. & Shrd.</u>
Buildings - COE	10C	\$12.4251	\$2.7387	0.0001	\$0.0013 \$2.7400
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000 \$0.0000
Land - COE	20C	\$0.7280	\$0.1307	0.0000	\$0.0000 \$0.1307
Digital Elec Switch	377C	\$70.3664	\$15.0719	0.0167	\$1.1742 \$16.2461
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000 \$0.0000
Intangibles - Network Switch Software RTU	560C	\$0.0000	\$0.0000	NA	\$0.0000 \$0.0000
		<u>\$83.5195</u>	<u>\$17.9413</u>		<u>\$1.1756</u> <u>\$19.1168</u>
Monthly Costs (Total / 12):			\$1.4951		\$0.0980 \$1.5931

Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

Description	FRC	Sub FRC	A Material	B Inflation Factor	C=AxB Adjusted Material	In-Plant Factors (Default = 1)					E=Cx(D1xD2 x...xD5) In-Plant Investment	F Supporting Equipment &/or Power Loading	G=ExF Total Investment
						D1 Plug-in Inventory Factor	D2 Mat'l Factor	D3 Telco Factor	D4 Plug-in Factor	D5 Hardwire Factor			
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	1.0338	\$0.0000	NA	NA	1.1416	NA	NA	\$0.0000	1.1099	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	1.0338	\$0.0000	NA	1.3822	NA	NA	NA	\$0.0000	1.1099	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.6651	NA	\$2.6651	NA	NA	NA	NA	NA	\$2.6651	NA	\$2.6651
											<u>\$2.6651</u>		<u>\$2.6651</u>

Land, Building, Pole, and Conduit Investment Development - Volume Insensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

A=Prev Page Col G B C=AxB D E=AxD F G=AxF H I=AxH

<u>Description</u>	<u>FRC</u>	<u>Sub FRC</u>	<u>Investment</u>	<u>Land Factor</u>	<u>Land Investment</u>	<u>Building Factor</u>	<u>Building Investment</u>	<u>Pole Factor</u>	<u>Pole Investment</u>	<u>Conduit Factor</u>	<u>Conduit Investment</u>
Digital Elec Switch - Vendor EF&I - MCEP	377C	03	\$0.0000	0.0103	\$0.0000	0.1766	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$0.0000	0.0103	\$0.0000	0.1766	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intangibles - Network Switch Software RTU	560C	00	\$2.6651	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
				FRC 20C:	<u>\$0.0000</u>	FRC 10C:	<u>\$0.0000</u>	FRC 1C:	<u>\$0.0000</u>	FRC 4C:	<u>\$0.0000</u>

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Recurring Direct Cost Development - Volume Insensitive

Primary Res. and Single Line Bus.

Louisiana
Exchange Port - 2-Wire Line Port

Description	A FRC	B=AxFactor Investment	C=AxFactor Depreciation & Factor	D=AxFactor Cost of Money & Factor	E=AxFactor Income Tax & Factor	F=AxFactor Plant Specific Expense & Factor	G=AxFactor Ad Valorem Expense & Factor	H=(B+C+D +E+F) Direct Cost
Land - COE	20C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0000	0.1125	0.0534	0.0000	0.0137	
Buildings - COE	10C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0210	0.0893	0.0424	0.0541	0.0137	
Poles	1C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0439	0.0723	0.0343	0.0181	0.0137	
Conduit Systems	4C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0118	0.0823	0.0390	0.0023	0.0137	
Digital Elec Switch	377C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
			0.0986	0.0513	0.0244	0.0262	0.0137	
Intangibles - Network Switch Software RTU	560C	\$2.6651	\$0.8884	\$0.1399	\$0.0664	\$0.0000	\$0.0365	\$1.1311
			0.3333	0.0525	0.0249	NA	0.0137	
		<u>\$2.6651</u>						<u>\$1.1311</u>
Monthly Cost(Total / 12):								\$0.0943

11/6/2001

Recurring Cost Development - Volume Insensitive

Primary Res. and Single Line Bus,

**Louisiana
Exchange Port - 2-Wire Line Port**

	A	B=Prev Rpt Col I	C	D=AxC	E=B+D	
<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
Land - COE	20C	\$0.0000	\$0.0000	0.0000	\$0.0000	\$0.0000
Buildings - COE	10C	\$0.0000	\$0.0000	0.0001	\$0.0000	\$0.0000
Poles	1C	\$0.0000	\$0.0000	0.0137	\$0.0000	\$0.0000
Conduit Systems	4C	\$0.0000	\$0.0000	0.0098	\$0.0000	\$0.0000
Digital Elec Switch	377C	\$0.0000	\$0.0000	0.0167	\$0.0000	\$0.0000
Intangibles - Network Switch Software RTU	560C	\$2.6651	\$1.1311	NA	\$0.0000	\$1.1311
		<u>\$2.6651</u>	<u>\$1.1311</u>		<u>\$0.0000</u>	<u>\$1.1311</u>
Monthly Costs (Total / 12):			\$0.0943		\$0.0000	\$0.0943