

Recurring Cost Summary

Primary Res. and Single Line Bus.

**Kentucky
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	\$21.6208	\$2.1886	\$23.8094	\$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>\$22.2250</u>	<u>\$2.1886</u>	<u>\$24.4136</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>\$24.4136</u>			<u>\$0.0000</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$24.4136</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$24.4136

Kentucky
2-Wire Voice Grade Loop

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			
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0026	1.1254	\$0.0029	NA	4.8081	NA	NA	NA	\$0.0138	NA	\$0.0138
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0031	1.1254	\$0.0035	NA	4.8081	NA	NA	NA	\$0.0168	NA	\$0.0168
Aerial Ca - Metal	22C	00	\$4.4239	1.1254	\$4.9789	NA	3.7866	NA	NA	NA	\$18.8530	NA	\$18.8530
Aerial Ca - Metal - Drop	22C	01	\$19.1078	1.1254	\$21.5047	NA	NA	NA	NA	NA	\$21.5047	NA	\$21.5047
Aerial Ca - Metal 24-Guage	22C4	00	\$33.6782	1.1254	\$37.9028	NA	3.7866	NA	NA	NA	\$143.5230	NA	\$143.5230
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$10.3745	0.9800	\$10.1670	NA	NA	NA	NA	2.4536	\$24.9463	1.0351	\$25.8230
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$43.7517	0.9800	\$42.8766	NA	NA	NA	1.2339	NA	\$52.9068	1.0351	\$54.7661
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$7.8684	0.9800	\$7.7110	NA	NA	NA	1.2339	NA	\$9.5149	1.0351	\$9.8492
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0031	0.9800	\$0.0030	NA	NA	NA	NA	2.4536	\$0.0074	1.0275	\$0.0076
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0065	0.9800	\$0.0063	NA	NA	NA	1.2339	NA	\$0.0078	1.0275	\$0.0080
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0221	0.9800	\$0.0216	NA	NA	NA	1.2339	NA	\$0.0267	1.0275	\$0.0274
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$69.4718	0.9800	\$68.0823	NA	NA	NA	NA	2.4536	\$167.0499	1.0275	\$171.6461
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$57.3459	0.9800	\$56.1989	NA	NA	NA	1.2339	NA	\$69.3456	1.0275	\$71.2536
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$30.2988	0.9800	\$29.6929	NA	NA	NA	1.2339	NA	\$36.6389	1.0275	\$37.6470
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	\$7.7405	1.1037	\$8.5429	NA	6.1313	NA	NA	NA	\$52.3789	NA	\$52.3789
Buried Ca - Metal - Drop	45C	01	\$48.1093	1.1037	\$53.0961	NA	NA	NA	NA	NA	\$53.0961	NA	\$53.0961
Buried Ca - Metal 24-Guage	45C4	00	\$50.5348	1.1037	\$55.7732	NA	6.1313	NA	NA	NA	\$341.9613	NA	\$341.9613
Intrblnd Network - Metal	52C	00	\$0.2235	1.1325	\$0.2532	NA	4.8689	NA	NA	NA	\$1.2326	NA	\$1.2326
Intrblnd Network - Metal 24-Guage	52C4	00	\$0.0244	1.1325	\$0.0276	NA	4.8689	NA	NA	NA	\$0.1343	NA	\$0.1343
Underground Ca - Metal	5C	00	\$4.5393	1.1325	\$5.1407	NA	3.4606	NA	NA	NA	\$17.7899	NA	\$17.7899
Underground Ca - Metal 24-Guage	5C4	00	\$6.2211	1.1325	\$7.0453	NA	3.4606	NA	NA	NA	\$24.3811	NA	\$24.3811
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	\$12.7701	1.0235	\$13.0698	NA	2.2355	NA	NA	NA	\$29.2170	NA	\$29.2170
Buried Ca - Fiber	845C	00	\$14.1701	1.0578	\$14.9892	NA	3.4301	NA	NA	NA	\$51.4138	NA	\$51.4138
Underground Ca - Fiber	85C	00	\$2.1826	0.9933	\$2.1681	NA	2.6778	NA	NA	NA	\$5.8058	NA	\$5.8058
											\$1,127.9102		\$1,139.3829

**Kentucky
2-Wire Voice Grade Loop**

Description	A=Prev Page Col G		B	C=AxB	D	E=AxD	F	G=AxF	H	I=AxH	
	FRC	Sub FRC	Investment	Land Factor	Land Investment	Building Factor	Building Investment	Pole Factor	Pole Investment	Conduit Factor	Conduit Investment
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0138	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0168	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal	22C	00	\$18.8530	NA	\$0.0000	NA	\$0.0000	0.3604	\$6.7937	NA	\$0.0000
Aerial Ca - Metal - Drop	22C	01	\$21.5047	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal 24-Guage	22C4	00	\$143.5230	NA	\$0.0000	NA	\$0.0000	0.3604	\$51.7188	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$25.8230	0.0101	\$0.2600	0.1588	\$4.1014	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$54.7661	0.0101	\$0.5515	0.1588	\$8.6984	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$9.8492	0.0101	\$0.0992	0.1588	\$1.5643	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0076	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0080	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	\$0.0274	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$171.6461	0.0101	\$1.7284	0.1588	\$27.2623	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$71.2536	0.0101	\$0.7175	0.1588	\$11.3171	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$37.6470	0.0101	\$0.3791	0.1588	\$5.9794	NA	\$0.0000	NA	\$0.0000
Digital Elec Switch - MDF	377C	05	\$7.0324	0.0101	\$0.0708	0.1588	\$1.1169	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal	45C	00	\$52.3789	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal - Drop	45C	01	\$53.0961	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal 24-Guage	45C4	00	\$341.9613	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbl Network - Metal	52C	00	\$1.2326	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbl Network - Metal 24-Guage	52C4	00	\$0.1343	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Metal	5C	00	\$17.7899	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$15.9309
Underground Ca - Metal 24-Guage	5C4	00	\$24.3811	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$21.8333
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	\$29.2170	NA	\$0.0000	NA	\$0.0000	0.3604	\$10.5284	NA	\$0.0000
Buried Ca - Fiber	845C	00	\$51.4138	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Fiber	85C	00	\$5.8058	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.8955	\$5.1991
				FRC 20C:	\$3.8065	FRC 10C:	\$60.0400	FRC 1C:	\$69.0409	FRC 4C:	\$42.9633

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	\$60.0400	\$1.2586 0.0210	\$5.3623 0.0893	\$2.5437 0.0424	\$2.4854 0.0414	\$0.3843 0.0064	\$12.0344	
Aerial Ca - Metal - Building Entrance	12C	\$0.0307	\$0.0024 0.0775	\$0.0021 0.0669	\$0.0010 0.0317	\$0.0008 0.0273	\$0.0002 0.0064	\$0.0064	
Poles	1C	\$69.0409	\$3.0277 0.0439	\$4.9909 0.0723	\$2.3675 0.0343	\$0.9738 0.0141	\$0.4420 0.0064	\$11.8020	
Land - COE	20C	\$3.8065	\$0.0000 0.0000	\$0.4282 0.1125	\$0.2031 0.0534	\$0.0000 0.0000	\$0.0244 0.0064	\$0.6556	
Aerial Ca - Metal	22C	\$162.3760	\$12.5816 0.0775	\$10.8564 0.0669	\$5.1499 0.0317	\$4.4335 0.0273	\$1.0395 0.0064	\$34.0608	
Aerial Ca - Metal - Drop	22C	\$21.5047	\$1.6663 0.0775	\$1.4378 0.0669	\$0.6820 0.0317	\$0.5872 0.0273	\$0.1377 0.0064	\$4.5109	
Digitl Circ - Pair Gain	257C	\$371.0282	\$41.6602 0.1123	\$18.2103 0.0491	\$8.6383 0.0233	\$4.7543 0.0128	\$2.3751 0.0064	\$75.6383	
Digital Elec Switch	377C	\$7.0324	\$0.6934 0.0986	\$0.3611 0.0513	\$0.1713 0.0244	\$0.1647 0.0234	\$0.0450 0.0064	\$1.4356	
Buried Ca - Metal	45C	\$394.3402	\$28.3477 0.0719	\$26.6148 0.0675	\$12.6251 0.0320	\$9.6494 0.0245	\$2.5244 0.0064	\$79.7613	
Buried Ca - Metal - Drop	45C	\$53.0961	\$3.8169 0.0719	\$3.5836 0.0675	\$1.6999 0.0320	\$1.2992 0.0245	\$0.3399 0.0064	\$10.7395	
Conduit Systems	4C	\$42.9633	\$0.5078	\$3.5364	\$1.6776	\$0.0376	\$0.2750	\$6.0345	

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
Intrbld Network - Metal	52C	\$1.3669	0.0791	\$0.0910	\$0.0431	\$0.0138	\$0.0088	\$0.2358
Underground Ca - Metal	5C	\$42.1711	\$3.3136	\$2.8171	\$1.3363	\$0.5463	\$0.2700	\$8.2833
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$29.2170	\$1.7521	\$1.9443	\$0.9223	\$0.1240	\$0.1870	\$4.9297
Buried Ca - Fiber	845C	\$51.4138	\$2.8399	\$3.4578	\$1.6403	\$0.1060	\$0.3291	\$8.3731
Underground Ca - Fiber	85C	\$5.8058	\$0.3327	\$0.3843	\$0.1823	\$0.0119	\$0.0372	\$0.9484
		<u>\$1,315.2335</u>	0.0573	0.0662	0.0314	0.0021	0.0064	<u>\$259.4497</u>
Monthly Cost(Total / 12):								\$21.6208

**Kentucky
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</u>	<u>ir. & Shrd.</u>
Buildings - COE	10C	\$60.0400	\$12.0344	0.0001	\$0.0064	\$12.0408
Aerial Ca - Metal - Building Entrance	12C	\$0.0307	\$0.0064	0.0277	\$0.0008	\$0.0073
Poles	1C	\$69.0409	\$11.8020	0.0137	\$0.9480	\$12.7500
Land - COE	20C	\$3.8065	\$0.6556	0.0000	\$0.0000	\$0.6556
Aerial Ca - Metal	22C	\$162.3760	\$34.0608	0.0277	\$4.4946	\$38.5555
Aerial Ca - Metal - Drop	22C	\$21.5047	\$4.5109	0.0277	\$0.5953	\$5.1062
Digitl Circ - Pair Gain	257C	\$371.0282	\$75.6383	0.0171	\$6.3502	\$81.9885
Digital Elec Switch	377C	\$7.0324	\$1.4356	0.0167	\$0.1174	\$1.5529
Buried Ca - Metal	45C	\$394.3402	\$79.7613	0.0246	\$9.6835	\$89.4448
Buried Ca - Metal - Drop	45C	\$53.0961	\$10.7395	0.0246	\$1.3038	\$12.0433
Conduit Systems	4C	\$42.9633	\$6.0345	0.0098	\$0.4212	\$6.4557

**Kentucky
2-Wire Voice Grade Loop**

	A	B=Prev Rpt Coll	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>
Intrblid Network - Metal	52C	\$1.3669	\$0.2358	0.0135	\$0.0184	\$0.2542
Underground Ca - Metal	5C	\$42.1711	\$8.2833	0.0191	\$0.8048	\$9.0881
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$29.2170	\$4.9297	0.0219	\$0.6384	\$5.5681
Buried Ca - Fiber	845C	\$51.4138	\$8.3731	0.0151	\$0.7781	\$9.1512
Underground Ca - Fiber	85C	\$5.8058	\$0.9484	0.0177	\$0.1025	\$1.0509
		<u>\$1,315.2335</u>	<u>\$259.4497</u>		<u>\$26.2635</u>	<u>\$285.7132</u>
Monthly Costs (Total / 12):			\$21.6208		\$2.1886	\$23.8094

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>

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

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
Buildings - COE	10C	\$16.0393	\$0.3362 0.0210	\$1.4325 0.0893	\$0.6795 0.0424	\$0.6640 0.0414	\$0.1027 0.0064	\$3.2149
Poles	1C	\$0.0000	\$0.0000 0.0439	\$0.0000 0.0723	\$0.0000 0.0343	\$0.0000 0.0141	\$0.0000 0.0064	\$0.0000
Land - COE	20C	\$1.0169	\$0.0000 0.0000	\$0.1144 0.1125	\$0.0543 0.0534	\$0.0000 0.0000	\$0.0065 0.0064	\$0.1751
Digital Elec Switch	377C	\$100.9851	\$9.9580 0.0986	\$5.1849 0.0513	\$2.4595 0.0244	\$2.3657 0.0234	\$0.6465 0.0064	\$20.6146
Conduit Systems	4C	\$0.0000	\$0.0000 0.0118	\$0.0000 0.0823	\$0.0000 0.0390	\$0.0000 0.0009	\$0.0000 0.0064	\$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 0.0064	\$0.0000
		<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 Col I	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	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	\$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>

**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**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<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>	A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
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					

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	\$20.3242	\$1.9421	\$22.2663	\$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>\$20.6509</u>	<u>\$1.9421</u>	<u>\$22.5930</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>\$22.5930</u>			<u>\$0.0000</u>
Common Cost Factor			X 1.0000			X 1.0000
Monthly Economic Cost			<u>\$22.5930</u>			<u>\$0.0000</u>

Total Monthly Economic Cost: \$22.5930

Investment Development - Volume Sensitive

Primary Res. and Single Line Bus

Louisiana
2-Wire Voice Grade Loop

Description	FRC	Sub FRC	Material	Inflation Factor	Adjusted Material	In-Plant Factors (Default = 1)					In-Plant Investment	Supporting Equipment &/or Power Loading	Total Investment
						D1	D2	D3	D4	D5			
						Plug-in Inventory Factor	Mat'l Factor	Telco Factor	Plug-in Factor	Hardwire Factor			
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0095	1.1254	\$0.0107	NA	4.2733	NA	NA	NA	\$0.0458	NA	\$0.0458
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0067	1.1254	\$0.0076	NA	4.2733	NA	NA	NA	\$0.0323	NA	\$0.0323
Aerial Ca - Metal	22C	00	\$4.4408	1.1254	\$4.9978	NA	4.3033	NA	NA	NA	\$21.5074	NA	\$21.5074
Aerial Ca - Metal - Drop	22C	01	\$16.5885	1.1254	\$18.6694	NA	NA	NA	NA	NA	\$18.6694	NA	\$18.6694
Aerial Ca - Metal 24-Guage	22C4	00	\$26.3306	1.1254	\$29.6335	NA	4.3033	NA	NA	NA	\$127.5233	NA	\$127.5233
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$7.2403	0.9800	\$7.0955	NA	NA	NA	NA	2.7169	\$19.2774	1.0238	\$19.7355
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$29.8395	0.9800	\$29.2427	NA	NA	NA	1.1864	NA	\$34.6940	1.0238	\$35.5183
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$6.7993	0.9800	\$6.6633	NA	NA	NA	1.1864	NA	\$7.9054	1.0238	\$8.0932
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0114	0.9800	\$0.0112	NA	NA	NA	NA	2.7169	\$0.0304	1.0230	\$0.0311
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0229	0.9800	\$0.0225	NA	NA	NA	1.1864	NA	\$0.0267	1.0230	\$0.0273
Digitl Circ - Pair Gain - Prem - Def. Plug-in - Power Only W/O Sp. Stock	257C	28	\$0.0652	0.9800	\$0.0639	NA	NA	NA	1.1864	NA	\$0.0758	1.0230	\$0.0776
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$47.9449	0.9800	\$46.9860	NA	NA	NA	NA	2.7169	\$127.6550	1.0230	\$130.5970
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$38.4455	0.9800	\$37.6766	NA	NA	NA	1.1864	NA	\$44.7001	1.0230	\$45.7302
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$29.4066	0.9800	\$28.8184	NA	NA	NA	1.1864	NA	\$34.1906	1.0230	\$34.9785
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	\$8.0652	1.1037	\$8.9012	NA	6.7271	NA	NA	NA	\$59.8788	NA	\$59.8788
Buried Ca - Metal - Drop	45C	01	\$43.5066	1.1037	\$48.0164	NA	NA	NA	NA	NA	\$48.0164	NA	\$48.0164
Buried Ca - Metal 24-Guage	45C4	00	\$40.5335	1.1037	\$44.7351	NA	6.7271	NA	NA	NA	\$300.9352	NA	\$300.9352
Intrblld Network - Metal	52C	00	\$0.6031	1.1325	\$0.6830	NA	5.8269	NA	NA	NA	\$3.9796	NA	\$3.9796
Intrblld Network - Metal 24-Guage	52C4	00	\$0.0624	1.1325	\$0.0706	NA	5.8269	NA	NA	NA	\$0.4116	NA	\$0.4116
Underground Ca - Metal	5C	00	\$7.0021	1.1325	\$7.9297	NA	3.9456	NA	NA	NA	\$31.2877	NA	\$31.2877
Underground Ca - Metal 24-Guage	5C4	00	\$7.4795	1.1325	\$8.4704	NA	3.9456	NA	NA	NA	\$33.4212	NA	\$33.4212
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	\$8.4368	1.0235	\$8.6348	NA	2.3529	NA	NA	NA	\$20.3172	NA	\$20.3172
Buried Ca - Fiber	845C	00	\$9.3543	1.0578	\$9.8951	NA	4.2427	NA	NA	NA	\$41.9816	NA	\$41.9816
Underground Ca - Fiber	85C	00	\$2.0091	0.9933	\$1.9957	NA	2.3212	NA	NA	NA	\$4.6323	NA	\$4.6323
											\$986.8696		\$993.7263

Louisiana
2-Wire Voice Grade Loop

Description	A=Prev Page Col G		B	C=AxB	D	E=AxD	F	G=AxF	H	I=AxH	
	FRC	Sub FRC									
	FRC	Sub FRC	Investment	Land Factor	Land Investment	Building Factor	Building Investment	Pole Factor	Pole Investment	Conduit Factor	Conduit Investment
Aerial Ca - Metal - Building Entrance	12C	00	\$0.0458	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal - Building Entrance 24-Guage	12C4	00	\$0.0323	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal	22C	00	\$21.5074	NA	\$0.0000	NA	\$0.0000	0.3175	\$6.8288	NA	\$0.0000
Aerial Ca - Metal - Drop	22C	01	\$18.6694	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Aerial Ca - Metal 24-Guage	22C4	00	\$127.5233	NA	\$0.0000	NA	\$0.0000	0.3175	\$40.4896	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Hardwired - MCEP	257C	03	\$19.7355	0.0103	\$0.2042	0.1766	\$3.4848	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Com. Plug-in - MCEP	257C	06	\$35.5183	0.0103	\$0.3675	0.1766	\$6.2717	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - C.O. - Def. Plug-in - MCEP W/O Sp. Stock	257C	12	\$8.0932	0.0103	\$0.0837	0.1766	\$1.4291	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Hardwired - Power Only	257C	19	\$0.0311	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Prem - Com. Plug-in - Power Only	257C	22	\$0.0273	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	\$0.0776	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Hardwired - Power Only	257C	37	\$130.5970	0.0103	\$1.3512	0.1766	\$23.0604	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Com. Plug-in - Power Only	257C	40	\$45.7302	0.0103	\$0.4731	0.1766	\$8.0749	NA	\$0.0000	NA	\$0.0000
Digitl Circ - Pair Gain - Remote - Def. Plug-in - Power Only W/O Sp. Stock	257C	46	\$34.9785	0.0103	\$0.3619	0.1766	\$6.1764	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	\$59.8788	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal - Drop	45C	01	\$48.0164	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Buried Ca - Metal 24-Guage	45C4	00	\$300.9352	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbl Network - Metal	52C	00	\$3.9796	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Intrbl Network - Metal 24-Guage	52C4	00	\$0.4116	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Metal	5C	00	\$31.2877	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$28.2926
Underground Ca - Metal 24-Guage	5C4	00	\$33.4212	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$30.2219
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	\$20.3172	NA	\$0.0000	NA	\$0.0000	0.3175	\$6.4509	NA	\$0.0000
Buried Ca - Fiber	845C	00	\$41.9816	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000
Underground Ca - Fiber	85C	00	\$4.6323	NA	\$0.0000	NA	\$0.0000	NA	\$0.0000	0.9043	\$4.1889
				FRC 20C:	<u>\$2.9068</u>	FRC 10C:	<u>\$49.6094</u>	FRC 1C:	<u>\$53.7693</u>	FRC 4C:	<u>\$62.7035</u>

**Louisiana
2-Wire Voice Grade Loop**

Description	FRC	A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
		Investment	Depreciation & Factor	Cost of Money & Factor	Income Tax & Factor	Plant Specific Expense & Factor	Ad Valorem Expense & Factor	Direct Cost
Buildings - COE	10C	\$49.6094	\$1.0399 0.0210	\$4.4307 0.0893	\$2.1018 0.0424	\$2.6833 0.0541	\$0.6790 0.0137	\$10.9348
Aerial Ca - Metal - Building Entrance	12C	\$0.0781	\$0.0060 0.0775	\$0.0052 0.0669	\$0.0025 0.0317	\$0.0028 0.0358	\$0.0011 0.0137	\$0.0176
Poles	1C	\$53.7693	\$2.3580 0.0439	\$3.8870 0.0723	\$1.8438 0.0343	\$0.9734 0.0181	\$0.7360 0.0137	\$9.7982
Land - COE	20C	\$2.9068	\$0.0000 0.0000	\$0.3270 0.1125	\$0.1551 0.0534	\$0.0000 0.0000	\$0.0398 0.0137	\$0.5218
Aerial Ca - Metal	22C	\$149.0307	\$11.5475 0.0775	\$9.9641 0.0669	\$4.7266 0.0317	\$5.3312 0.0358	\$2.0399 0.0137	\$33.6094
Aerial Ca - Metal - Drop	22C	\$18.6694	\$1.4466 0.0775	\$1.2482 0.0669	\$0.5921 0.0317	\$0.6679 0.0358	\$0.2555 0.0137	\$4.2103
Digitl Circ - Pair Gain	257C	\$274.7886	\$30.8541 0.1123	\$13.4868 0.0491	\$6.3977 0.0233	\$5.1548 0.0188	\$3.7612 0.0137	\$59.6546
Digital Elec Switch	377C	\$6.2978	\$0.6210 0.0986	\$0.3234 0.0513	\$0.1534 0.0244	\$0.1650 0.0262	\$0.0862 0.0137	\$1.3489
Buried Ca - Metal	45C	\$360.8139	\$25.9376 0.0719	\$24.3520 0.0675	\$11.5517 0.0320	\$11.6550 0.0323	\$4.9387 0.0137	\$78.4351
Buried Ca - Metal - Drop	45C	\$48.0164	\$3.4517 0.0719	\$3.2407 0.0675	\$1.5373 0.0320	\$1.5510 0.0323	\$0.6572 0.0137	\$10.4380
Conduit Systems	4C	\$62.7035	\$0.7412	\$5.1613	\$2.4483	\$0.1414	\$0.8583	\$9.3505

**Louisiana
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	\$4.3913	0.0118 \$0.2541	0.0823 \$0.2922	0.0390 \$0.1386	0.0023 \$0.0015	0.0137 \$0.0601	\$0.7466
Underground Ca - Metal	5C	\$64.7089	0.0579 \$5.0845	0.0665 \$4.3227	0.0316 \$2.0505	0.0003 \$0.9585	0.0137 \$0.8857	\$13.3019
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	0.0786 \$0.0000	0.0668 \$0.0000	0.0317 \$0.0000	0.0148 \$0.0000	0.0137 \$0.0000	\$0.0000
Aerial Ca - Fiber	822C	\$20.3172	0.0600 \$1.2184	0.0665 \$1.3520	0.0316 \$0.6414	0.0038 \$0.0773	0.0137 \$0.2781	\$3.5672
Buried Ca - Fiber	845C	\$41.9816	0.0600 \$2.3189	0.0665 \$2.8234	0.0316 \$1.3393	0.0038 \$0.1041	0.0137 \$0.5746	\$7.1604
Underground Ca - Fiber	85C	\$4.6323	0.0552 \$0.2654	0.0673 \$0.3067	0.0319 \$0.1455	0.0025 \$0.0139	0.0137 \$0.0634	\$0.7948
		<u>\$1,162.7153</u>	0.0573	0.0662	0.0314	0.0030	0.0137	<u>\$243.8901</u>
Monthly Cost(Total / 12):								\$20.3242

**Louisiana
2-Wire Voice Grade Loop**

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<u>Direct Cost</u>	<u>Shared Cost</u>		<u>ir. & Shrd.</u>
				<u>Factor</u>	<u>Cost</u>	
Buildings - COE	10C	\$49.6094	\$10.9348	0.0001	\$0.0053	\$10.9401
Aerial Ca - Metal - Building Entrance	12C	\$0.0781	\$0.0176	0.0277	\$0.0022	\$0.0198
Poles	1C	\$53.7693	\$9.7982	0.0137	\$0.7383	\$10.5366
Land - COE	20C	\$2.9068	\$0.5218	0.0000	\$0.0000	\$0.5218
Aerial Ca - Metal	22C	\$149.0307	\$33.6094	0.0277	\$4.1252	\$37.7346
Aerial Ca - Metal - Drop	22C	\$18.6694	\$4.2103	0.0277	\$0.5168	\$4.7271
Digitl Circ - Pair Gain	257C	\$274.7886	\$59.6546	0.0171	\$4.7030	\$64.3576
Digital Elec Switch	377C	\$6.2978	\$1.3489	0.0167	\$0.1051	\$1.4540
Buried Ca - Metal	45C	\$360.8139	\$78.4351	0.0246	\$8.8602	\$87.2953
Buried Ca - Metal - Drop	45C	\$48.0164	\$10.4380	0.0246	\$1.1791	\$11.6171
Conduit Systems	4C	\$62.7035	\$9.3505	0.0098	\$0.6148	\$9.9652

**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>
Intrbld Network - Metal	52C	\$4.3913	\$0.7466	0.0135	\$0.8058
Underground Ca - Metal	5C	\$64.7089	\$13.3019	0.0191	\$14.5368
Aerial Ca - Fiber - Building Entrance	812C	\$0.0000	\$0.0000	0.0219	\$0.0000
Aerial Ca - Fiber	822C	\$20.3172	\$3.5672	0.0219	\$4.0111
Buried Ca - Fiber	845C	\$41.9816	\$7.1604	0.0151	\$7.7958
Underground Ca - Fiber	85C	\$4.6323	\$0.7948	0.0177	\$0.8766
		<u>\$1,162.7153</u>	<u>\$243.8901</u>		<u>\$23.3052</u> <u>\$267.1953</u>
Monthly Costs (Total / 12):			\$20.3242		\$1.9421 \$22.2663

11/6/2001

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 1.0000			X 1.0000
Cost (Including Gross Receipts Tax)			<u>\$1.5931</u>			<u>\$0.0943</u>
Common Cost Factor			X 1.0000			X 1.0000
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	Hardware 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>

11/6/2001

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

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	\$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>

11/6/2001

Recurring Direct Cost Development - Volume Sensitive

Primary Res. and Single Line Bus

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

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	<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>	A	B=AxFactor	C=AxFactor	D=AxFactor	E=AxFactor	F=AxFactor	I=(B+C+D +E+F)
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							

11/6/2001

Recurring Cost Development - Volume Sensitive

Primary Res. and Single Line Bus.

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

<u>Description</u>	<u>FRC</u>	<u>Investment</u>	B=Prev Rpt Col I		<u>Shared Cost Factor</u>	<u>Shared Cost</u>	<u>ir. & Shrd.</u>
			<u>A</u>	<u>Direct Cost</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	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	\$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>

11/6/2001

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>

11/6/2001

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	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	0.0137	
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**

<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	\$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