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December 18, 2001

By Hand Delivery

Magalie R. Salas, Esq.
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RECEIVED

DEC 18 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Docket Nos. 00-218 & 00-251

In the Matter of Petition of AT&T Communications of Virginia, Inc., TCG Virginia, Inc., ACC National Telecom Corp., MediaOne of Virginia and MediaOne Telecommunications of Virginia, Inc. for Arbitration of an Interconnection Agreement With Verizon Virginia, Inc. Pursuant to Section 252(e)(5) of the Telecommunications Act of 1996

In the Matter of Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Expedited Preemption of the Jurisdiction of the CC Docket No. 00-218 Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration

Dear Ms. Salas:

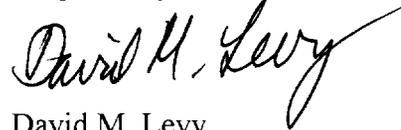
Enclosed for filing please find an original and three (3) copies of the "Objections Of AT&T And WorldCom To Verizon Response To Staff Record Request For Literature Comparing The Accuracy Of One-Stage Vs. Multi-Stage DCF Models."

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List ABCDE

Magalie R. Salas, Esq.
December 18, 2001
Page 2

Thank you for your consideration in this matter.

Respectfully submitted,

A handwritten signature in black ink that reads "David M. Levy". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

David M. Levy

cc: Dorothy Attwood
Jeffrey Dygert
Catherine Carpino
Aaron Goldschmidt
Katherine Farroba
Counsel of Record
Catherine Ronis

Enclosures

**Before the
Federal Communications Commission
Washington, D.C. 20554**

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DEC 18 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
Petition of WorldCom, Inc. Pursuant)
to Section 252(e)(5) of the)
Communications Act for Expedited)
Preemption of the Jurisdiction of the)
Virginia State Corporation Commission)
Regarding Interconnection Disputes)
with Verizon Virginia Inc., and for)
Expedited Arbitration)

CC Docket No. 00-218

In the Matter of)
Petition of AT&T Communications of)
Virginia Inc., Pursuant to Section 252(e)(5))
of the Communications Act for Preemption)
of the Jurisdiction of the Virginia)
Corporation Commission Regarding)
Interconnection Disputes With Verizon)
Virginia Inc.)

CC Docket No. 00-251

**OBJECTIONS OF AT&T AND WORLDCOM
TO VERIZON RESPONSE TO STAFF RECORD REQUEST
FOR LITERATURE COMPARING THE ACCURACY
OF ONE-STAGE VS. MULTI-STAGE DCF MODELS**

AT&T Communications of Virginia Inc. and WorldCom, Inc. hereby object to the response filed by Verizon Virginia Inc. on December 10 to Staff record request no. 12. Except for the first sentence, the response exceeds the scope of the request, and is a transparent attempt to bootleg an further round of testimony into the record after AT&T and WorldCom no longer have an opportunity to respond. If the Commission accepts Verizon's submission, AT&T and WorldCom ask the Commission to admit the attached reply into the record as well.

(1)

The record request asked the parties to “submit cites to any literature that compares the relative accuracy of one-stage versus multi-stage discounted cash flow models.” *See* Tr. 3766 (Oct. 25, 2001). The first sentence of Verizon’s response asserts that Verizon’s cost of capital witness, Dr. James Vander Weide, is unaware of the existence of any responsive literature:

Dr. Vander Weide is not aware of any literature that directly compares the “relative accuracy” of one-stage versus multi-stage discounted cash flow models.

This one-sentence statement, while almost certainly false,¹ is responsive to the record request, and AT&T and WorldCom do not object to its admission.

The remainder of Verizon’s response, however, consists not of literature citations, but of Verizon’s own analyses and arguments. In the second paragraph of its response, Verizon summarizes a regression analysis offered in Dr. Vander Weide’s rebuttal testimony purporting to show that the results of his one-stage DCF analysis correlate better with “commonly accepted measures of risk” than do the results of Mr. Hirshleifer’s three-stage DCF analysis. *Cf.* Vander Weide Rebuttal (VZ-VA Exh. 112) at §IV.F; Hirshleifer Surreb. (AT&T/WCOM Exh. 17) at 74-83. And the overwhelming majority of Verizon’s response—five pages of single-spaced narrative plus multiple Excel

¹ There is a substantial literature comparing the relative soundness of the one-stage and multi-stage DCF models. AT&T and WorldCom’s December 12 response to the same record request cited eight books and articles dealing with the issue. Dr. Vander Weide almost certainly is aware of this literature. Its authors include some of the most prominent researchers in the field of financial theory, including a winner of the Nobel prize in economics (William F. Sharpe). Further, Mr. Hirshleifer or his colleague, Professor Bradford Cornell of UCLA, have specifically cited and discussed this literature in testimony against Dr. Vander Weide in numerous UNE cases since 1996, of which the present arbitration is only the latest. *See, e.g.*, Hirshleifer Direct (AT&T/WCOM Exh. 5), at 12-15 (citing literature).

spreadsheets—consists of *new and additional* analyses purportedly showing that the growth rates used in the one-stage DCF model correlates better with the price/earnings ratios of individual companies in the DCF sample than do the growth rates used in Mr. Hirshleifer’s three-stage DCF. This additional material is grossly improper.

First, the partisan advocacy offered by Verizon is clearly not a “cite” to “literature” within the meaning of the Staff’s record request. As used by the Staff, the term “literature” clearly was limited to “articles” or other publications that have passed muster under the peer review process or have some other indicia of scholarly objectivity. *See* Tr. 3766 (referring to “articles”).² The self-serving advocacy that Verizon offers is not a “cite” to “literature,” and thus is beyond the scope of the record request.

Even more important, Verizon’s new analysis is grossly untimely, and its acceptance into the record would prejudice AT&T and WorldCom. The existing procedural schedule authorizes no further rounds of responsive testimony or further opportunities to cross-examine Dr. Vander Weide or any other Verizon witness on the claims that Verizon belatedly advances.

Moreover, Verizon had no excuse not to submit its arguments earlier. The choice between the one-stage and three-stage DCF methodologies was put into issue in the parties’ *direct* testimony, when Dr. Vander Weide submitted a cost of capital estimate based on the one-stage DCF, and Mr. Hirshleifer submitted a cost of capital estimate based on the three-stage DCF. Both witnesses recognized the importance of this issue,

² Dr. Vander Weide’s failure to reduce his claims for Verizon since 1996 about the supposed superiority of the one-stage DCF into a written paper that can be considered and evaluated by his scholarly colleagues is an implicit admission that his claims as a hired witness would not pass muster among his academic peers.

submitting extensive testimony on it in the second (rebuttal) and third (surrebuttal) rounds of testimony. *See* Hirshleifer Rebuttal (AT&T/WCOM Exh. 10) at 12-17; Vander Weide Rebuttal (VZ-VA Exh. 112) at 43-46; Hirshleifer Surrebuttal (AT&T/WCOM Exh. 17) at 2-17; Vander Weide Surrebuttal (VZ-VA Exh. 118) at 38-50. Hence, Verizon could have and should have submitted its present analysis in its prefiled testimony, at a point when AT&T and WorldCom could have filed responsive testimony or cross-examined Dr. Vander Weide about these claims.

One possible remedy would be to strike all but the first sentence of Verizon's response to the record request. In the interests of a complete record, however, AT&T and WorldCom propose in the alternative that the Commission accept both Verizon's untimely filing and the following critique of its substance.

(2)

Even the limited available time for review of Verizon's new regression analyses makes clear that their equations are misspecified and otherwise flawed in multiple dimensions. Verizon relies on four new regression equations that purport to compare the price/earnings ("P/E") ratios reported by Value Line for the companies in Dr. Vander Weide's DCF comparison group with the companies' (1) dividend payout ratios, (2) Value Line betas, and (3) growth rates—the I/B/E/S growth rates used by Dr. Vander Weide and the multi-stage growth rates used by Mr. Hirshleifer. According to Verizon, these regression equations show that Dr. Vander Weide's one-stage I/B/E/S growth rates fit better with the P/E ratios than do Mr. Hirshleifer multi-stage growth rates. The regressions do not support Verizon's conclusions. If anything, they show the opposite.

(a)

None of Verizon's four new regressions actually tests the three-stage growth model used by Mr. Hirshleifer. Mr. Hirshleifer's model uses 17 growth terms. The first years' dividend growth rate is based on Value Line's dividend forecast.³ Years two through five are based on the five-year I/B/E/S growth rates, years six through 19 assume that the I/B/E/S growth rates decline over time to the long-run growth rate of the economy; and perpetual growth commencing in year 20 are assumed to be at the long-term growth rate of the economy. A regression analysis that tested these growth assumptions would require at least 17 distinct independent variables for growth, not a single variable.⁴

Instead of using the separate variable needed to capture the year-by-year cross-sectional growth values, however, Verizon conflates them into a single perpetual growth variable that purports to reflect the "average" of the 17 growth terms. Thus, Dr. Vander Weide is comparing two perpetual growth models. One obvious problem with this shortcut is that no reliable method exists for determining "average" perpetual growth rates. This problem is the very reason why finance professionals use multiple-stage models instead of constant growth models.

An analogy may help clarify this point. Assume that one wanted to estimate the impact that batting averages have *by player position* on the number of wins that a

³ Except for Verizon, which did not have a dividend forecast because of its merger with GTE.

⁴ As Mr. Hirshleifer uses the I/B/E/S five-year growth rate forecasts for years two through five, these years growth rates could conceivably constitute a single independent regression variable. However, the linear regression formula is not capable of evaluating the material impact of the long-term growth rate of the economy used in a three-stage model because it is a constant number, i.e., it has no variation and is 6.29% for all companies.

baseball team has during a season. If a regression were used, the number of wins would be regressed against batting averages for each player position (i.e., catcher, pitcher, first base, second base, utility player, etc.) One would expect to see at least nine different independent variables in the regression to separately evaluate cross-sectional data across all teams *for each player position*. Using a single independent variable that represented an average of player batting averages across all field positions, by contrast, sheds no light whatsoever on the cross-sectional contributions of players by position to team victories.

(b)

A further problem with Verizon's regression analysis is its use of linear function forms. As evidenced by its name, a linear regression implicitly assumes that the dependent variable (in this case, the P/E ratio) is a straight-line function of the independent variables (such as the growth rates). This means that changes in the dependent variable are assumed to cause the dependent variable to change at a constant rate.

Dr. Vander Weide's unrealistic one-stage DCF model does in fact simplify algebraically into a linear formula: $Ke = D_1/P_0 + g$. This is unsurprising: a linear formula lends itself better to tests using linear regressions. But more realistic growth rate assumptions (e.g., those proposed by reputable scholars in the economic literature cited by Mr. Hirshleifer, and those used in DCF valuations of companies by securities analysts), assume changing growth rates assumptions over time. Pictured graphically, these growth expectations describe a non-linear curve, rising during the high-growth period, flattening and/or declining over a transitional period, and then flattening into a straight line during the stable growth period. This is not the straight-line relationship that a linear regression assumes and tests. Unlike the single-stage DCF model, the more

realistic models which use differing expectations of growth over time do not simplify algebraically into a linear formula. These complex curve-linear growth expectations (which are adjusted as new information enters the market) would affect stock prices and P/E ratios at non-constant rates, inconsistent with the assumption of the linear regression model.

Verizon seizes upon the negative correlation between its “three-stage growth” variable and Value Line P/E ratios as evidence that the former cannot explain the latter. Bizarre results of this kind, however, are not uncommon when one tries to use a linear function to explain nonlinear economic relationships.⁵

(c)

Verizon’s regression analyses are further undermined by the use of Value Line betas as risk proxies for the true cost of equity. If this proposition holds, one of the simplest tests of a DCF model would be to compare the costs of equity produced by the CAPM and DCF approaches. It turns out that Dr. Vander Weide’s one-stage DCF model produces cost of equity estimates that exceed the CAPM estimates by about 350-400 basis points on average.⁶ See Exhibit 1, below.

⁵ “The first assumption of the CLR [classical linear regression] model specified that the functional form of the relationship to be estimated is linear. Running an OLS [ordinary least square] regression when this is not true is clearly unsatisfactory, since parameter estimates not only are biased but also are without meaning except in so far as the linear functional form can be interpreted as an approximation to a nonlinear functional form.” Peter Kennedy, *A Guide to Econometrics* 93 (3rd ed. 1992).

⁶ In this example, the CAPM cost of equity is estimated as 6.26% + Value Line Beta * 5.5%, where 6.26% is the yield on the 20-year Treasury bonds as of 6/30/00, and 5.5% is the risk premium. This methodology represents one of the versions of the CAPM model and discussed in Mr. Hirshleifer’s direct testimony.

As discussed in Mr. Hirshleifer's direct testimony (AT&T/WCOM Exh. 5), at 19 n. 18; *id.* at 27-29), DCF models may produce less accurate results for companies with small dividend yields because the measurement errors are high. Consequently, Mr. Hirshleifer recommended in his direct testimony to exclude such companies from DCF calculations and selected the cut-off point of 1.5% as the exclusion criterion. *Id.* at 28-29 n. 22. If companies with dividend yields below 1.5% are excluded, Dr. Vander Weide's perpetual-growth DCF cost of equity estimates are still significantly higher than the CAPM estimates by about 300 basis points on average. (Exhibit 1.)

On the other hand, the three-stage DCF model produces cost of equity estimates more similar to estimates derived from the CAPM model. The three-stage DCF cost of equity estimates are on average lower than the CAPM estimates by 38 basis points if market-weighted averaging is used, and are greater than the CAPM estimates by 29 basis points if equal-weighted averaging is used.⁷

For the one-stage DCF and the CAPM approaches to produce similar results, one must assume that the CAPM risk premium is about 8.8%-9.0%. This value far exceeds the range of risk premium estimates proposed by the parties, including the highest estimate advocated by Dr. Vander Weide, 8.1 percent.⁸ *See* Vander Weide Rebuttal (VZ-

⁷ Consistent with the methodology advocated by Mr. Hirshleifer, companies with dividend yields less than 1.5% were excluded from the calculations of averages. If all companies are included, the three-stage DCF cost of equity average ranges between 9.0% and 10.2% depending on whether an equal-weighting or market-weighting procedure is used. The CAPM range is between 11.6% and 12.0%. For the DCF estimates to match the CAPM estimates if all companies are included, the assumed risk premium needs to be in the range of 2.6%-4.0%. As extensively discussed in Mr. Hirshleifer's testimony, while lower than the risk premium that he assumes, these risk premium estimates are well within the range currently estimated by academics and practitioners.

⁸ Mr. Hirshleifer's testimony provides a survey of risk premium estimates. *See* Hirshleifer Direct (AT&T/WCOM Exh. 5), at 26-32; Hirshleifer Surrebuttal (AT&T/WCOM Exh. 17) at 42-53. *See also*, Ivo Welch, "The Equity Premium

VA Exh. 112) at. 55.) In short, one of the predicate assumptions that Dr. Vander Weide employs to set up his regression model directly contradicts his own results. This indicates that either his regression model is inappropriate in the first place and therefore leads to meaningless results, or that his perpetual-growth DCF cost of equity estimates are incorrect.

Furthermore, his results indicate that the Value Line beta inputs to his regression do not significantly affect P/E ratios. This has very interesting implications. First, it confirms Dr. Vander Weide's finding in his own article that Value Line betas do not explain P/E ratios.⁹ This is also consistent with Dr. Vander Weide's past testimony in numerous proceedings that Value Line betas are not forward-looking and unsuitable as risk indicators for telecommunications companies.¹⁰ Consequently, it is further evidence that every analytical approach that Dr. Vander Weide has propounded in this proceeding using Value Line betas, is without meaning.

Consensus Forecast Revisited," School of Management at Yale, September 8, 2001 ("This paper presents the results of a survey of 510 finance and economics professors. The consensus forecast for the 1-year equity premium is about 3% to 3.5%, the consensus forecast for the 30-year equity premium (arithmetic) is about 5% to 5.5%."); John R. Graham and Campbell R. Harvey, "Expectations of Equity Risk Premia, Volatility and Asymmetry from a Corporate Finance Perspective," Duke University, Draft: October 9, 2001 ("The results indicate that the average one-year risk premium averages between 0.1 and 2.5 percent depending on the quarter surveyed. The 10-year premium is much less variable and ranges between 3.6 and 4.7 percent."); Roger G. Ibbotson and Peng Chen, "The Supply of Stock Returns," Yale International Center for Finance, Yale ICF Working Paper No. 00-44, June 2001 ("The long-term equity risk premium is estimated to be about 6% arithmetically, and 4% geometrically. Our estimate is in line with both the historical supply measures of the public corporations (i.e., earnings) and the overall economic productivity (GDP per capita).").

⁹ This finding was highlighted during Dr. Vander Weide's cross-examination by AT&T's counsel regarding his article, James H. Vander Weide and Willard T. Carleton, "Investor growth expectations: Analysts vs. History", *The Journal of Portfolio Management* (Spring 1988) at 78 (AT&T Exh. 109). See 12 Tr. 3490, lines 4-11 (Oct. 24, 2001).

¹⁰ Hirshleifer Surrebuttal (AT&T/WCOM Exh. 17) at 40.

This result also leads to a second important observation. As stated earlier, Dr. Vander Weide's regression assumes that the Value Line beta is the risk proxy for the true cost of equity. If Value Line betas in fact do *not* capture the risks taken into account in the market's determination of the cost of equity, then the Tables A and B regressions omit the crucial risk variable which, if identified in a better-specified regression, could dramatically alter the regression results.

(d)

The ultimate conclusion that Verizon seeks to draw from its new regression analysis—that users are more likely to use the single-stage model than a multi-stage model in making their investment decisions—is also contradicted by an article cited by Dr. Vander Weide during his cross-examination before the Commission. During that cross-examination, he offered an article by Gordon, Gordon and Gould as support for his inferences about investor psychology. *See* 12 Tr. 3492 (Oct. 24, 2001) (citing David A. Gordon, Myron J. Gordon, and Lawrence I. Gould, “Choice Among Methods of Estimating Share Yield,” *The Journal of Portfolio Management* (Spring 1989) at 50-55). In fact, Gordon *et al.* found to the very contrary:

We have compared the accuracy of four methods for estimating the growth component of the discounted cash flow yield on share: past growth rate in earnings (KEGR), past growth rate in dividends (KDGR), past retention growth rate (KBRG), and *forecasts of growth by security analysts (KFRG)*. Criteria for the comparison were the reasonableness of sample means and standard deviations and the success of beta and dividend yield in explaining the variation in DCF yield among shares. For our sample of utility shares, KFRG performed well, with KBRG, KDGR, and KEGR following in that order, and with KEGR a distant fourth. If we had used past growth in price, it would have been an even more distant fifth. *Nevertheless, none of the four estimates of growth performed well under the criteria for a sample that included industrial shares.*

...

Finally, we must acknowledge that we have no basis for estimating the expected HPR [holding period return] or DCF yield for industrial shares with any confidence. Theories on financial decision-making in industrial corporations that rely on that statistic have a weak empirical foundation. [emphasis added]

While Gordon *et al.* found that analyst growth rates were useful for determining the DCF yield on stable utility company stocks, they were not helpful with respect to industrial company stocks. These results are more consistent with the findings of other leading authorities cited in Mr. Hirshleifer's testimony: for companies experiencing stable growth at rates less than the growth rate of the economy, *such as highly-regulated utility companies in the Gordon et al. study period of 1984-1986*, the use of a single-stage model would not be unreasonable. Industrial companies, however, which have market expectations of a wide array of non-constant growth rates over time, do not lend themselves well to the long-term assumption of I/B/E/S growth rates.

(e)

As an alternative test using regression analysis, Mr. Hirshleifer looked at the general relationship between P/E ratios and the respective cost of equity estimates arrived at using the one-stage and three-stage DCF models. As noted above, the regressions offered by Vander Weide omit a significant risk proxy for the cost of equity because Dr. Vander Weide found the Value Line beta to be statistically insignificant. As also noted, there are significant computational difficulties in testing the multiple-stage growth assumptions with linear regressions because there are so many growth term variables and the underlying function is nonlinear. The controversy over how to model multiple growth inputs can be eliminated, however, with a more direct test of the cost of equity results derived from the respective models themselves.

In this approach, the actual cost of equity estimates from the two models, *which already incorporate their dramatically different growth assumptions*, are tested as independent variables. In essence, this construct tests which cost of equity estimate is more closely related to actual stock prices. The alternative regression equations are as follows:

$$P/E = a + b_1 (\text{dividend payout}) + b_2 (\text{3-stage DCF cost of equity}) + e$$

$$P/E = a + b_1 (\text{dividend payout}) + b_2 (\text{one-stage DCF cost of equity}) + e$$

Mr. Hirshleifer used the same set of companies and data provided by Dr. Vander Weide.¹¹ Mr. Hirshleifer then regressed P/E ratios using three-stage DCF cost of equity and dividend payout ratio as explanatory variables. (See Table 1.) Both of these parameters prove to be statistically significant for this regression (t-statistics are greater than approximately 2). The dividend payout coefficient is positive and the cost of equity coefficient is negative. The negative cost of equity coefficient is consistent with the expectation that a company with a higher cost of equity (i.e., a riskier company) would have a lower price.

Table 1.

Regression of P/E Ratio against 3-stage DCF Cost of Equity and Dividend Payout Using 378 Companies Identified by Dr. Vander Weide

	Intercept	3-stage DCF Cost of Equity	Dividend Payout	Adjusted R Square	F
Coefficient	60.12	(547.08)	43.89	0.39	123.20
T Statistic	18.81	(15.19)	12.16		

¹¹ For 11 companies Dr. Vander Weide listed an erroneous 3-stage DCF cost of equity of 8.21%, instead of their correct 3-stage DCF estimates. These corrections are shown in italics in Exhibit 1.

In sharp contrast, however, the regression coefficient associated with perpetual-growth DCF cost of equity estimates is *positive*, and statistically significant. (See Table 2.) This relationship implies that as the cost of equity goes up, stock prices will go up instead of going down. Recall in Dr. Vander Weide's response to data request #12 that he believes that the measure of risk (the Value Line beta) should be negatively correlated to the P/E ratio. The nonsensical result using the one-stage DCF model supports the conclusion, using Dr. Vander Weide's own reasoning and using regression tests as a tool, that the cost of equity estimates from his model are not meaningfully related to a company's actual stock price.

Table 2.

Regression of P/E Ratio Against 1-Stage DCF Cost of Equity and Dividend Payout Using 378 Companies Identified by Dr. Vander Weide

	Intercept	1-stage DCF Cost of Equity	Dividend Payout	Adjusted R Square	F
Coefficient	(19.86)	216.98	17.35	0.19	45.75
T Statistic	(4.87)	8.93	5.06		

As discussed in Mr. Hirshleifer's direct testimony, DCF models may not produce accurate estimates of cost of equity when dividend yields are small. Consequently, to be consistent with the methodology outlined by Mr. Hirshleifer, additional regressions were run which excluded companies with dividend yields below 1.5% from the regression analysis.

When P/E ratios were regressed using the three-stage DCF cost of equity and dividend payout ratio as explanatory variables for the reduced sample, both of these

parameters were again statistically significant, and the 3-stage cost of equity continued to have a negative relationship with P/E. (See Table 3.)

Table 3.

Regression of P/E Ratio against 3-Stage DCF Cost of Equity and Dividend Payout Using 227 Companies Paying Dividend Yields > 1.5%

	Intercept	3-stage DCF Cost of Equity	Dividend Payout	Adjusted R Squared	F
Coefficient	26.75	(185.35)	17.16	0.45	93.04
T Statistic	15.96	(11.64)	11.50		

When companies with low dividend yields and potentially higher measurement error in their DCF cost of equity estimates were excluded from the sample, the R² increases from 0.39 to 0.45. The R² statistic, which can range from 0 to 1, indicates how closely the trendline determined by the regression coefficients fits the actual data. The trendline is considered to be progressively more reliable as its R² value approaches 1.

When these lower dividend-paying companies with potentially higher measurement error were excluded from the sample with respect to the one-stage DCF costs of equity, the regression coefficient exhibited no statistically significant relationship with P/E ratios (t-statistic less than 2).¹² See Table 4, below.

Table 4.

Regression of P/E Ratio Against 1-stage DCF Cost of Equity and Dividend Payout Using 227 Companies Paying Dividend Yields > 1.5%

	Intercept	1-stage DCF Cost of Equity	Dividend Payout	Adjusted R Square	F
Coefficient	7.15	9.38	9.60	0.12	16.03
T Statistic	3.28	0.664	5.65		

¹² While not particularly relevant because of the lack of statistical significance, the sign of the coefficient for the one-stage cost of equity estimate is still in the wrong direction.

An even simpler analysis can be performed by regressing actual stock prices against the respective cost of equity estimates derived from the two proposed models. These regression equations are as follows:

$$P = a + b_1 (3\text{-stage DCF cost of equity}) + e \quad (3)$$

$$P = a + b_1 (1\text{-stage DCF cost of equity}) + e \quad (4)$$

The results of the regressions are summarized in Tables 5 and 6.

Table 5.
Regression of Price against 3-Stage DCF Cost of Equity
Using 227 Companies Paying Dividend Yields > 1.5%

	Intercept	3-stage DCF Cost of Equity	Adjusted R Squared	F
Coefficient	84.05	(425.65)	0.22	65.35
T Statistic	13.75	(8.08)		

Table 6.
Regression of Price Against 1-Stage DCF Cost of Equity
Using 227 Companies Paying Dividend Yields > 1.5%

	Intercept	1-stage DCF Cost of Equity	Adjusted R Square	F
Coefficient	59.27	(168.43)	0.05	13.87
T Statistic	9.07	(3.72)		

In this formulation, both regressions indicate that each cost of equity estimate is negative and statistically significant, meaning that price moves inversely to movements in the cost of equity. However, the R^2 statistic for the 3-stage model (.22) is much higher than that for the single-stage model (.05). This result implies that the three-stage cost of

equity does a better job of explaining movements in stock prices, and in fact the one-stage R^2 is so low that it barely explains any price movement at all.

These regressions are performed using the set of companies excluding those with dividend yields below 1.5%. If all companies' data are included in the regression sample, the results are as shown below in tables 7 and 8.

Table 7.

**Regression of Price against 3-Stage DCF Cost of Equity
Using 378 Companies Identified by Dr. Vander Weide**

	Intercept	3-stage DCF Cost of Equity	Adjusted R Squared	F
Coefficient	91.34	(487.78)	.20	93.19
T Statistic	17.39	(9.65)		

Table 8.

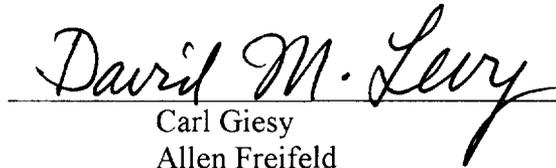
**Regression of Price Against 1-Stage DCF Cost of Equity
Using 378 Companies Identified by Dr. Vander Weide**

	Intercept	1-stage DCF Cost of Equity	Adjusted R Square	F
Coefficient	29.33	83.08	.01	4.33
T Statistic	4.77	2.08		

In comparison to the sample that includes only companies paying dividend yields of 1.5% or greater, the regression results are virtually the same for the 3-stage DCF model test. However, the single-stage DCF result demonstrates a change in sign. The cost of equity variable becomes significantly positive with a t-statistic of 2.08. As previously noted, this is not a reasonable result because the cost of equity would be expected to have an inverse, or negative, relationship to price. The R^2 statistic is even

lower, 0.01, indicating that the single-stage DCF cost of equity has virtually no explanatory power with respect to stock price when all companies are included.

Respectfully submitted,



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December 18, 2001

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Counsel for WorldCom, Inc.



"01-12-18 response
to VZ-VA Exhibit No.

Analysis of Data Provided by Dr. Vander Weide in Response to VZ-VA Record Request # 12
 In Hearing Record Request CC Docket Nos. 00-218, 00-249 and 00-251
 (Data as of June 30, 2000, From Value Line Investment Survey for Windows)

Ticker Symbol	Company	Divids Declared per share	Price	Mkt Cap (\$Mil)	IBES 5-yr growth	Calculated Dividend Yield	Long-Term Economy Growth Rate	Value Line 3-stage DCF	Beta	(Constant Growth) 1-stage DCF	3 Stage Average Growth	Est. EPS 1st Qtr	Est. EPS 2nd Qtr	Est. EPS 3rd Qtr	Est. EPS 4th Qtr	Sum 4 Qtrs EPS	P/E	Dividend Payout	CAPM 1-stage DCF	CAPM minus 1-stage DCF	CAPM minus 3-stage DCF	
																						[1]
1	UST	UST Inc	1.68	15.12	2,453.46	8.50%	11.111%	6.29%	19.82%	0.70	20.08%	8.71%	0.71	0.68	0.69	0.62	2.70	5.60	62.22%	10.11%	-9.97%	-9.71%
2	SRE	Sempra Energy	1.56	17.38	3,549.14	5.98%	8.976%	6.29%	15.62%	0.50	15.22%	6.65%	0.45	0.48	0.48	0.52	1.93	9.01	80.83%	9.01%	-6.21%	-6.61%
3	AEP	American Elec. Power	2.40	30.62	9,830.62	4.08%	7.838%	6.29%	13.30%	0.50	12.08%	5.47%	0.40	0.90	0.57	0.90	2.77	11.05	86.64%	9.01%	-3.07%	-4.29%
4	GPU	GPU Inc	2.12	27.44	3,328.89	3.60%	7.726%	6.29%	12.93%	0.70	11.47%	5.20%	0.60	0.62	0.70	1.10	3.02	9.09	70.20%	10.11%	-1.36%	-2.82%
5	HPC	Hercules Inc.	1.08	14.19	1,517.42	10.29%	7.611%	6.29%	16.85%	0.85	18.29%	9.34%	0.45	0.50	0.50	0.45	1.90	7.47	56.84%	10.94%	-7.36%	-6.02%
6	TXU	TXU Corp	2.33	31.31	8,257.27	7.59%	7.442%	6.29%	14.99%	0.60	15.31%	7.55%	0.55	1.39	0.70	0.77	3.41	9.18	68.33%	9.56%	-5.75%	-5.43%
7	NCE	New Century Energies	2.32	31.19	3,632.93	5.06%	7.438%	6.29%	13.48%	0.50	12.69%	6.04%	0.50	0.92	0.92	0.95	3.29	9.48	70.52%	9.01%	-3.68%	-4.47%
8	AEE	Ameren Corp	2.54	34.81	4,776.87	2.90%	7.297%	6.29%	12.17%	0.55	10.30%	4.87%	0.65	1.85	0.20	0.45	3.15	11.05	80.63%	9.29%	-1.02%	-2.88%
9	FTU	First Union Corp.	1.88	25.88	25,371.44	9.73%	7.264%	6.29%	16.15%	1.20	17.35%	8.88%	0.88	0.90	0.92	0.96	3.66	7.07	51.37%	12.86%	-4.49%	-3.29%
10	WIN	Winn-Dixie Stores	1.02	14.31	2,068.21	7.66%	7.128%	6.29%	14.68%	0.95	15.06%	7.55%	0.03	0.08	0.15	0.20	0.46	31.11	221.74%	11.49%	-3.58%	-3.20%
11	NSP	Northern States Power	1.44	20.31	3,191.54	5.90%	7.090%	6.29%	13.60%	0.55	13.20%	6.51%	0.25	0.75	0.55	0.36	1.91	10.63	75.39%	9.29%	-3.91%	-4.32%
12	CIN	Cinergy Corp.	1.80	25.81	4,102.28	4.20%	6.974%	6.29%	12.55%	0.55	11.32%	5.58%	0.38	0.60	0.70	0.82	2.50	10.32	72.00%	9.29%	-2.04%	-3.27%
13	ED	Consol. Edison	2.14	30.88	6,544.45	3.60%	6.930%	6.29%	12.20%	0.55	10.65%	5.27%	0.27	1.50	0.60	0.80	3.17	9.74	67.51%	9.29%	-1.37%	-2.91%
14	SAFC	SAFECO Corp	1.46	21.31	2,719.92	9.48%	6.851%	6.29%	15.48%	1.10	16.66%	8.63%	0.35	0.40	0.52	0.50	1.77	12.04	82.49%	12.31%	-4.35%	-3.17%
15	UPC	Union Planters	2.00	29.81	4,034.12	8.83%	6.709%	6.29%	14.90%	1.05	15.84%	8.19%	0.75	0.77	0.80	0.80	3.12	9.55	64.10%	12.04%	-3.80%	-2.87%
16	DTE	DTE Energy	2.06	30.88	4,404.63	4.88%	6.671%	6.29%	12.62%	0.60	11.71%	5.95%	0.79	1.05	0.75	0.90	3.49	8.85	59.03%	9.56%	-2.15%	-3.06%
17	CCK	Crown Cork	1.00	15.00	1,921.60	8.25%	6.667%	6.29%	14.50%	1.00	15.19%	7.84%	0.78	0.92	0.32	0.23	2.25	6.67	44.44%	11.76%	-3.43%	-2.74%
18	MO	Philip Morris	1.84	27.88	63,741.46	11.73%	6.600%	6.29%	16.59%	0.75	18.72%	9.99%	0.90	0.93	0.90	0.95	3.68	7.58	50.00%	10.39%	-8.33%	-6.20%
19	NSI	National Service Ind	1.28	19.88	809.43	11.50%	6.439%	6.29%	16.22%	1.10	18.31%	9.78%	0.95	0.70	0.56	0.81	3.02	6.58	42.38%	12.31%	-6.00%	-3.91%
20	DLX	Deluxe Corp.	1.48	23.12	1,672.47	11.50%	6.401%	6.29%	16.17%	0.90	18.27%	9.77%	0.60	0.66	0.73	0.66	2.65	8.72	55.85%	11.21%	-7.06%	-4.96%
21	CPL	CP&L Energy Inc.	2.02	31.94	5,098.45	5.38%	6.324%	6.29%	12.53%	0.55	11.87%	6.21%	0.48	1.33	0.63	0.75	3.19	10.01	63.32%	9.29%	-2.59%	-3.25%
22	FE	FirstEnergy Corp	1.50	23.88	5,503.28	5.46%	6.281%	6.29%	12.53%	0.60	11.91%	6.25%	0.58	0.87	0.57	0.67	2.69	8.68	55.76%	9.56%	-2.35%	-2.97%
23	JCP	Penney (J.C.)	1.15	18.75	4,904.23	10.30%	6.133%	6.29%	15.07%	0.90	16.75%	8.94%	0.17	0.48	0.65	0.30	1.60	11.72	71.88%	11.21%	-5.44%	-3.86%
24	PEG	Public Serv. Enterprise	2.16	35.25	7,626.51	4.93%	6.128%	6.29%	12.11%	0.55	11.21%	5.98%	0.80	0.85	0.65	1.20	3.50	10.07	61.71%	9.29%	-1.92%	-2.83%
25	CMS	CMS Energy Corp	1.39	22.75	2,496.79	9.60%	6.110%	6.29%	14.63%	0.55	16.00%	8.52%	0.53	0.62	0.65	0.85	2.65	8.58	52.45%	9.29%	-6.72%	-5.34%
26	D	Dominion Resources	2.58	43.00	10,224.07	6.87%	6.000%	6.29%	12.97%	0.55	13.08%	6.97%	0.45	1.12	0.65	1.25	3.47	12.39	74.35%	9.29%	-3.79%	-3.69%
27	NCC	National City Corp.	1.08	18.00	10,912.10	9.90%	6.000%	6.29%	14.66%	1.10	16.20%	8.66%	0.54	0.56	0.57	0.55	2.22	8.11	48.65%	12.31%	-3.89%	-2.35%
28	PGL	Peoples Energy	1.95	32.88	1,160.19	5.19%	5.931%	6.29%	12.04%	0.70	11.27%	6.11%	0.35	-0.10	0.90	1.80	2.95	11.15	66.10%	10.11%	-1.16%	-1.93%
29	CNC	Conseco Inc.	0.59	10.25	3,333.96	14.61%	5.756%	6.29%	17.23%	1.60	20.79%	11.47%	0.60	0.65	0.70	0.70	2.65	3.87	22.26%	15.06%	-5.73%	-2.17%
30	SO	Southern Co.	1.34	23.81	15,445.68	6.79%	5.628%	6.29%	12.52%	0.50	12.61%	6.89%	0.45	0.94	0.29	0.41	2.09	11.39	64.11%	9.01%	-3.60%	-3.51%
31	ONE	Bank One Corp.	1.64	29.19	33,633.01	11.04%	5.618%	6.29%	14.83%	1.30	16.97%	9.21%	0.63	0.65	0.67	0.69	2.64	11.06	62.12%	13.41%	-3.56%	-1.42%
32	GT	Goodyear Tire	1.20	21.44	3,352.24	8.43%	5.597%	6.29%	13.34%	1.05	14.26%	7.74%	0.70	0.65	0.50	0.60	2.45	8.75	48.98%	12.04%	-2.23%	-1.30%
33	TNB	Thomas & Betts	1.12	20.38	1,180.96	13.83%	5.496%	6.29%	16.33%	0.95	19.71%	10.84%	0.80	0.87	1.00	0.80	3.47	5.87	32.28%	11.49%	-8.22%	-4.85%
34	KEY	KeyCorp	1.04	19.00	8,260.82	9.90%	5.474%	6.29%	13.99%	1.30	15.64%	8.51%	0.56	0.58	0.61	0.60	2.35	8.09	44.26%	13.41%	-2.23%	-0.58%
35	DCN	Dana Corp.	1.24	22.69	3,456.24	10.44%	5.465%	6.29%	14.28%	1.10	16.19%	8.81%	1.00	1.05	0.99	1.05	4.09	5.55	30.32%	12.31%	-3.88%	-1.97%
36	EIX	Edison Int'l	1.08	20.12	6,687.46	9.17%	5.368%	6.29%	13.45%	0.65	14.78%	8.09%	0.40	0.75	0.53	0.45	2.13	9.45	50.70%	9.84%	-4.95%	-3.62%
37	PD	Phelps Dodge	2.00	37.50	2,952.04	6.40%	5.333%	6.29%	12.01%	0.75	11.90%	6.68%	0.60	0.50	0.45	0.90	2.45	15.31	81.63%	10.39%	-1.52%	-1.63%
38	PCAR	PACCAR Inc.	2.20	41.31	3,161.11	9.25%	5.326%	6.29%	13.44%	1.05	14.82%	8.12%	1.65	1.40	1.37	1.45	5.87	7.04	37.48%	12.04%	-2.79%	-1.41%
39	WOR	Worthington Inds.	0.57	10.81	932.08	12.78%	5.273%	6.29%	15.36%	0.70	18.39%	10.09%	0.29	0.30	0.32	0.34	1.25	8.65	45.60%	10.11%	-8.28%	-5.25%
40	X	USX-U.S. Steel Group	1.00	19.19	1,696.10	8.10%	5.211%	6.29%	12.71%	0.90	13.52%	7.50%	0.90	0.75	1.00	0.60	3.25	5.90	30.77%	11.21%	-2.31%	-1.50%
41	CEG	Constellation Energy	1.68	32.56	4,871.52	5.55%	5.160%	6.29%	11.44%	0.50	10.85%	6.28%	0.45	1.22	0.45	0.60	2.72	11.97	61.76%	9.01%	-1.84%	-2.43%
42	LPX	Louisiana-Pacific	0.56	10.88	1,132.76	8.67%	5.147%	6.29%	12.92%	0.80	14.04%	3.06%	0.60	0.60	0.30	0.30	1.80	6.04	31.11%	10.66%	-3.38%	-2.26%
43	IFF	International Flavors & Frag	1.52	29.69	3,052.52	8.00%	5.120%	6.29%	12.55%	0.85	13.32%	7.43%	0.48	0.47	0.37	0.53	1.85	16.05	82.16%	10.94%	-2.39%	-1.61%
44	SUB	Summit Bancorp	1.29	25.25	4,442.11	8.78%	5.109%	6.29%	12.93%	1.20	14.11%	7.82%	0.74	0.76	0.78	0.79	3.07	8.22	42.02%	12.86%	-1.25%	-0.07%
45	PCH	Potlatch Corp.	1.74	34.12	977.58	7.00%	5.100%	6.29%	12.04%	0.80	12.28%	6.94%	0.70	0.90	0.65	0.45	2.70	12.64	64.44%	10.66%	-1.62%	-1.38%
46	NSC	Norfolk Southern	0.80	15.69	6,010.20	10.45%	5.099%	6.29%	13.80%	1.00	15.82%	8.70%	0.23	0.38	0.40	0.35	1.36	11.54	58.82%	11.76%	-4.06%	-2.04%
47	REI	Reliant Energy	1.50	29.88	8,489.61	8.90%	5.020%	6.29%	12.88%	0.60	14.14%	7.86%	0.58	1.00	0.45	0.52	2.55	11.72	58.82%	9.56%	-4.58%	-3.32%
48	CSX	CSX Corp.	1.20	24.12	5,270.18	10.00%	4.975%	6.29%	13.39%	1.05	15.22%	8.42%	0.26	0.60	0.70	0.55	2.11	11.43	56.87%	12.04%	-3.19%	-1.36%
49	GPC	Genuine Parts	1.04	21.06	3,725.14	7.87%	4.938%	6.29%	12.27%	0.85	13.00%	7.34%	0.54	0.55	0.64	0.55	2.28	9.24	45.61%	10.94%	-2.07%	-1.34%
50	OXY	Occidental Petroleum	1.00	20.56	7,580.04	15.60%	4.864%	6.29%	16.42%	0.85	20.84%	11.55%	0.70	0.69	0.69	0.74	2.82	7.29	35.46%	10.94%	-9.91%	-5.48%
51	PCG	PG&E Corp.	1.20	25.12	9,681.34	6.59%	4.777%	6.29%	11.50%	0.45	11.52%	6.72%	0.53	0.60	0.50	0.70	2.33	10.78	51.50%	8.74%	-2.79%	-2.76%
52	GAS	NICOR Inc.	1.54	33.00	1,532.78	6.24%	4.667%	6.29%	11.23%	0.60	11.05%	6.56%	0.60	0.50	0.90	0.90	2.90	11.38	53.10%	9.56%	-1.49%	-1.67%
53	RGBK	Regions Financial	1.00	21.44	4,730.21	8.72%	4.664%	6.29%	12.35%	1.05	13.59%	7.69%	0.59	0.61	0.62	0.61	2.43	8.82	41.15%	12.04%	-1.55%	-0.32%
54	OKE	ONEOK Inc.	1.24	26.94	786.40	7.00%	4.603%	6.29%	11.49%	0.70	11.76%	6.89%	0.47	-0.15	0.70	1.30						

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		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]	[18] = 6.26% + 5.50% x [8]	[19] = [18] - [9]	[20] = [18] - [7]	
59	ASO	AmSouth Bancorp.	0.71	16.81	6,605.20	10.50%	4.224%	6.29%	12.64%	1.10	14.95%	8.41%	0.41	0.44	0.46	0.47	1.78	9.44	39.89%	12.31%	-2.64%	-0.33%
60	UCM	Unicom Corp.	1.60	38.00	6,707.87	6.23%	4.211%	6.29%	10.74%	0.55	10.57%	6.53%	0.65	1.45	0.57	0.60	3.27	11.62	48.93%	9.29%	-1.29%	-1.46%
61	F	Ford Motor	1.88	44.81	50,837.40	8.19%	4.195%	6.29%	11.54%		12.56%	7.34%	2.05	0.95	1.50	1.70	6.20	7.23	30.32%	6.26%	-6.30%	-5.28%
62	FPL	FPL Group	2.08	49.62	8,841.49	6.37%	4.192%	6.29%	10.78%	0.45	10.70%	6.59%	1.09	1.75	0.60	0.70	4.14	11.99	50.24%	8.74%	-1.96%	-2.04%
63	BAC	Bank of America	1.85	45.31	75,117.81	11.87%	4.083%	6.29%	13.11%	1.40	16.20%	9.03%	1.26	1.29	1.32	1.38	5.25	8.63	35.24%	13.96%	-2.24%	0.85%
64	SMI	Springs Inds.	1.32	32.75	352.29	11.75%	4.031%	6.29%	12.97%	0.85	16.02%	8.94%	1.08	1.25	1.27	1.15	4.75	6.89	27.79%	10.94%	-5.08%	-2.04%
65	CUM	Cummins Engine	1.12	27.81	1,154.24	8.40%	4.027%	6.29%	11.43%	0.90	12.60%	7.40%	1.55	1.40	1.71	1.15	5.81	4.79	19.28%	11.21%	-1.39%	-0.22%
66	USB	U.S. Bancorp	0.78	19.62	14,754.72	11.64%	3.976%	6.29%	12.84%	1.25	15.85%	8.86%	0.54	0.59	0.61	0.56	2.30	8.53	33.91%	13.14%	-2.71%	0.30%
67	RTNA	Raytheon Co. 'A'	0.80	20.25	2,040.75	11.25%	3.951%	6.29%	12.61%	0.95	15.42%	8.66%	0.31	0.42	0.53	0.28	1.54	13.15	51.95%	11.49%	-3.94%	-1.13%
68	TUP	Tupperware Corp	0.88	22.38	1,291.66	11.20%	3.932%	6.29%	12.56%	0.75	15.35%	8.63%	0.51	0.12	0.86	0.44	1.93	11.60	45.60%	10.39%	-4.97%	-2.18%
69	AM	American Greetings	0.78	19.88	1,189.96	10.00%	3.924%	6.29%	12.00%	0.85	14.12%	8.07%	0.10	0.90	1.00	0.25	2.25	8.84	34.67%	10.94%	-3.18%	-1.06%
70	CBE	Cooper Inds.	1.32	33.81	3,150.63	11.08%	3.904%	6.29%	12.47%	1.10	15.20%	8.56%	0.98	0.98	0.97	0.95	3.88	8.71	34.02%	12.31%	-2.89%	-0.16%
71	DUK	Duke Energy	2.20	56.62	20,807.53	8.84%	3.886%	6.29%	11.44%	0.50	12.90%	7.55%	0.90	1.35	0.78	1.05	4.08	13.88	53.92%	9.01%	-3.89%	-2.43%
72	XRX	Xerox Corp.	0.78	20.25	13,491.89	14.38%	3.852%	6.29%	14.03%	1.10	18.51%	10.17%	0.42	0.45	0.78	0.40	2.05	9.88	38.05%	12.31%	-6.20%	-1.72%
73	DNY	Donnelley (R.R.) & Sons	0.86	22.69	2,765.83	12.17%	3.790%	6.29%	12.82%	0.90	16.19%	9.03%	0.45	0.78	0.84	0.42	2.49	9.11	34.54%	11.21%	-4.98%	-1.61%
74	FO	Fortune Brands	0.89	23.56	3,730.68	11.38%	3.778%	6.29%	12.42%	0.95	15.37%	8.65%	0.67	0.52	0.74	0.49	2.42	9.74	36.78%	11.49%	-3.89%	-0.94%
75	PNW	Pinnacle West Capital	1.33	35.38	2,997.39	6.52%	3.759%	6.29%	10.37%	0.50	10.40%	6.61%	0.82	1.50	0.51	0.44	3.27	10.82	40.67%	9.01%	-1.39%	-1.36%
76	TKR	Timken Co.	0.72	19.69	1,200.28	10.00%	3.657%	6.29%	11.63%	1.10	13.84%	7.98%	0.45	0.30	0.38	0.60	1.73	11.38	41.62%	12.31%	-1.53%	0.68%
77	WB	Wachovia Corp	2.06	57.00	11,574.70	10.79%	3.614%	6.29%	11.92%	1.15	14.60%	8.31%	1.37	1.40	1.43	1.41	5.61	10.16	36.72%	12.59%	-2.01%	0.67%
78	CAT	Caterpillar Inc.	1.27	35.19	12,266.15	9.57%	3.609%	6.29%	11.39%	1.10	13.35%	7.78%	0.84	0.72	0.81	0.82	3.19	11.03	39.81%	12.31%	-1.04%	0.92%
79	WY	Weyerhaeuser Co.	1.60	44.50	10,366.41	16.14%	3.596%	6.29%	14.50%	0.90	20.03%	10.91%	1.10	1.25	1.10	1.05	4.50	9.89	35.56%	11.21%	-8.82%	-3.29%
80	MAY	May Dept. Stores	0.90	25.06	7,967.33	10.59%	3.591%	6.29%	11.80%	1.00	14.37%	8.21%	0.44	0.41	1.60	0.37	2.82	8.89	31.91%	11.76%	-2.61%	-0.04%
81	SWK	Stanley Works	0.87	24.25	2,125.10	10.79%	3.588%	6.29%	11.88%	0.95	14.57%	8.29%	0.59	0.59	0.53	0.59	2.30	10.54	37.83%	11.49%	-3.09%	-0.40%
82	SOTR	SouthTrust Corp.	0.88	24.69	4,149.95	11.72%	3.564%	6.29%	12.26%	1.10	15.49%	8.70%	0.71	0.72	0.72	0.73	2.88	8.57	30.56%	12.31%	-3.18%	0.05%
83	EMN	Eastman Chemical	1.76	49.50	3,796.40	7.00%	3.556%	6.29%	10.32%	0.85	10.68%	6.77%	1.00	0.95	0.77	1.00	3.72	13.31	47.31%	10.94%	0.26%	0.61%
84	DOW	Dow Chemical	1.16	32.88	22,224.85	8.07%	3.528%	6.29%	10.69%	0.80	11.74%	7.16%	0.64	0.49	0.52	0.58	2.23	14.74	52.02%	10.66%	-1.08%	-0.03%
85	LMT	Lockheed Martin	0.88	25.00	10,006.33	9.99%	3.520%	6.29%	11.44%	0.70	13.69%	7.92%	0.23	0.30	0.40	0.20	1.13	22.12	77.88%	10.11%	-3.58%	-1.33%
86	SUN	Sunoco Inc.	1.00	28.50	2,522.02	7.44%	3.509%	6.29%	10.43%	0.85	11.08%	6.92%	1.00	0.80	0.50	0.55	2.85	10.00	35.09%	10.94%	-0.14%	0.51%
87	VFC	V.F. Corp.	0.85	24.31	2,776.23	9.00%	3.497%	6.29%	11.01%	0.95	12.65%	7.51%	0.70	0.87	0.85	0.75	3.17	7.67	26.81%	11.49%	-1.17%	0.48%
88	TX	Texaco Inc.	1.80	51.88	28,637.08	10.46%	3.470%	6.29%	11.57%	0.75	14.11%	8.10%	1.15	1.00	0.90	1.00	4.05	12.81	44.44%	10.39%	-3.73%	-1.19%
89	JPM	Morgan (J.P.) & Co	3.97	115.31	18,719.80	9.88%	3.443%	6.29%	11.29%	1.40	13.49%	7.85%	2.78	2.25	2.30	3.20	10.53	10.95	37.70%	13.96%	0.47%	2.67%
90	PNC	PNC Financial Serv.	1.68	48.94	14,316.71	10.71%	3.433%	6.29%	11.63%	1.25	14.33%	8.19%	1.07	1.11	1.14	1.15	4.47	10.95	37.58%	13.14%	-1.19%	1.51%
91	MRO	USX-Marathon Group	0.84	24.50	7,612.62	15.96%	3.429%	6.29%	14.10%	0.75	19.66%	10.67%	0.85	0.65	0.71	0.65	2.86	8.57	29.37%	10.39%	-9.28%	-3.71%
92	W	Westvaco Corp.	0.88	25.75	2,591.87	6.67%	3.417%	6.29%	10.05%	0.90	10.20%	6.63%	0.58	0.68	0.75	0.80	2.81	9.16	31.32%	11.21%	1.01%	1.16%
93	CAG	ConAgra Inc.	0.69	20.31	9,998.85	10.58%	3.397%	6.29%	11.52%	0.80	14.16%	8.12%	0.30	0.60	0.45	0.50	1.85	10.98	37.30%	10.66%	-3.50%	-0.66%
94	PPG	PPG Inds.	1.52	44.88	7,814.85	9.00%	3.387%	6.29%	10.87%	1.05	12.54%	7.48%	1.25	1.07	1.09	1.10	4.51	9.95	33.70%	12.04%	-0.50%	1.17%
95	PRD	Polaroid Corp.	0.60	17.81	799.68	11.67%	3.369%	6.29%	11.95%	0.90	15.24%	8.58%	0.42	0.56	0.90	-0.10	1.78	10.01	33.71%	11.21%	-4.03%	-0.74%
96	CTB	Cooper Tire & Rubber	0.42	12.50	922.58	9.25%	3.360%	6.29%	10.93%	1.00	12.77%	7.57%	0.54	0.53	0.61	0.53	2.21	5.66	19.00%	11.76%	-1.01%	0.83%
97	GM	Gen'l Motors	2.00	60.00	37,270.86	7.44%	3.333%	6.29%	10.22%	1.00	10.90%	6.89%	2.75	1.60	2.60	3.20	10.15	5.91	19.70%	11.76%	0.86%	1.54%
98	OWC	Owens Corning	0.30	9.19	509.73	10.29%	3.264%	6.29%	11.22%	1.30	13.72%	7.95%	1.45	1.67	1.15	0.88	5.15	1.78	5.83%	13.41%	-0.31%	2.19%
99	WM	Washington Mutual	0.98	30.38	16,638.21	12.43%	3.226%	6.29%	12.06%	1.20	15.86%	8.83%	0.85	0.90	0.92	0.95	3.62	8.39	27.07%	12.86%	-3.00%	0.80%
100	IP	International Paper	1.00	31.12	12,908.91	4.70%	3.213%	6.29%	9.22%	0.85	7.99%	6.01%	0.70	0.75	0.90	0.70	3.05	10.20	32.79%	10.94%	2.95%	1.71%
101	BGG	Briggs & Stratton	1.16	36.25	808.41	8.00%	3.200%	6.29%	10.26%	0.85	11.33%	7.06%	0.94	0.35	1.95	2.00	5.24	6.92	22.14%	10.94%	-0.39%	0.67%
102	COCA	Conoco Inc. 'A'	0.71	22.19	4,160.65	8.27%	3.200%	6.29%	10.36%		11.60%	7.16%	0.60	0.55	0.53	0.51	2.19	10.13	32.42%	6.26%	-5.34%	-4.10%
103	SNA	Snap-on Inc.	0.90	28.19	1,650.94	11.42%	3.193%	6.29%	11.58%	1.00	14.79%	8.38%	0.75	0.72	0.95	0.68	3.10	9.09	29.03%	11.76%	-3.03%	0.18%
104	K	Kellogg	0.96	30.19	12,243.44	9.14%	3.180%	6.29%	10.65%	0.75	12.47%	7.47%	0.41	0.46	0.38	0.43	1.68	17.97	57.14%	10.39%	-2.08%	-0.27%
105	PLL	Pall Corp.	0.60	18.94	2,336.53	15.00%	3.168%	6.29%	13.14%	0.80	18.41%	9.98%	0.45	0.25	0.30	0.40	1.40	13.53	42.86%	10.66%	-2.48%	-0.28%
106	KMG	Kerr-McGee Corp.	1.80	56.94	5,359.92	12.33%	3.161%	6.29%	11.91%	0.80	15.69%	8.75%	1.85	1.80	1.56	1.00	6.21	9.17	28.99%	10.66%	-5.03%	-1.25%
107	ROK	Rockwell Int'l	1.02	32.50	6,110.75	11.90%	3.138%	6.29%	11.69%		15.23%	8.56%	0.88	0.91	0.88	0.92	3.59	9.05	28.41%	6.26%	-8.97%	-5.43%
108	GR	Goodrich (B.F.)	1.10	35.06	3,763.45	12.28%	3.137%	6.29%	11.85%	1.05	15.61%	8.72%	0.82	0.80	0.82	0.85	3.29	10.66	33.43%	12.04%	-3.58%	0.18%
109	R	Ryder System	0.60	19.19	1,141.21	10.25%	3.127%	6.29%	11.01%	1.05	13.54%	7.88%	0.56	0.61	0.65	0.58	2.40	8.00	25.00%	12.04%	-1.50%	1.03%
110	ASH	Ashland Inc.	1.10	35.31	2,492.22	7.57%	3.115%	6.29%	10.02%	0.85	10.80%	6.90%	1.48	1.45	1.60	0.40	3.93	8.98	27.99%	10.94%	0.13%	0.92%
111	CMA	Comerica Inc.	1.44	46.94	7,342.23	11.82%	3.068%	6.29%	11.55%	1.30	15.07%	8.48%	1.14	1.16	1.20	1.20	4.70	9.99	30.64%	13.41%	-1.66%	1.86%
112	DD	Du Pont	1.38	45.06	47,195.02	9.83%	3.063%	6.29%	10.76%	1.00	13.04%	7.69%	0.95	0.65	0.66	0.82	3.08	14.6				

Analysis of Data Provided by Dr. Vander Weide in Response to VZ-VA Record Request # 12
 in Hearing Record Request CC Docket Nos. 00-218, 00-249 and 00-251
 (Data at June 30, 2000, From Value Line Investment Survey for Windows)

Ticker Symbol	Company	Divids Declared		Mkt Cap (\$Mil)	IBES 5-yr growth	Calculated Dividend Yield	Long-Term Economy		Value Line Beta	(Constant Growth)		3 Stage Average Growth	Est. EPS 1st Qtr Out	Est. EPS 2nd Qtr Out	Est. EPS 3rd Qtr Out	Est. EPS 4th Qtr Out	Sum 4 Qtrs EPS	P/E	Dividend Payout	CAPM [18] = 6.26% + 5.50% x [8]	CAPM minus 1-stage DCF [19] = [18] - [9]	CAPM minus 3-stage DCF [20] = [18] - [7]
		[1]	[2]				[3]	[4]		[5]	[6]											
117	TIN	Temple-Inland	1.28	42.62	2,234.45	8.03%	3.003%	6.29%	10.04%	0.90	11.15%	7.03%	1.50	1.25	1.10	1.30	5.15	8.28	24.85%	11.21%	0.06%	1.17%
118	TRW	TRW Inc.	1.32	44.19	5,450.10	10.41%	2.987%	6.29%	10.87%	0.85	13.55%	7.88%	1.32	1.22	1.39	1.35	5.28	8.37	25.00%	10.94%	-2.62%	0.06%
119	HRB	Block (H&R)	0.95	32.00	3,148.22	16.29%	2.969%	6.29%	13.39%	1.15	19.50%	10.42%	-0.40	-0.40	-0.05	4.10	3.25	9.85	29.23%	12.59%	-6.92%	-0.80%
120	LNC	Lincoln Nat'l Corp.	1.10	37.19	7,129.87	12.34%	2.958%	6.29%	11.59%	1.10	15.48%	8.64%	0.88	0.92	0.97	0.98	3.75	9.92	29.33%	12.31%	-3.17%	0.72%
121	HNZ	Heinz (H.J.)	1.34	45.44	16,004.58	9.49%	2.949%	6.29%	10.48%	0.70	12.58%	7.53%	0.71	0.70	0.70	0.69	2.80	16.23	47.86%	10.11%	-2.47%	-0.37%
122	BBT	BB&T Corp.	0.75	25.62	9,037.81	12.00%	2.927%	6.29%	11.41%	1.20	15.10%	8.48%	0.54	0.56	0.58	0.59	2.27	11.29	33.04%	12.86%	-2.24%	1.45%
123	EK	Eastman Kodak	1.76	60.31	18,884.00	9.31%	2.918%	6.29%	10.37%	0.75	12.36%	7.45%	1.67	1.64	1.44	1.03	5.78	10.43	30.45%	10.39%	-1.98%	0.01%
124	SPC	St. Paul Cos.	1.03	35.75	7,581.18	9.63%	2.881%	6.29%	10.44%	1.05	12.65%	7.55%	0.69	0.70	0.73	0.74	2.86	12.50	36.01%	12.04%	-0.61%	1.60%
125	P	Phillips Petroleum	1.36	47.25	11,994.70	12.01%	2.878%	6.29%	11.33%	0.80	15.06%	8.45%	1.70	1.60	1.49	1.65	6.44	7.34	21.12%	10.66%	-4.40%	-0.67%
126	STI	SunTrust Banks	1.38	48.25	14,593.02	11.50%	2.860%	6.29%	11.10%	1.25	14.52%	8.24%	1.10	1.12	1.13	1.20	4.55	10.60	30.33%	13.14%	-1.39%	2.03%
127	BC	Brunswick Corp.	0.50	17.50	1,537.86	13.75%	2.857%	6.29%	12.02%	1.05	16.80%	9.16%	0.97	0.62	0.47	0.75	2.81	6.23	17.79%	12.04%	-4.77%	0.01%
128	RML	Russell Corp.	0.56	19.62	637.48	12.00%	2.854%	6.29%	11.29%	0.70	15.03%	8.44%	0.22	0.80	0.74	0.22	1.98	9.91	28.28%	10.11%	-4.92%	-1.18%
129	SVU	SUPERVALU INC.	0.57	20.19	2,654.12	12.00%	2.823%	6.29%	11.24%	0.85	14.99%	8.42%	0.45	0.53	0.63	0.59	2.20	9.18	25.91%	10.94%	-4.06%	-0.31%
130	UNM	UNUMProvident Corp.	0.59	21.12	5,080.39	12.17%	2.794%	6.29%	11.26%	1.30	15.13%	8.47%	0.62	0.65	0.68	0.70	2.65	7.97	22.26%	13.41%	-1.72%	2.15%
131	GIS	Gen'l Mills	1.08	38.69	11,276.66	9.89%	2.791%	6.29%	10.40%	0.65	12.82%	7.61%	0.55	0.68	0.55	0.42	2.20	17.59	49.09%	9.84%	-2.98%	-0.57%
132	OK	Old Kent Financial	0.76	27.50	3,776.52	11.33%	2.764%	6.29%	10.89%	1.00	14.25%	8.13%	0.58	0.60	0.64	0.64	2.46	11.18	30.89%	11.76%	-2.49%	0.87%
133	WHR	Whirlpool Corp.	1.36	49.94	3,647.57	11.86%	2.723%	6.29%	11.03%	1.05	14.74%	8.31%	1.64	1.81	1.88	1.62	6.95	7.19	19.57%	12.04%	-2.71%	1.01%
134	S	Sears Roebuck	0.92	33.81	11,920.94	10.47%	2.721%	6.29%	10.51%	1.10	13.33%	7.79%	0.95	0.80	2.15	0.72	4.62	7.32	19.91%	12.31%	-1.02%	1.80%
135	EFU	Eastern Enterprises	1.69	62.44	1,695.00	6.50%	2.707%	6.29%	9.23%	0.60	9.29%	6.52%	0.10	-0.20	1.30	1.65	2.85	21.91	59.30%	9.56%	0.27%	0.33%
136	MAT	Mattel Inc.	0.35	13.12	5,587.04	13.14%	2.668%	6.29%	11.44%	0.85	15.98%	8.77%	0.07	0.35	0.24	0.03	0.69	19.01	50.72%	10.94%	-5.05%	-0.51%
137	LDG	Longs Drug Stores	0.56	21.12	798.04	10.94%	2.652%	6.29%	10.58%	0.90	13.74%	5.56%	0.44	0.35	0.75	0.35	1.89	11.17	29.63%	11.21%	-2.53%	0.63%
138	T	AT&T Corp.	0.88	33.25	124,768.90	13.49%	2.647%	6.29%	11.55%	0.95	16.32%	8.90%	0.45	0.80	0.38	0.48	1.69	19.67	52.07%	11.49%	-4.83%	-0.06%
139	BMS	Bemis Co.	0.92	35.12	1,866.51	11.94%	2.620%	6.29%	10.90%	0.95	14.72%	8.28%	0.65	0.65	0.70	0.49	2.49	14.10	36.95%	11.49%	-3.23%	0.59%
140	AOC	Aon Corp.	0.82	31.31	8,011.81	11.71%	2.619%	6.29%	10.81%	1.00	14.48%	8.19%	0.51	0.54	0.58	0.53	2.16	14.50	37.96%	11.76%	-2.72%	0.95%
141	DNB	Dun & Bradstreet	0.74	28.38	4,588.41	10.80%	2.607%	6.29%	10.46%	1.05	13.55%	7.85%	0.40	0.41	0.54	0.47	1.82	15.59	40.66%	6.26%	-7.29%	-4.20%
142	RD	Royal Dutch Petr.	1.59	61.06	130,937.15	10.38%	2.604%	6.29%	10.31%	0.75	13.12%	7.71%	0.90	0.75	0.82	0.80	3.27	18.67	48.62%	10.39%	-2.73%	0.07%
143	ETN	Eaton Corp.	1.76	67.69	4,920.92	10.14%	2.600%	6.29%	10.22%	0.80	12.87%	5.61%	1.95	1.80	1.90	1.95	7.60	8.91	23.16%	10.66%	-2.21%	0.44%
144	PBI	Pitney Bowes	1.02	39.56	10,196.93	13.22%	2.578%	6.29%	11.32%	1.00	15.97%	8.74%	0.64	0.65	0.74	0.65	2.68	14.76	38.06%	11.76%	-4.21%	0.44%
145	UN	Unilever NV (NY Shs)	1.18	46.31	26,471.40	9.60%	2.548%	6.29%	9.97%	0.80	12.27%	7.42%	0.70	0.80	0.90	0.80	3.20	14.47	36.88%	10.66%	-1.61%	0.69%
146	SLE	Sara Lee Corp.	0.49	19.25	16,739.16	10.73%	2.545%	6.29%	10.35%	0.75	13.41%	7.80%	0.34	0.30	0.45	0.35	1.44	13.37	34.03%	10.39%	-3.03%	0.04%
147	FJ	Fort James	0.60	23.69	4,874.28	12.50%	2.533%	6.29%	10.96%	1.10	15.19%	8.43%	0.55	0.65	0.70	0.55	2.45	9.67	24.49%	12.31%	-2.88%	1.35%
148	MMM	Minnesota Mining	2.24	88.50	35,275.13	11.00%	2.531%	6.29%	10.42%	0.85	13.67%	7.89%	1.17	1.24	1.21	1.25	4.87	18.17	46.00%	10.94%	-2.74%	0.52%
149	CF	Charter One Fin'l	0.60	23.81	4,989.94	13.28%	2.520%	6.29%	11.24%	1.25	15.97%	8.72%	0.56	0.58	0.62	0.63	2.39	9.96	25.10%	13.14%	-2.83%	1.89%
150	UCL	Unocal Corp.	0.80	31.75	7,710.77	10.97%	2.520%	6.29%	10.39%	0.80	13.63%	7.87%	0.54	0.45	0.40	0.45	1.84	17.26	43.48%	10.66%	-2.97%	0.27%
151	AGC	American General Corp.	1.60	64.00	15,897.15	11.80%	2.500%	6.29%	10.65%	1.25	14.45%	8.15%	1.29	1.32	1.34	1.38	5.33	12.01	30.02%	13.14%	-1.31%	2.48%
152	MEA	Mead Corp.	0.65	26.06	2,679.09	8.60%	2.494%	6.29%	9.59%	0.95	11.20%	7.09%	0.70	0.65	0.55	0.50	2.40	10.86	27.08%	11.49%	0.28%	1.90%
153	ALL	Allstate Corp.	0.60	24.06	17,917.98	8.97%	2.494%	6.29%	9.70%	1.25	11.58%	7.20%	0.47	0.60	0.60	0.60	2.27	10.60	26.43%	13.14%	-1.56%	3.44%
154	PE	PECO Energy	1.00	40.62	6,888.82	7.06%	2.462%	6.29%	9.11%	0.80	9.61%	6.65%	0.54	1.35	0.82	0.95	3.66	11.10	27.32%	9.56%	-0.05%	0.45%
155	WLL	Willamette Ind.	0.70	28.62	3,170.42	15.57%	2.446%	6.29%	12.03%	1.00	18.21%	9.59%	0.90	1.05	1.00	1.10	4.05	7.07	17.28%	11.76%	-6.45%	-0.27%
156	FLR	Fluor Corp.	0.80	32.88	2,487.78	11.00%	2.433%	6.29%	10.27%	1.10	13.57%	7.84%	0.77	0.81	0.75	0.78	3.11	10.57	25.27%	12.31%	-1.26%	2.04%
157	NOC	Northrop Grumman	1.60	65.81	4,594.54	9.39%	2.431%	6.29%	9.74%	0.85	11.94%	7.31%	2.00	2.18	2.35	2.50	9.03	7.29	17.72%	10.94%	-1.00%	1.19%
158	GAP	G't Atlantic & Pacific	0.40	16.50	633.05	14.40%	2.424%	6.29%	11.51%	0.75	17.00%	9.09%	0.15	0.20	0.30	0.35	1.00	16.50	40.00%	10.39%	-6.61%	-1.13%
159	MAS	Masco Corp.	0.46	19.38	8,692.59	15.55%	2.374%	6.29%	11.88%	1.15	18.11%	9.51%	0.46	0.51	0.48	0.47	1.92	10.09	23.96%	12.59%	-5.52%	0.70%
160	CMB	Chase Manhattan Corp.	1.09	47.75	59,055.05	11.13%	2.283%	6.29%	10.08%	1.45	13.54%	7.80%	0.90	1.00	1.04	1.05	4.04	11.82	26.98%	14.24%	0.70%	4.15%
161	BCC	Boise Cascade	0.60	26.31	1,505.66	7.00%	2.281%	6.29%	8.89%	1.15	9.36%	6.61%	0.85	1.00	1.05	1.15	4.05	6.50	14.81%	12.59%	3.22%	3.70%
162	TXT	Textron Inc.	1.30	57.38	8,273.36	13.49%	2.266%	6.29%	10.87%	1.05	15.91%	8.61%	1.19	1.15	1.30	1.20	4.84	11.86	26.86%	12.04%	-3.87%	1.16%
163	MCK	McKessonHBOC	0.50	22.12	6,287.59	17.67%	2.260%	6.29%	12.54%	0.85	20.13%	10.28%	0.23	0.25	0.28	0.34	1.10	20.11	45.45%	10.94%	-9.20%	-1.60%
164	DE	Deere & Co.	0.88	39.12	9,165.66	9.30%	2.249%	6.29%	9.47%	1.00	11.65%	7.22%	0.45	0.35	0.40	1.00	2.20	17.78	40.00%	11.76%	0.11%	2.29%
165	APD	Air Products & Chem.	0.70	31.44	7,208.89	10.95%	2.226%	6.29%	9.94%	0.95	13.30%	7.71%	0.60	0.62	0.64	0.66	2.52	12.48	27.78%	11.49%	-1.81%	1.55%
166	JP	Jefferson-Pilot Corp.	1.28	57.81	5,960.35	11.33%	2.214%	6.29%	10.04%	0.95	13.67%	7.83%	1.04	1.06	1.09	1.13	4.32	13.38	29.63%	11.49%	-2.18%	1.44%
167	EC	Engelhard Corp.	0.40	18.12	2,313.04	12.25%	2.208%	6.29%	10.33%	0.80	14.59%	8.13%	0.45	0.40	0.40	0.40	1.65	10.98	24.24%	10.66%	-3.93%	0.33%
168	SHW	Sherwin-Williams	0.48	21.75	3,561.63	12.80%	2.207%	6.29%	10.52%	0.95	15.15%	8.32%	0.73	0.75	0.37	0.26	2.11	10.31	22.75%	11.49%	-3.66%	0.96%
169	XOM	Exxon Mobil Corp.	1.67	76.94	267,830.97	10.00%	2.171%	6.29%	9.57%	0.80	12.28%	7.40%	0.95	0.90	0.95	0.95	3.75	20.52	44.53%	10.66%	-1.62%	1.09%
170	FSR	Firststar	0.46	21.50	20,840.14	15.25%	2.140															

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Ticker Symbol	Company	Divids Declared		Mkt Cap (\$Mil)	IBES 5-yr growth	Calculated Dividend Yield	Long-Term Economy Growth			Value Line Beta	(Constant Growth)		3 Stage Average Growth	Est. EPS 1st Qtr Out	Est. EPS 2nd Qtr Out	Est. EPS 3rd Qtr Out	Est. EPS 4th Qtr Out	Sum 4 Qtrs EPS	P/E	Dividend Payout	CAPM minus 1-stage DCF	CAPM minus 3-stage DCF
		per share	Price				3-stage DCF	1-stage DCF	1st		2nd	3rd										
		{1}	{2}	{3}	{4}	{5}	{6}	{7}	{8}	{9}	{10}	{11}	{12}	{13}	{14}	{15}	{16}	{17}	{18} = 6.26% + 5.50% x {8}	{19} = {18} - {9}	{20} = {18} - {7}	
175	HSY	Hershey Foods	1.00	48.19	5,143.01	9.30%	2.075%	6.29%	9.23%	0.65	11.47%	7.16%	0.32	0.75	0.80	0.52	2.39	20.16	41.84%	9.64%	-1.64%	0.60%
176	BFB	Brown-Forman 'B'	1.15	55.56	2,195.74	9.12%	2.070%	6.29%	9.18%	0.85	11.28%	7.11%	0.62	1.15	0.88	0.85	3.50	15.87	32.86%	10.94%	-0.35%	1.76%
177	CINF	Cincinnati Financial	0.68	32.88	5,285.64	8.00%	2.068%	6.29%	8.89%	0.80	10.15%	6.82%	0.38	0.46	0.47	0.47	1.78	18.47	38.20%	10.66%	0.51%	1.77%
178	LEG	Leggett & Platt	0.35	16.94	3,327.50	14.00%	2.066%	6.29%	10.69%	1.25	16.21%	8.62%	0.41	0.45	0.41	0.44	1.71	9.91	20.47%	13.14%	-3.08%	2.45%
179	PG	Procter & Gamble	1.14	55.62	72,751.55	12.55%	2.050%	6.29%	10.17%	0.85	14.73%	8.12%	0.64	0.99	0.99	0.74	3.36	16.55	33.93%	10.94%	-3.79%	0.77%
180	GWV	Grainger (W.W.)	0.63	30.88	2,900.52	12.31%	2.040%	6.29%	10.07%	1.00	14.48%	8.03%	0.55	0.55	0.60	0.55	2.25	13.72	28.00%	11.76%	-2.72%	1.69%
181	UNP	Union Pacific	0.80	39.38	9,759.02	11.50%	2.031%	6.29%	9.80%	0.90	13.65%	7.77%	0.97	1.10	1.14	0.97	4.18	9.42	19.14%	11.21%	-2.44%	1.41%
182	ROH	Rohm and Haas	0.74	36.50	7,939.77	10.90%	2.027%	6.29%	9.62%	0.95	13.04%	7.59%	0.55	0.55	0.59	0.76	2.45	14.90	30.20%	11.49%	-1.55%	1.87%
183	RAL	Ralston Purina Group	0.40	19.81	6,077.84	11.00%	2.019%	6.29%	9.64%		13.13%	7.62%	0.21	0.27	0.37	0.28	1.13	17.53	35.40%	6.26%	-6.87%	-3.38%
184	CB	Chubb Corp	1.28	63.75	11,153.51	11.00%	2.008%	6.29%	9.62%	1.20	13.12%	7.61%	0.93	0.95	0.95	0.90	3.73	17.09	34.32%	12.86%	-0.26%	3.24%
185	FNM	Fannie Mae	1.08	54.00	55,047.60	13.89%	2.000%	6.29%	10.53%	1.25	16.03%	8.53%	1.04	1.05	1.09	1.14	4.32	12.50	25.00%	13.14%	-2.89%	2.61%
186	HON	Honeywell Int'l	0.68	34.00	27,137.47	14.48%	2.000%	6.29%	10.73%	1.15	16.62%	8.73%	0.77	0.85	1.00	0.74	3.36	10.12	20.24%	12.59%	-4.04%	1.85%
187	AT	ALLTEL Corp	1.24	62.19	19,606.64	14.72%	1.994%	6.29%	10.80%	0.75	16.86%	8.81%	0.68	0.68	0.66	0.75	2.77	22.45	44.77%	10.39%	-6.48%	-0.42%
188	SNV	Synovus Financial	0.36	18.31	5,171.32	14.90%	1.966%	6.29%	10.81%	1.15	17.01%	8.85%	0.22	0.22	0.24	0.24	0.92	19.90	39.13%	12.59%	-4.43%	1.77%
189	MYG	Maytag Corp	0.72	36.88	2,890.48	13.67%	1.952%	6.29%	10.36%	1.30	15.76%	8.41%	0.86	0.92	0.93	0.95	3.66	10.08	19.67%	13.41%	-2.35%	3.05%
190	AL	Alcan Aluminium	0.60	31.44	6,863.39	10.00%	1.908%	6.29%	9.19%	0.75	12.00%	7.28%	0.76	0.76	0.75	0.80	3.07	10.24	19.54%	10.39%	-1.62%	1.20%
191	WFC	Wells Fargo	0.79	41.44	67,212.40	13.55%	1.906%	6.29%	10.24%	1.30	15.59%	8.33%	0.62	0.65	0.67	0.69	2.63	15.76	30.04%	13.41%	-2.16%	3.17%
192	ADM	Archer Daniels Mid'd	0.19	10.00	6,021.62	11.29%	1.900%	6.29%	9.53%	0.80	13.30%	7.63%	0.22	0.15	0.20	0.20	0.77	12.99	24.68%	10.66%	-2.64%	1.13%
193	BNI	Burlington Northern	0.48	25.31	10,663.68	9.60%	1.896%	6.29%	9.07%	0.95	11.59%	7.17%	0.61	0.78	0.76	0.62	2.77	9.14	17.33%	11.49%	-0.10%	2.42%
194	JCI	Johnson Controls	1.00	53.19	4,559.86	15.18%	1.880%	6.29%	10.74%	0.90	17.20%	8.86%	1.38	1.56	1.19	1.02	5.15	10.33	19.42%	11.21%	-5.99%	0.47%
195	IIN	ITT Industries	0.60	32.25	2,835.26	13.13%	1.860%	6.29%	10.02%	0.90	15.11%	8.16%	0.77	0.70	0.86	0.65	2.98	10.82	20.13%	11.21%	-3.90%	1.19%
196	GP	Georgia-Pacific Group	0.50	27.06	4,615.22	9.71%	1.848%	6.29%	9.03%		11.65%	7.18%	1.35	1.50	1.25	1.10	5.20	5.20	9.62%	6.26%	-5.39%	-2.77%
197	BLL	Ball Corp	0.60	32.69	971.46	12.00%	1.835%	6.29%	9.63%	0.95	13.95%	7.80%	1.12	1.25	0.70	0.68	3.75	8.72	16.00%	11.49%	-2.46%	1.85%
198	PH	Parker-Hannifin	0.64	35.00	4,202.70	11.13%	1.829%	6.29%	9.37%	0.95	13.06%	7.55%	0.98	0.77	0.75	1.00	3.50	10.00	18.29%	11.49%	-1.58%	2.11%
199	GD	Gen'l Dynamics	0.96	52.50	10,534.60	11.14%	1.829%	6.29%	9.38%	0.80	13.07%	7.55%	1.00	1.02	1.07	1.04	4.13	12.71	23.24%	10.66%	-2.41%	1.28%
200	CCL	Carnival Corp	0.36	19.75	11,937.98	15.11%	1.823%	6.29%	10.60%	1.45	17.07%	8.77%	0.75	0.46	0.32	0.36	1.89	10.45	19.05%	14.24%	-2.84%	3.64%
201	KMB	Kimberly-Clark	1.03	57.62	31,264.33	11.38%	1.788%	6.29%	9.38%	0.85	13.27%	7.59%	0.81	0.82	0.84	0.85	3.32	17.36	31.02%	10.94%	-2.33%	1.56%
202	UK	Union Carbide	0.90	51.06	6,877.47	10.53%	1.763%	6.29%	9.11%	0.85	12.39%	7.35%	0.55	0.50	0.55	0.60	2.20	23.21	40.91%	10.94%	-1.45%	1.82%
203	BLS	BellSouth Corp	0.76	43.50	81,846.68	11.07%	1.747%	6.29%	9.23%	0.85	12.91%	7.48%	0.54	0.56	0.57	0.60	2.27	19.16	33.48%	10.94%	-1.98%	1.71%
204	VMC	Vulcan Materials	0.78	44.94	4,527.10	13.43%	1.736%	6.29%	9.88%	0.80	15.28%	8.15%	0.83	1.09	0.72	0.36	3.00	14.98	26.00%	10.66%	-4.62%	0.78%
205	G	Gillette	0.59	34.12	35,622.74	13.11%	1.729%	6.29%	9.77%	0.95	14.95%	8.04%	0.28	0.36	0.37	0.27	1.28	26.66	46.09%	11.49%	-3.47%	1.71%
206	AVP	Avon Products	0.72	42.62	10,120.11	12.67%	1.689%	6.29%	9.57%	0.95	14.47%	7.68%	0.49	0.39	0.66	0.33	1.87	22.79	38.50%	11.49%	-2.98%	1.91%
207	KRI	Knight Ridder	0.89	53.00	4,116.51	11.33%	1.679%	6.29%	9.19%	0.90	13.10%	7.51%	0.91	0.86	1.19	0.80	3.76	14.10	23.67%	11.21%	-1.89%	2.02%
208	LTR	Loews Corp	1.00	60.50	5,966.33	13.00%	1.653%	6.29%	9.60%	0.90	14.76%	7.95%	2.50	3.30	0.99	1.95	8.74	6.92	11.44%	11.21%	-3.55%	1.61%
209	AVY	Avery Dennison	1.13	68.38	7,667.98	13.38%	1.653%	6.29%	9.71%	0.90	15.14%	8.06%	0.71	0.72	0.72	0.78	2.93	23.34	38.57%	11.21%	-3.93%	1.50%
210	WWY	Wrigley (Wm.) Jr	1.33	80.62	7,414.03	10.97%	1.650%	6.29%	9.05%	0.95	12.71%	7.40%	0.83	0.72	0.70	0.70	2.95	27.33	45.08%	11.49%	-1.23%	2.44%
211	MMC	Marsh & McLennan	1.75	106.75	28,777.35	13.22%	1.639%	6.29%	9.64%	1.25	14.97%	8.00%	0.90	0.95	0.96	1.35	4.16	25.66	42.07%	13.14%	-1.83%	3.50%
212	EPG	El Paso Energy	0.80	48.88	11,325.85	13.71%	1.637%	6.29%	9.78%	0.80	15.46%	8.14%	0.55	0.55	0.65	0.82	2.57	19.02	31.13%	10.66%	-4.80%	0.88%
213	CR	Crane Co.	0.40	24.62	1,491.12	13.00%	1.625%	6.29%	9.55%	1.10	14.73%	7.92%	0.55	0.55	0.50	0.52	2.12	11.61	18.87%	12.31%	-2.42%	2.76%
214	SLM	SLM Holding	0.61	37.56	5,882.52	13.50%	1.624%	6.29%	9.69%	1.20	15.23%	8.07%	0.84	0.86	0.92	0.95	3.57	10.52	17.09%	12.86%	-2.37%	3.17%
215	MBI	MBIA Inc.	0.81	50.44	4,962.29	12.29%	1.606%	6.29%	9.32%	1.15	13.99%	7.71%	1.25	1.30	1.30	1.35	5.20	9.70	15.58%	12.59%	-1.41%	3.27%
216	BCR	Bard (C.R.)	0.78	49.00	2,473.08	12.50%	1.592%	6.29%	9.35%	0.95	14.19%	7.76%	0.65	0.67	0.72	0.71	2.75	17.82	28.36%	11.49%	-2.71%	2.13%
217	HIG	Hartford Fin'l Svcs.	0.92	57.81	12,423.96	11.25%	1.591%	6.29%	9.03%	1.25	12.93%	7.43%	1.00	1.00	1.00	1.05	4.05	14.27	22.72%	13.14%	0.20%	4.11%
218	CLX	Clorox Co.	0.72	45.31	10,635.64	12.55%	1.589%	6.29%	9.36%	0.90	14.24%	7.77%	0.58	0.43	0.36	0.57	1.94	23.36	37.11%	11.21%	-3.03%	1.85%
219	MHP	McGraw-Hill	0.86	54.56	10,612.50	12.50%	1.576%	6.29%	9.32%	0.85	14.17%	7.75%	0.51	1.08	0.52	0.29	2.40	22.73	35.83%	10.94%	-3.24%	1.61%
220	AHP	American Home Products	0.90	57.12	74,502.31	13.44%	1.576%	6.29%	9.58%	1.05	15.12%	8.01%	0.45	0.48	0.48	0.55	1.96	29.14	45.92%	12.04%	-3.09%	2.45%
221	HI	Household Int'l	0.66	42.00	19,873.22	14.38%	1.571%	6.29%	9.85%	1.45	16.08%	8.28%	0.80	0.90	1.02	0.87	3.59	11.70	18.38%	14.24%	-1.83%	4.39%
222	BAX	Baxter Int'l Inc.	1.16	74.31	21,890.38	13.14%	1.561%	6.29%	9.47%	1.00	14.80%	7.91%	0.75	0.77	0.88	0.72	3.12	23.82	37.18%	11.76%	-3.04%	2.29%
223	BR	Burlington Resources	0.55	35.62	7,669.67	19.00%	1.544%	6.29%	11.32%	0.80	20.69%	9.78%	0.40	0.45	0.50	0.40	1.75	20.35	31.43%	10.66%	-10.03%	-0.66%
224	IR	Ingersoll-Rand	0.64	42.19	6,828.38	12.04%	1.517%	6.29%	9.10%	1.35	13.85%	7.56%	1.08	0.99	1.03	0.93	4.03	10.47	15.88%	13.69%	0.04%	4.58%
225	BHI	Baker Hughes	0.46	30.50	10,071.44	20.36%	1.508%	6.29%	11.73%	1.15	22.02%	10.23%	0.67	0.14	0.20	0.20	0.61	50.00	75.41%	12.59%	-9.44%	0.85%
226	NUE	Nucor Corp.	0.52	34.56	2,939.38	12.78%	1.505%	6.29%	9.27%	0.85	14.39%	7.77%	0.95	0.90	1.11	1.00	3.96	8.73	13.13%	10.94%	-3.46%	1.66%
227	BUD	Anheuser-Busch	1.16	77.12	34,841.99	9.78%	1.504%	6.29%	8.55%	0.70	11.36%	7.05%	1.00	1.07	0.47	0.85	3.39	22.75	34.22%	10.11%	-1.25%	1.56%

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 (Data at June 30, 2000, From Value Line Investment Survey for Windows)

Ticker Symbol	Company	Divids Declared per share	Price	Mkt Cap (\$Mil)	IBES 5-yr growth	Calculated Dividend Yield	Long-Term Economy Growth Rate	3-stage DCF	Value Line Beta	(Constant Growth) 1-stage DCF	3 Stage Average Growth	Est. EPS 1st Qtr Out	Est. EPS 2nd Qtr Out	Est. EPS 3rd Qtr Out	Est. EPS 4th Qtr Out	Sum 4 Qtrs EPS	P/E	Dividend Payout	CAPM	CAPM minus 1-stage DCF	CAPM minus 3-stage DCF	
																						[1]
229	EDS	Electronic Data Sys.	0.60	40.19	18,720.09	15.62%	1.493%	6.29%	10.06%	1.15	17.23%	8.56%	0.53	0.57	0.68	0.56	2.34	17.18	25.64%	12.59%	-4.64%	2.53%
230	OAT	Quaker Oats	1.14	76.50	10,014.69	10.35%	1.490%	6.29%	8.65%	0.65	11.92%	7.16%	1.01	1.05	0.37	0.75	3.18	24.06	35.85%	9.84%	-2.08%	1.18%
231	ABT	Abbott Labs.	0.66	44.56	69,046.95	12.24%	1.481%	6.29%	9.09%	1.00	13.81%	7.61%	0.44	0.42	0.48	0.50	1.84	24.22	35.87%	11.76%	-2.05%	2.67%
232	BFO	Bestfoods	1.02	69.31	19,029.54	10.39%	1.472%	6.29%	8.64%	0.70	11.94%	7.16%	0.68	0.69	0.77	0.63	2.77	25.02	36.82%	10.11%	-1.83%	1.47%
233	KBH	Kaufman & Broad Home	0.30	20.44	841.08	16.40%	1.468%	6.29%	10.24%	1.45	17.99%	8.77%	1.10	1.40	0.66	0.79	3.95	5.17	7.59%	14.24%	-3.75%	3.99%
234	WMB	Williams Cos	0.60	41.00	18,112.53	14.62%	1.463%	6.29%	9.70%	0.85	16.19%	8.23%	0.17	0.14	0.12	0.30	0.73	56.16	82.19%	10.94%	-5.26%	1.24%
235	FRE	Freddie Mac	0.60	41.06	28,483.88	14.83%	1.461%	6.29%	9.75%	1.30	16.40%	8.29%	0.82	0.84	0.88	0.90	3.44	11.94	17.44%	13.41%	-2.99%	3.66%
236	BMJ	Bristol-Myers Squibb	0.86	58.94	116,260.58	12.14%	1.459%	6.29%	9.02%	1.20	13.69%	7.57%	0.54	0.55	0.55	0.60	2.24	26.31	38.39%	12.86%	-0.83%	3.84%
237	PX	Praxair Inc.	0.56	38.38	6,049.93	11.84%	1.459%	6.29%	8.95%	0.95	13.39%	7.49%	0.77	0.78	0.79	0.80	3.14	12.22	17.83%	11.49%	-1.90%	2.53%
238	TMK	Torchmark Corp.	0.36	25.06	3,211.87	12.35%	1.437%	6.29%	9.04%	1.20	13.88%	7.60%	0.70	0.72	0.74	0.76	2.92	8.58	12.33%	12.86%	-1.02%	3.82%
239	MRK	Merck & Co	1.10	77.19	177,487.78	12.28%	1.425%	6.29%	9.00%	1.10	13.79%	7.57%	0.69	0.72	0.74	0.69	2.84	27.18	38.73%	12.31%	-1.48%	3.31%
240	H	Harcourt General	0.81	57.00	3,029.21	15.00%	1.421%	6.29%	9.71%	0.95	16.53%	8.29%	1.85	1.14	-0.50	-0.50	1.99	28.64	40.70%	11.49%	-5.04%	1.77%
241	HAS	Hasbro Inc.	0.24	17.06	2,936.97	14.79%	1.407%	6.29%	9.62%	0.95	16.30%	8.22%	0.05	0.44	0.83	0.09	1.41	12.10	17.02%	11.49%	-4.82%	1.86%
242	GCI	Gannett Co.	0.82	58.44	15,573.73	11.58%	1.403%	6.29%	8.79%	1.00	13.06%	7.39%	0.98	0.83	1.15	0.83	3.79	15.42	21.64%	11.76%	-1.30%	2.97%
243	WEN	Wendy's Int'l	0.24	17.25	1,961.98	14.54%	1.391%	6.29%	9.52%	0.85	16.03%	8.13%	0.42	0.40	0.36	0.34	1.52	11.35	15.79%	10.94%	-5.10%	1.41%
244	LTD	Limited Inc.	0.30	21.75	9,387.13	16.36%	1.379%	6.29%	10.02%	1.10	17.85%	8.64%	0.16	0.12	0.77	0.16	1.21	17.98	24.79%	12.31%	-5.54%	2.29%
245	EFX	Equifax Inc.	0.36	26.25	3,705.29	15.83%	1.371%	6.29%	9.85%	0.95	17.31%	8.47%	0.40	0.47	0.55	0.43	1.85	14.19	19.46%	11.49%	-5.82%	1.64%
246	AA	Alcoa Inc.	0.40	29.50	25,488.94	14.40%	1.358%	6.29%	9.41%	0.80	15.85%	8.05%	0.53	0.56	0.58	0.60	2.27	13.00	17.62%	10.66%	-5.19%	1.25%
247	JWN	Nordstrom Inc.	0.32	23.75	3,092.84	15.13%	1.347%	6.29%	9.59%	1.10	16.58%	8.24%	0.57	0.34	0.59	0.29	1.79	13.27	17.88%	12.31%	-4.27%	2.72%
248	BSC	Bear Stearns	0.56	41.62	4,604.10	13.50%	1.346%	6.29%	9.15%	1.60	14.94%	7.81%	1.83	1.28	1.50	1.70	6.31	6.60	8.87%	15.06%	0.12%	5.91%
249	BOL	Bausch & Lomb	1.04	77.69	4,091.36	15.91%	1.339%	6.29%	9.79%	0.95	17.36%	8.45%	0.73	0.95	1.15	0.60	3.43	22.65	30.32%	11.49%	-5.87%	1.69%
250	CG	Columbia Energy	0.88	66.44	5,388.12	10.06%	1.325%	6.29%	8.34%	0.70	11.45%	7.02%	0.60	0.20	1.52	2.00	4.32	15.38	20.37%	10.11%	-1.34%	1.77%
251	FITB	Fifth Third Bancorp	0.88	66.56	20,618.96	14.39%	1.322%	6.29%	9.34%	1.25	15.81%	8.01%	0.67	0.70	0.73	0.76	2.86	23.27	30.77%	13.14%	-2.67%	3.80%
252	DJ	Dow Jones & Co.	0.96	72.69	4,905.50	12.04%	1.321%	6.29%	8.76%	0.85	13.44%	7.44%	0.89	0.55	0.88	0.94	3.26	22.30	29.45%	10.94%	-2.51%	2.18%
253	BA	Boeing	0.56	42.81	38,837.73	15.37%	1.308%	6.29%	9.57%	1.05	16.78%	8.26%	0.64	0.55	0.80	0.50	2.49	17.19	22.49%	12.04%	-4.74%	2.46%
254	UTX	United Technologies	0.76	58.75	27,643.05	13.99%	1.294%	6.29%	9.17%	1.15	15.37%	7.88%	1.00	0.98	0.88	0.84	3.70	15.88	20.54%	12.59%	-2.79%	3.41%
255	PEP	PepsiCo Inc.	0.54	43.38	62,504.16	13.09%	1.245%	6.29%	8.86%	0.90	14.42%	7.62%	0.34	0.38	0.36	0.33	1.41	30.77	38.30%	11.21%	-3.21%	2.35%
256	LIZ	Liz Claiborne	0.45	36.19	1,974.96	11.50%	1.243%	6.29%	8.51%	0.95	12.81%	7.26%	0.55	1.20	0.94	0.90	3.59	10.08	12.53%	11.49%	-1.33%	2.98%
257	HM	Homestake Mining	0.08	6.50	1,692.87	18.50%	1.231%	6.29%	10.30%	0.40	19.84%	9.07%	0.04	0.04	0.04	0.05	0.17	38.24	47.06%	8.46%	-11.38%	-1.84%
258	AET	Aetna Inc.	0.80	65.31	9,204.76	13.22%	1.225%	6.29%	8.85%	1.05	14.53%	7.63%	1.22	1.25	1.29	1.33	5.09	12.83	15.72%	12.04%	-2.49%	3.18%
259	CI	CIGNA Corp.	1.14	95.00	15,471.04	13.55%	1.200%	6.29%	8.88%	1.10	14.83%	7.68%	1.40	1.45	1.45	1.65	5.95	15.97	19.16%	12.31%	-2.52%	3.43%
260	BDK	Black & Decker	0.48	40.12	3,416.56	14.50%	1.196%	6.29%	9.10%	1.10	15.78%	7.90%	0.93	0.98	1.45	0.64	4.00	10.03	12.00%	12.31%	-3.47%	3.21%
261	NKE	NIKE Inc. 'B'	0.48	40.25	6,963.98	15.17%	1.193%	6.29%	9.26%	0.95	16.45%	8.07%	0.78	0.42	0.58	0.52	2.30	17.50	20.87%	11.49%	-4.97%	2.23%
262	BK	Bank of New York	0.58	48.88	36,046.43	12.28%	1.187%	6.29%	8.57%	1.30	13.54%	7.39%	0.46	0.48	0.50	0.52	1.96	24.94	29.59%	13.41%	-0.13%	4.84%
263	BDX	Becton Dickinson	0.34	29.56	7,462.53	13.63%	1.150%	6.29%	8.80%	0.95	14.86%	7.65%	0.43	0.43	0.33	0.50	1.69	17.49	20.12%	11.49%	-3.37%	2.69%
264	ABX	Barrick Gold	0.20	17.44	6,856.03	11.43%	1.147%	6.29%	8.33%	0.45	12.64%	7.18%	0.19	0.21	0.22	0.19	0.81	21.53	24.69%	8.74%	-3.91%	0.40%
265	DDS	Dillard's Inc.	0.16	14.00	1,254.19	10.00%	1.143%	6.29%	8.06%	1.05	11.20%	6.92%	0.36	0.37	1.07	0.65	2.45	5.71	6.53%	12.04%	0.84%	3.97%
266	VO	Seagram Co.	0.66	58.69	24,701.37	14.92%	1.125%	6.29%	9.04%	0.95	16.13%	7.92%	-0.29	0.03	0.90	-0.32	183.41	206.25%	11.49%	-4.64%	2.44%	
267	HAL	Halliburton Co.	0.50	44.56	19,782.99	18.00%	1.122%	6.29%	9.85%	1.10	19.22%	8.73%	0.10	0.17	0.22	0.25	0.74	60.22	67.57%	12.31%	-6.91%	2.46%
268	PDG	Placer Dome	0.10	9.06	2,955.97	15.00%	1.104%	6.29%	9.02%	0.65	16.19%	7.91%	0.07	0.07	0.07	0.08	0.29	31.24	34.48%	9.84%	-6.35%	0.82%
269	ITW	Illinois Tool Works	0.63	57.62	17,385.18	13.05%	1.093%	6.29%	8.56%	1.05	14.21%	7.47%	0.88	0.86	0.94	0.85	3.53	16.32	17.85%	12.04%	-2.84%	3.48%
270	KO	Coca-Cola	0.64	58.75	145,411.70	13.09%	1.089%	6.29%	8.56%	1.00	14.25%	7.47%	0.41	0.43	0.39	0.36	1.59	36.95	40.25%	11.76%	-2.49%	3.20%
271	JNJ	Johnson & Johnson	1.09	101.00	140,480.20	13.00%	1.079%	6.29%	8.52%	0.95	14.15%	7.44%	0.90	0.85	0.67	1.02	3.44	29.36	31.69%	11.49%	-2.66%	2.96%
272	SLB	Schlumberger Ltd.	0.75	70.00	39,834.13	17.61%	1.071%	6.29%	9.60%	1.05	18.78%	8.53%	0.27	0.32	0.37	0.40	1.36	51.47	55.15%	12.04%	-6.74%	2.43%
273	DOV	Dover Corp.	0.44	41.38	8,399.12	14.00%	1.063%	6.29%	8.70%	1.10	15.14%	7.64%	0.60	0.60	0.63	0.65	2.48	16.69	17.74%	12.31%	-2.83%	3.61%
274	NYT	New York Times	0.42	39.62	6,700.39	12.58%	1.060%	6.29%	8.40%	1.05	13.71%	7.34%	0.55	0.38	0.65	0.52	2.10	18.87	20.00%	12.04%	-1.67%	3.63%
275	ECL	Ecolab Inc.	0.42	40.00	5,186.36	14.38%	1.050%	6.29%	8.76%	0.85	15.51%	7.16%	0.36	0.44	0.39	0.37	1.56	25.64	26.92%	10.94%	-4.57%	2.18%
276	KRB	MBNA Corp.	0.28	27.12	21,748.31	19.32%	1.032%	6.29%	9.97%	1.55	20.45%	8.94%	0.33	0.40	0.44	0.37	1.54	17.61	18.18%	14.79%	-5.67%	4.81%
277	AFS	Assoc. First Capital	0.23	22.31	16,261.60	14.95%	1.031%	6.29%	8.84%	1.40	16.06%	7.81%	0.56	0.61	0.62	0.60	2.39	9.33	9.62%	13.96%	-2.10%	5.12%
278	CCR	Countrywide Credit	0.32	31.06	3,524.50	13.00%	1.030%	6.29%	8.43%	1.50	14.10%	7.40%	0.75	0.80	0.75	0.80	3.10	10.02	10.32%	14.51%	0.41%	6.08%
279	RKY	Coors (Adolph) 'B'	0.65	64.19	2,274.24	11.07%	1.013%	6.29%	8.04%	0.65	12.14%	7.03%	1.30	0.75	0.35	0.43	2.83	22.68	22.97%	9.84%	-2.30%	1.80%
280	AHC	Amerada Hess	0.60	59.38	5,379.38	7.24%	1.010%	6.29%	7.48%	0.75	8.29%	6.47%	2.10	1.90	1.38	1.95	7.33	8.10	8.19%	10.39%	-2.10%	2.91%
281	TROW	Price (T. Rowe) Assoc.	0.43	43.00	5,192.21	15.50%	1.000%	6.29%	8.89%	1.50	16.58%	7.89%	0.50	0.52	0.55	0.55	2.12	20.28	20.28%	14.51%	-2.07%	5.62%
282	GLK	G't Lakes Chemical	0.32	32.06</																		

Analysis of Data Provided by Dr. Vander Weide in Response to V7-VA Record Request # 12
 in Hearing Record Request CC Docket Nos. 00-218, 00-249 and 00-251
 (Data at June 30, 2000, From Value Line Investment Survey for Windows)

Ticker Symbol	Company	Divds Declared per share	Price	Mkt Cap (\$Mil)	IBES 5-yr growth	Long-Term Economy			Value Line Beta	(Constant Growth) 1-stage DCF	3 Stage Average Growth	Est. EPS 1st Qtr Out	Est. EPS 2nd Qtr Out	Est. EPS 3rd Qtr Out	Est. EPS 4th Qtr Out	Sum 4 Qtrs EPS	P/E	Dividend Payout	CAPM [18] = 6.26% + 5.50%*[8]	CAPM minus 1-stage DCF [19] = [18] - [9]	CAPM minus 3-stage DCF [20] = [18] - [7]	
						Calculated Dividend Yield	Growth Rate	3-stage DCF														
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]				
287	UPR	Union Pacific Res.	0.20	20.50	5,170.49	10.32%	0.976%	6.29%	7.86%	0.95	11.35%	6.88%	0.20	0.18	0.15	0.25	0.78	26.28	25.64%	11.49%	0.14%	3.63%
288	FON	Sprint Corp.	0.50	53.50	42,285.01	12.37%	0.935%	6.29%	8.13%		13.36%	7.19%	0.49	0.50	0.53	0.58	2.10	25.48	23.81%	6.26%	-7.10%	-1.87%
289	SGP	Schering-Plough	0.48	51.38	75,218.24	14.93%	0.934%	6.29%	8.62%	1.25	15.93%	7.68%	0.42	0.41	0.40	0.48	1.71	30.05	28.07%	13.14%	-2.80%	4.52%
290	DEL	Delphi Automotive	0.14	15.31	8,621.22	10.51%	0.914%	6.29%	7.79%		11.47%	6.88%	0.75	0.27	0.52	0.61	2.15	7.12	6.51%	6.26%	-5.21%	-1.53%
291	TOS	Tosco Corp.	0.26	28.44	4,109.86	12.41%	0.914%	6.29%	8.10%	1.00	13.38%	7.18%	0.95	1.05	0.65	0.65	3.30	8.62	7.88%	11.76%	-1.62%	3.66%
292	SYI	Sysco Corp.	0.38	41.81	13,932.30	13.51%	0.909%	6.29%	8.28%	0.80	14.48%	7.37%	0.38	0.37	0.35	0.35	1.45	28.83	26.21%	10.66%	-3.82%	2.38%
293	MER	Merrill Lynch & Co.	1.05	118.00	45,458.56	12.88%	0.890%	6.29%	8.13%	1.85	13.83%	7.24%	1.77	1.59	1.46	1.81	6.63	17.80	15.84%	16.44%	2.61%	8.30%
294	LLY	Lilly (Eli)	0.92	104.50	118,017.39	15.06%	0.880%	6.29%	8.52%	1.10	16.01%	7.64%	0.60	0.71	0.71	0.72	2.74	38.14	33.58%	12.31%	-3.70%	3.79%
295	PKI	PerkinElmer Inc.	0.56	64.25	3,156.99	15.60%	0.872%	6.29%	8.61%	0.90	16.54%	7.74%	0.45	0.55	0.68	0.45	2.13	30.16	26.29%	11.21%	-5.33%	2.60%
296	C	Citigroup Inc	0.54	63.25	213,449.14	14.65%	0.854%	6.29%	8.38%		15.57%	7.52%	0.85	0.85	0.86	0.95	3.51	18.02	15.38%	6.26%	-9.31%	-2.12%
297	MDP	Meredith Corp.	0.29	34.50	1,370.82	12.88%	0.841%	6.29%	8.03%	1.10	13.77%	7.19%	0.41	0.35	0.50	0.49	1.75	19.71	16.57%	12.31%	-1.46%	4.28%
298	ACV	Alberto Culver 'B'	0.26	31.19	1,027.86	10.50%	0.834%	6.29%	7.66%	0.85	11.38%	6.83%	0.44	0.49	0.41	0.44	1.78	17.52	14.61%	10.94%	-0.44%	3.27%
299	PHA	Pharmacia Corp.	0.44	53.50	67,908.88	20.69%	0.822%	6.29%	9.67%		21.60%	8.85%	0.35	0.40	0.40	0.40	1.55	34.52	28.39%	6.26%	-15.34%	-3.41%
300	HLT	Hilton Hotels	0.08	9.75	3,590.99	13.05%	0.821%	6.29%	8.02%		13.92%	7.20%	0.20	0.15	0.18	0.14	0.67	14.55	11.94%	6.26%	-7.66%	-1.76%
301	CCE	Coca-Cola Enterprises	0.14	17.38	7,307.00	24.93%	0.806%	6.29%	10.86%	1.00	25.84%	10.05%	0.36	0.32	0.00	-0.05	0.63	27.59	22.22%	11.76%	-14.08%	0.90%
302	TJX	TJX Companies	0.14	18.31	5,416.23	16.50%	0.765%	6.29%	8.52%	1.35	17.33%	7.75%	0.40	0.56	0.53	0.49	1.98	9.25	7.07%	13.69%	-3.64%	5.17%
303	IPG	Interpublic Group	0.33	43.62	13,161.84	14.94%	0.757%	6.29%	8.21%	1.15	15.75%	7.45%	0.56	0.26	0.53	0.26	1.61	27.09	20.50%	12.59%	-3.17%	4.38%
304	ENE	Enron Corp	0.50	66.44	48,635.54	16.67%	0.753%	6.29%	8.52%	0.85	17.49%	7.77%	0.32	0.32	0.36	0.46	1.46	45.51	34.25%	10.94%	-6.55%	2.41%
305	ADSK	Autodesk Inc.	0.24	33.44	1,949.67	17.67%	0.718%	6.29%	8.62%	1.15	18.45%	7.91%	0.50	0.53	0.59	0.59	2.21	15.13	10.86%	12.59%	-5.87%	3.96%
306	BEN	Franklin Resources	0.22	30.94	7,534.80	15.20%	0.711%	6.29%	8.14%	1.55	15.97%	7.43%	0.58	0.59	0.60	0.63	2.40	12.89	9.17%	14.79%	-1.18%	6.64%
307	OMC	Omnicom Group	0.63	89.62	15,921.43	15.89%	0.703%	6.29%	8.24%	1.20	16.65%	7.54%	0.70	0.45	0.75	0.52	2.42	37.03	26.03%	12.86%	-3.79%	4.62%
308	NTRS	Northern Trust Corp.	0.48	68.62	15,253.55	12.89%	0.700%	6.29%	7.76%	1.15	13.63%	7.06%	0.50	0.50	0.51	0.53	2.04	33.64	23.53%	12.59%	-1.05%	4.83%
309	TGT	Target Corp.	0.40	57.69	26,247.92	15.06%	0.693%	6.29%	8.08%	1.25	15.81%	7.38%	0.57	0.60	1.25	0.56	2.98	19.36	13.42%	13.14%	-2.67%	5.06%
310	PHM	Pulte Corp.	0.15	22.38	921.25	10.40%	0.670%	6.29%	7.39%	1.10	11.11%	6.72%	0.95	1.10	1.45	0.70	4.20	5.33	3.57%	12.31%	1.20%	4.92%
311	PFE	Pfizer Inc.	0.31	47.44	298,599.75	19.48%	0.653%	6.29%	8.80%	1.10	20.20%	8.14%	0.23	0.28	0.30	0.33	1.14	41.61	27.19%	12.31%	-7.89%	3.51%
312	AFL	AFLAC Inc.	0.29	45.06	11,961.82	15.73%	0.644%	6.29%	8.06%	1.10	16.42%	7.42%	0.57	0.58	0.60	0.65	2.40	18.78	12.08%	12.31%	-4.11%	4.25%
313	TEK	Tektronix Inc.	0.48	75.19	3,624.36	14.80%	0.638%	6.29%	7.87%	1.25	15.28%	7.23%	0.30	0.35	0.40	0.45	1.50	50.13	32.00%	13.14%	-2.15%	5.26%
314	CTX	Centex Corp.	0.16	25.19	1,480.60	12.50%	0.635%	6.29%	7.58%	1.20	13.17%	6.94%	1.03	1.15	1.10	1.27	4.55	5.54	3.52%	12.86%	-0.31%	5.28%
315	MCD	McDonald's Corp.	0.20	31.81	42,509.65	12.84%	0.629%	6.29%	7.61%	0.90	13.51%	6.98%	0.40	0.43	0.39	0.36	1.58	20.13	12.66%	11.21%	-2.30%	3.60%
316	NEM	Newmont Mining	0.12	19.94	3,347.13	13.04%	0.602%	6.29%	7.58%	0.40	13.68%	6.98%	0.13	0.20	0.20	0.25	0.78	25.56	15.38%	8.46%	-5.22%	0.88%
317	CTL	CenturyTel Inc.	0.18	29.94	4,198.35	14.79%	0.601%	6.29%	7.81%	0.95	15.44%	7.21%	0.41	0.44	0.46	0.50	1.81	16.54	9.94%	11.49%	-3.95%	3.67%
318	MAR	Marriott Int'l	0.22	36.75	8,806.00	15.85%	0.599%	6.29%	7.97%		16.50%	7.61%	0.47	0.44	0.54	0.44	1.89	19.44	11.64%	6.26%	-10.24%	-1.71%
319	MIL	Millipore Corp.	0.44	74.75	3,443.73	17.29%	0.589%	6.29%	8.17%	0.85	17.93%	7.58%	0.57	0.53	0.64	0.64	2.38	31.41	18.49%	10.94%	-6.99%	2.76%
320	CVS	CVS Corp.	0.23	39.69	15,485.58	16.65%	0.579%	6.29%	8.04%	0.85	17.28%	7.46%	0.47	0.35	0.51	0.54	1.87	21.22	12.30%	10.94%	-6.34%	2.89%
321	AXP	American Express	0.30	52.12	69,233.16	13.63%	0.576%	6.29%	7.60%	1.40	14.24%	7.02%	0.53	0.53	0.51	0.54	2.11	24.70	14.22%	13.96%	-0.28%	6.36%
322	AUD	Automatic Data Proc.	0.30	52.25	32,771.62	14.50%	0.574%	6.29%	7.71%	0.90	15.12%	7.13%	0.34	0.27	0.36	0.47	1.44	36.28	20.83%	11.21%	-3.91%	3.50%
323	MWD	Morgan S. Dean Witter	0.48	86.88	98,983.63	13.50%	0.552%	6.29%	7.53%	1.85	14.09%	6.98%	1.14	1.42	1.32	1.42	5.30	16.39	9.06%	16.44%	2.35%	8.90%
324	STT	State Street Corp.	0.60	109.31	17,586.93	13.74%	0.549%	6.29%	7.55%	1.40	14.33%	7.00%	0.89	0.91	0.93	1.00	3.73	29.31	16.09%	13.96%	-0.37%	6.41%
325	DG	Dollar General Corp.	0.10	18.50	6,079.52	23.00%	0.541%	6.29%	9.13%	1.25	23.60%	8.59%	0.15	0.17	0.34	0.16	0.82	22.56	12.20%	13.14%	-10.47%	4.00%
326	MOT	Motorola Inc.	0.16	29.69	63,895.76	21.26%	0.539%	6.29%	8.75%	1.20	21.86%	8.21%	0.22	0.25	0.37	0.27	1.11	26.75	14.41%	12.86%	-9.00%	4.11%
327	HWP	Hewlett-Packard	0.64	119.62	119,266.12	14.88%	0.535%	6.29%	7.67%	1.05	15.45%	7.13%	0.82	0.89	0.95	0.97	3.73	32.07	17.16%	12.04%	-3.42%	4.37%
328	APA	Apache Corp.	0.28	54.88	6,240.17	15.38%	0.510%	6.29%	7.67%	0.70	15.93%	7.16%	0.84	0.76	0.74	0.70	3.04	18.05	9.21%	10.11%	-5.82%	2.44%
329	DRI	Darden Restaurants	0.08	16.38	2,026.08	12.91%	0.488%	6.29%	7.33%	0.75	13.43%	6.84%	0.40	0.22	0.40	0.48	1.50	10.92	5.33%	10.39%	-3.04%	3.06%
330	RX	IMS HEALTH	0.08	16.62	4,959.90	19.59%	0.481%	6.29%	8.21%	0.95	20.12%	7.74%	0.21	0.26	0.34	0.20	1.01	16.46	7.92%	11.49%	-8.63%	3.27%
331	IBM	International Business Mac	0.47	104.00	184,375.05	13.78%	0.452%	6.29%	7.34%	1.00	14.26%	6.89%	1.05	1.07	1.45	0.90	4.47	23.27	10.51%	11.76%	-2.50%	4.42%
332	GDW	Golden West Fin'l	0.19	42.75	6,758.30	10.50%	0.444%	6.29%	7.03%	1.10	10.97%	6.59%	0.81	0.82	0.84	0.86	3.33	12.84	5.71%	12.31%	1.34%	5.28%
333	APC	Anadarko Petroleum	0.20	45.12	5,790.58	20.43%	0.443%	6.29%	8.21%	0.75	20.92%	7.77%	0.25	0.25	0.35	0.40	1.25	36.10	16.00%	10.39%	-10.53%	2.17%
334	WAG	Walgreen Co.	0.13	30.00	30,235.68	16.62%	0.433%	6.29%	7.62%	1.20	17.09%	7.19%	0.19	0.15	0.27	0.21	0.82	36.59	15.85%	12.86%	-4.23%	5.24%
335	RSH	RadioShack Corp.	0.20	46.44	8,668.17	18.33%	0.431%	6.29%	7.84%	1.30	18.80%	7.41%	0.36	0.35	0.75	0.40	1.86	24.97	10.75%	13.41%	-5.39%	5.57%
336	CGP	Coastal Corp.	0.25	58.12	12,414.45	13.17%	0.430%	6.29%	7.23%	0.75	13.63%	6.80%	0.55	0.60	0.97	0.98	3.10	18.75	8.06%	10.39%	-3.24%	3.15%
337	LEH	Lehman Bros. Holdings	0.36	93.25	11,268.61	11.43%	0.386%	6.29%	7.00%	1.95	11.84%	6.61%	2.75	2.60	2.85	3.50	11.70	7.97	3.08%	16.99%	5.15%	9.98%
338	AGN	Allergan Inc.	0.28	74.25	9,621.09	18.00%	0.377%	6.29%	7.62%	0.85	18.41%	7.24%	0.40	0.40	0.48	0.37	1.65	45.00	16.97%	10.94%	-7.48%	3.32%
339	PAYX	Paychex Inc.	0.15	40.69	15,107.46	28.35%	0.369%	6.29%	9.41%	1.05	28.77%	9.05%	0.14	0.15	0.15	0.16	0.60	67.82	25.00%	12.04%	-16.74%	2.62%
340	TIF	Tiffany & Co.	0.23	66.00	4,793.91	1																

Analysis of Data Provided by Dr. Vander Weide in Response to VZ-VA Record Request # 12
 In Hearing Record Request CC Docket Nos. 00-218, 00-249 and 00-251
 (Data at June 30, 2000. From Value Line Investment Survey for Windows)

Ticker Symbol	Company	Divds Declared per share	Price	Mkt Cap (\$Mil)	IBES 5-yr growth	Calculated Dividend Yield	Long-Term Economy Growth Rate	3-stage DCF	Value Line Beta	(Constant Growth) 1-stage DCF	3 Stage Average Growth	Est. EPS 1st Qtr Out	Est. EPS 2nd Qtr Out	Est. EPS 3rd Qtr Out	Est. EPS 4th Qtr Out	Sum 4 Qtrs EPS	P/E	Dividend Payout	CAPM [18] = 6.26% + 5.50% x [8]	CAPM minus 1-stage DCF [19] = [18] - [9]	CAPM minus 3-stage DCF [20] = [18] - [7]	
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]		[19]	[20]	
345	GPS	Gap (The) Inc.	0.09	29.88	25,396.26	20.67%	0.301%	6.29%	7.67%	1.50	21.00%	7.37%	0.27	0.42	0.59	0.33	1.61	18.56	5.59%	14.51%	-6.49%	6.84%
346	LOW	Lowe's Cos.	0.12	41.94	16,049.09	21.79%	0.286%	6.29%	7.75%	1.35	22.11%	7.93%	0.73	0.54	0.48	0.55	2.30	18.23	5.22%	13.69%	-8.42%	5.94%
347	GLW	Corning Inc.	0.72	257.62	74,252.42	24.06%	0.279%	6.29%	8.03%	1.30	24.37%	7.75%	0.63	0.67	0.65	0.69	2.64	97.58	27.27%	13.41%	-10.96%	5.38%
348	CA	Computer Associates	0.08	29.38	17,356.22	17.50%	0.272%	6.29%	7.22%	1.30	17.80%	6.95%	0.24	0.53	0.72	1.01	2.50	11.75	3.20%	13.41%	-4.39%	6.19%
349	MDT	Medtronic Inc.	0.12	48.00	57,451.35	18.33%	0.250%	6.29%	7.22%	1.15	18.60%	6.97%	0.26	0.27	0.27	0.30	1.10	43.64	10.91%	12.59%	-6.02%	5.37%
350	PEB	PE Biosystems Group	0.17	68.00	14,165.28	23.00%	0.250%	6.29%	7.72%	1.20	23.28%	7.47%	0.30	0.25	0.30	0.35	1.20	56.67	14.17%	12.86%	-10.42%	5.14%
351	COF	Capital One Fin'l	0.11	45.56	8,922.24	22.87%	0.241%	6.29%	7.66%	1.80	23.14%	7.42%	0.53	0.57	0.59	0.65	2.34	19.47	4.70%	16.16%	-6.98%	8.50%
352	RIG	Transocean Sedco Forex	0.12	49.75	10,473.17	19.43%	0.241%	6.29%	7.29%	1.15	19.69%	7.05%	0.16	0.24	0.30	0.40	1.10	45.23	10.91%	12.59%	-7.11%	5.30%
353	HCA	HCA - The Healthcare Co	0.08	33.50	17,977.41	14.70%	0.239%	6.29%	6.91%	1.25	14.96%	6.67%	0.35	0.32	0.35	0.55	1.57	21.34	5.10%	13.14%	-1.82%	6.22%
354	TWX	Time Warner	0.18	78.62	94,477.29	14.00%	0.229%	6.29%	6.85%	1.15	14.24%	6.62%	0.12	0.10	0.23	0.09	0.54	145.59	33.33%	12.59%	-1.66%	5.74%
355	HDI	Harley-Davidson	0.09	39.81	12,166.65	18.55%	0.226%	6.29%	7.15%	1.15	18.80%	6.93%	0.27	0.25	0.27	0.28	1.07	37.21	8.41%	12.58%	-6.21%	5.43%
356	PVN	Provident Fin'l	0.20	89.62	12,770.58	25.54%	0.223%	6.29%	7.90%	1.80	25.79%	7.68%	1.22	1.30	1.35	1.40	5.27	17.01	3.80%	16.16%	-9.63%	8.26%
357	HD	Home Depot	0.11	50.25	116,255.39	23.29%	0.219%	6.29%	7.59%	1.30	23.53%	7.37%	0.36	0.32	0.32	0.35	1.35	37.22	8.15%	13.41%	-10.12%	5.82%
358	CC	Circuit City Group	0.07	32.00	6,553.38	19.06%	0.219%	6.29%	7.17%	1.25	19.30%	6.95%	0.44	0.35	0.88	0.33	2.00	16.00	3.50%	13.14%	-6.16%	5.97%
359	MTG	MGIC Investment	0.10	47.56	5,034.31	12.56%	0.210%	6.29%	6.73%	1.25	12.78%	6.52%	1.20	1.20	1.21	1.25	4.86	9.79	2.06%	13.14%	0.35%	6.41%
360	DAL	Delta Air Lines	0.10	53.38	6,537.16	8.67%	0.187%	6.29%	6.55%	1.15	8.87%	6.36%	2.57	2.20	1.35	1.45	7.57	7.05	1.32%	12.59%	3.72%	6.04%
361	KSU	Kansas City South'n Ind.	0.16	88.88	9,903.34	16.50%	0.180%	6.29%	6.86%	1.55	16.69%	6.68%	1.20	1.15	1.28	1.35	4.98	17.85	3.21%	14.79%	-1.91%	7.93%
362	FDC	First Data Corp.	0.08	49.94	20,587.94	13.38%	0.160%	6.29%	6.66%	1.30	13.55%	6.50%	0.46	0.53	0.61	0.44	2.04	24.48	3.92%	13.41%	-0.14%	6.75%
363	AIG	American Int'l Group	0.19	120.62	185,929.33	13.97%	0.158%	6.29%	6.67%	1.40	14.14%	6.52%	0.90	0.93	0.97	1.01	3.81	31.66	4.99%	13.96%	-0.18%	7.29%
364	DHR	Danaher Corp.	0.07	47.94	6,792.05	16.63%	0.146%	6.29%	6.76%	1.20	16.79%	6.61%	0.53	0.52	0.60	0.55	2.20	21.79	3.18%	12.86%	-3.93%	6.10%
365	LU	Lucent Technologies	0.08	56.25	181,599.25	20.05%	0.142%	6.29%	6.93%	1.30	20.21%	8.07%	0.37	0.44	0.44	0.34	1.59	35.38	5.03%	13.41%	-6.80%	6.48%
366	CAH	Cardinal Health	0.10	72.62	19,994.90	21.46%	0.138%	6.29%	7.00%	1.05	21.61%	6.86%	0.71	0.65	0.75	0.83	2.94	24.70	3.40%	12.04%	-9.58%	5.04%
367	TXN	Texas Instruments	0.08	65.25	106,774.58	24.12%	0.123%	6.29%	7.11%	1.40	24.26%	6.98%	0.30	0.30	0.32	0.35	1.27	51.38	6.30%	13.96%	-10.30%	6.85%
368	SCH	Schwab (Charles)	0.04	32.69	44,513.93	21.47%	0.122%	6.29%	6.92%	1.85	21.61%	6.80%	0.21	0.21	0.22	0.23	0.87	37.57	4.60%	16.44%	-5.17%	9.51%
369	LLTC	Linear Technology	0.07	58.69	18,044.33	25.85%	0.119%	6.29%	7.22%	1.40	25.98%	7.10%	0.23	0.24	0.26	0.27	1.00	58.69	7.00%	13.96%	-12.02%	6.74%
370	NT	Nortel Networks	0.08	71.88	213,931.77	22.10%	0.111%	6.29%	6.90%	1.40	22.22%	6.79%	0.16	0.18	0.29	0.16	0.79	90.99	10.13%	13.96%	-8.26%	7.06%
371	MOLX	Molex Inc.	0.05	46.94	4,615.55	17.25%	0.107%	6.29%	6.66%	0.95	17.37%	6.55%	0.34	0.35	0.37	0.38	1.44	32.60	3.47%	11.49%	-5.88%	4.83%
372	TYC	Tyco Int'l Ltd.	0.05	47.56	80,343.95	21.62%	0.105%	6.29%	6.85%	1.10	21.74%	6.74%	0.59	0.65	0.59	0.66	2.49	19.10	2.01%	12.31%	-9.43%	5.46%
373	LUV	Southwest Airlines	0.02	20.12	9,986.61	14.78%	0.099%	6.29%	6.55%	1.15	14.89%	6.46%	0.31	0.28	0.23	0.20	1.02	19.73	1.96%	12.59%	-2.30%	6.03%
374	ADBE	Adobe Systems	0.10	127.69	15,288.08	25.00%	0.078%	6.29%	6.87%	1.30	25.09%	6.79%	0.52	0.65	0.55	0.58	2.30	55.52	4.35%	13.41%	-11.68%	6.54%
375	INTC	Intel Corp.	0.10	131.62	440,812.13	19.55%	0.076%	6.29%	6.62%	1.10	19.63%	6.54%	0.65	0.73	0.80	0.79	2.97	44.32	3.37%	12.31%	-7.32%	5.69%
376	WMI	Waste Management	0.01	19.06	11,839.80	11.43%	0.052%	6.29%	6.39%	1.05	11.49%	6.34%	0.31	0.34	0.34	0.31	1.30	14.66	0.77%	12.04%	0.55%	5.65%
377	SFA	Scientific Atlanta	0.03	76.31	12,153.53	22.92%	0.039%	6.29%	6.53%	1.20	22.96%	6.49%	0.26	0.26	0.26	0.30	1.08	70.66	2.78%	12.86%	-10.10%	6.33%
378	UNH	UnitedHealth Group	0.03	89.00	14,454.40	16.72%	0.034%	6.29%	6.40%	1.15	16.76%	6.37%	0.99	1.02	1.04	1.09	4.14	21.50	0.72%	12.59%	-4.17%	6.18%
Market-Weighted Average (all companies):					14.59%	1.428%	8.97%	1.05	16.11%	7.57%							29.73	27.25%	12.02%	-4.08%	3.05%	
Equal-Weighted Average (all companies):					12.53%	2.414%	10.15%	1.00	15.07%	7.72%							18.23	31.02%	11.57%	-3.50%	1.43%	

Before the
Federal Communications Commission
Washington, D.C. 20554

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DEC 18 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of Petition of AT&T)
Communications of Virginia, Inc.,)
Pursuant to Section 252(e)(5) of the)
Communications Act, for Preemption of)
the Jurisdiction of the Virginia State)
Corporation Commission Regarding)
Interconnection Disputes with Verizon-)
Virginia, Inc.)

CC Docket No. 00-251

In the Matter of Petition of WorldCom,)
Inc. Pursuant to Section 252(e)(5) of the)
Communications Act for Expedited)
Preemption of the Jurisdiction of the)
Virginia State Corporation Commission)
Regarding Interconnection Disputes)
with Verizon Virginia Inc., and for)
Expedited Arbitration)

CC Docket No. 00-218

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of December, 2001, copies of the three attached response were sent via hand delivery, and/or electronic mail to:

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