

**ILLUSTRATIVE RESULTS USING PROJECTED ACCESS LINE COUNTS AND FUND REQUIREMENTS**

	<i>Per Unit MLB Price During CoSUS "Transition" Period</i>				<i>Per Unit MLB Price with no CoSUS "Transition" Period</i>			
	Estimated Quantities, July, 2003				Estimated Quantities, July, 2003			
	USF Rating <u>Category</u>	<u>Line Units</u>	<u>Monthly Rate</u>	<u>Annual \$s</u>	USF Rating <u>Category</u>	<u>Line Units</u>	<u>Monthly Rate</u>	<u>Annual \$s</u>
USF Fund Size				\$6,400,000,000				\$6,400,000,000
<b>Category (a) units</b>								
Residence Lines								
ILEC	(a)	128,600,000	\$1.00	\$1,543,200,000	(a)	128,600,000	\$1.00	\$1,543,200,000
CLEC	(a)	9,500,000	\$1.00	\$114,000,000	(a)	9,500,000	\$1.00	\$114,000,000
Lifeline	-(a)	6,000,000	-\$1.00	-\$72,000,000	-(a)	6,000,000	-\$1.00	-\$72,000,000
Business Lines								
ILEC Single	(a)	4,000,000	\$1.00	\$48,000,000	(a)	4,000,000	\$1.00	\$48,000,000
Wireless	(a)	157,600,000	\$1.00	\$1,891,200,000	(a)	157,600,000	\$1.00	\$1,891,200,000
Pagers	(a) / 4	40,000,000	\$0.25	\$120,000,000	(a) / 4	40,000,000	\$0.25	\$120,000,000
Total Weighted Category (a) units		303,700,000		\$3,644,400,000		303,700,000		\$3,644,400,000
<b>Category (b) units</b>								
Business Lines								
ILEC Multi - non-CTX	(b)	33,500,000	\$3.73	\$1,500,772,185	(b)	33,500,000	\$3.99	\$1,603,422,561
ILEC CTX	(b) / 9	15,600,000	\$0.41	\$77,651,894	(b) / 9	15,600,000	\$0.44	\$82,963,157
CLEC (estimate non CTX)	(b)	7,200,000	\$3.73	\$322,554,022	(b)	7,200,000	\$3.99	\$344,616,192
CLEC (estimate CTX)	(b) / 9	3,500,000	\$0.41	\$17,421,899	(b) / 9	3,500,000	\$0.44	\$18,613,529
Weighted PL Connections	(c)	\$ 11,500,000,000	7.28%	\$837,200,000	(b)	14,750,000	\$3.99	\$705,984,560
Total Weighted Category (b) units		42,822,222		\$2,755,600,000		57,572,222		\$2,755,600,000
				\$6,400,000,000				\$6,400,000,000

(a) \$1.00 per unit

(b) Residually determined per unit price.

(c) Revenue based surcharge.

Prepared by: Susan M. Gately. Senior Vice President, Economics and Technology, Inc.