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December 21, 2006

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: National Exchange Carrier Association, Inc.
2007 Modification of Average Schedules, WC Docket No. 06-223

Dear Ms. Dortch:

Attached is NECA's *2007 Modification of Average Schedules*. This filing is made in compliance with section 69.606 of the Commission's rules, 47 C.F.R. § 69.606, and contains proposed revisions to formulas used for average schedule interstate settlement disbursements. These average schedule formula revisions are proposed to become effective for a one-year period beginning on July 1, 2007.

In accordance with the Commission's rules, this *2007 Modification of Average Schedules* has been filed electronically in the above-referenced docket.

Sincerely,

Attachment:

2007 Modification of Average Schedules

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## SUMMARY

The National Exchange Carrier Association, Inc. (NECA) herein proposes modifications to current interstate average schedule formulas, for Federal Communications Commission (FCC or Commission) approval. As required, these formulas are developed in accordance with Commission rules, and are designed to "simulate the disbursements that would be received . . . by a [cost study] company that is representative of average schedule companies." These modifications are scheduled to be effective from July 1, 2007 to June 30, 2008.

Each year, NECA conducts a study of financial data and cost allocation information obtained from a scientifically-selected sample of small average schedule companies and representative cost companies to determine whether modifications to the formulas are needed. Where such modifications are found to be necessary due to changes in company cost characteristics, expected demand levels, FCC rules, or network technology and related operational factors, NECA annually proposes revisions to the settlement formulas in accordance with the Commission's Part 69 rules.

Major factors driving this proposed modification to average schedule formulas include significant depression of account growth, reduction in some access demand, significant trends in the use of low cost transport networks, as well as changes in technology and network configurations, and improvements to the structure of the distance sensitive line haul formula in response to these changes.

Impacts of these formula changes on individual average schedule companies will vary, depending on each company's size and demand characteristics. Overall, assuming demand levels remain constant

year-to-year, NECA calculates that the majority of companies will have settlement decreases, due primarily to overall reductions in most formulas, and the restructuring of the distance sensitive line haul formula. These factors combine to yield very significant reductions in formulas for many companies.

For this reason, this filing also includes a two-year transition method which, if approved, would substantially diminish disruptions to the cash flow of companies, helping them adapt to lower settlement levels while continuing to provide service.

NECA will send a letter, coincident with this filing, previewing the proposed average schedule formulas to all average schedule companies. This notification presents preliminary formula impacts and offers explanations for the proposed changes. This notification also provides information that will allow each average schedule company to project settlement amounts under the revised formulas on its own or with the assistance of NECA regional staff.

# I. INTRODUCTION

The National Exchange Carrier Association, Inc. (NECA)[1] herein proposes modifications to current interstate average schedule formulas, for Federal Communications Commission (FCC or Commission) approval. These modifications are scheduled to be effective from July 1, 2007 to June 30, 2008.

## A. Background

Exchange Carriers (ECs) that participate in NECA's access charge pools receive compensation for providing interstate access services either on the basis of their actual costs or a set of interstate average schedule formulas. Cost separation studies, performed in accordance with Parts 32, 36, 64, 65 and 69 of the Commission's rules, involve extensive data collection, analysis and reporting. The Commission has recognized that it is inefficient to require cost separation studies of all companies. Not all ECs have the resources available to perform these studies. Commission rules accordingly permit certain ECs to receive interstate access compensation (or "settlements") based upon a set of "average schedule" formulas developed by NECA.[2] The average schedule formulas are designed to "simulate the disbursements that would be received . . . by a [cost study] company that is representative of average schedule companies."[3]

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1 NECA administers interstate access charge tariffs and revenue pools on behalf of member ECs, and the preparation and filing of average schedule formulas, in accordance with the Commission's Part 69 rules (47 C.F.R. Part 69).

2 Compensation to ECs using these average schedule formulas is based on an EC's number of access lines, access minutes and other demand variables.

3 *See* 47 C.F.R. s 69.606(a). In lieu of the term "cost company", the text of section 69.606(a) references disbursements received "pursuant to Section 69.607" of the Commission's rules. That section, originally intended to govern payment of common line settlements to NECA pool participants, was waived by the Commission in 1985 to permit NECA to operate its pools in accordance with prior industry settlement procedures. See MTS and WATS Market Structure, CC Docket No. 78-72, Phase I, Order Granting Waiver, 98 FCC 2d 327 (1984); MTS and WATS Market Structure, CC Docket No. 78-72, Phase I, Order Granting Waiver, CC 2718 (rel. Feb. 22, 1985); MTS and WATS Market Structure, CC Docket No. 78-72, Phase I, Order Granting Waiver, CC 4710 (rel. May 23, 1986). The Commission has since routinely evaluated NECA's proposed

Settlements made on the basis of average schedule formulas benefit both ECs and interstate ratepayers. The average schedule method substantially reduces administrative costs for these smaller ECs by eliminating the need to conduct detailed accounting and engineering cost studies required of cost companies. This cost benefit, in turn, benefits ratepayers.[4]

Section 69.606 (b) of the Commission's rules requires NECA either to file revised formulas on or before December 31st of each year, or to certify that no such revisions are necessary.[5] Accordingly, each year, NECA conducts an extensive study of cost and demand data to determine if revisions to the average schedule formulas are warranted. NECA's annual study involves selecting a statistical sample of both cost and average schedule companies and collecting accounting and demand data from the selected companies.[6] NECA then develops mathematical models ("allocation factor models") that describe how representative cost companies allocate their total costs to the interstate jurisdiction and to individual access charge categories.

The study also projects cost and demand data obtained from sample average schedule companies, to account for growth. NECA then applies the allocation factor models derived from representative cost companies to sample average schedule company total company account data. This enables NECA to determine the interstate access portion of average schedule company total costs following methods prescribed by the Commission for cost companies, thereby simulating the effects of performing interstate cost studies for these companies. Finally, NECA develops formulas that relate sample average schedule company interstate access costs to various commonly-used demand units

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average schedule formulas on the basis of whether they simulate representative cost company disbursements.

4 *See* Revisions to the Average Schedules Proposed by NECA on October 3, 1988, *Memorandum Opinion and Order*, 4 FCC Rcd 2804 (1989) (*1989 Order*).

5 47 C.F.R. § 69.606(b). The current formulas have been in effect since July 1, 2006.

6 Statistical sampling is commonly used as a cost-effective method of deriving estimates for a population. A properly designed sample will provide an accurate representation of the entire population, but at a fraction of the cost of examining the entire population.

(such as access lines or access minutes) or combinations of demand units and other factors (such as lines per exchange). In developing these average schedule formulas, NECA carefully analyzes different statistical models and selects the model that has the best fit to actual data. Upon Commission approval, these formulas are used by NECA to compute interstate settlements for average schedule companies that simulate cost study results.

In preparing proposed formula revisions, NECA receives valuable assistance from an Industry Average Schedule Task Group. This group consists of EC representatives sponsored by industry associations (*i.e.* the National Telephone Cooperative Association, the Organization for the Promotion and Advancement of Small Telecommunications Companies and the United States Telecom Association). The Task Group meets periodically throughout each year, reviews the steps taken in developing the proposed formulas, advises NECA regarding the development of procedures for administration of the formulas, and assists the NECA Board of Directors in evaluating final proposed formulas.

Task Group participation assures that average schedule companies are able to participate fully in the development of the average schedules, and have an opportunity to provide input to NECA regarding the ways in which changes in their networks can be reflected in the settlement formulas.

B. Overview of This Filing

Each of the steps followed in NECA's study is explained in detail in this Filing.[7] Section II describes the statistical sampling methods that NECA used in its data collection for settlement formula development. Section III describes the sources and types of data NECA collected from cost and average schedule companies. Section IV explains the methods NECA used to develop cost allocation factor models from sample cost company data. Section V describes how NECA projected growth from historical cost and demand data to develop cost and demand data applicable to the period the proposed formulas will be in effect. Section VI explains how NECA calculated Interstate and Access Category costs by account for each sample average schedule study area. Section VII explains how NECA developed the "best fitting" statistical formulas for use in determining settlements, and explains how the proposed formulas will affect average schedule companies. In addition, Section VII explains NECA's proposal for a two-year transitional support plan to alleviate potential negative effects on service of proposed formula reductions. Section VIII lists the current and proposed average schedule formulas. Finally, the attached appendices contain all of the data used in NECA's study. These data enable the Commission and interested parties to verify NECA's Study results.

The 2006 Filing utilizes a five-year sampling design developed in 2003 (2003 Design). This Design selected a five-year sample, and then assigned members of the sample to data collection years. The 2003 Design took extra precautions to ensure that additional "small" average schedule study areas

[7] The instant filing is referred to herein as the "2006 Filing" and the data collection and analyses upon which this filing is based are referred to as the "2006 Study." The settlement formulas proposed herein are referred to as the "2007 Schedules." References made herein with respect to previous years' filings, studies and settlement formulas use similar nomenclature.

were included.[8] The design entails defining stratification attributes, determining sample size, allocating the sample to strata, sample selection and assigning study areas to specific data collection years. Section II of this filing explains the 2003 Design in detail. Additionally, Section II explains the use of a supplemental sample for average schedule study areas with non-homogenous cost per loop among companies with low values of loops per exchange. This supplemental sample assists in producing more accurate and reliable average schedule settlement formulas.

## C. Effects of Proposed Modifications on Average Schedule Companies

### 1. Formula Changes

In this study, NECA found that regulatory uncertainty and plans to introduce IP transmission have led many average schedule companies to sharply curtailed new investment, while continued depreciation reduces net plant, causing interstate revenue requirements drop off.

A second major finding of this study is a marked decline in costs of some line haul facilities that connect one switch to another. Because of cost economies in fiber and copper networks equipped for ever increasing broadband demand, the unit cost of line haul circuits has reduced significantly.

In response to these findings, in conformance with the Commission's rule § 69.606 that prescribes the basis of average schedules, NECA is proposing substantial reductions in average schedule formulas overall, and very targeted changes to the structure of the line haul formula.

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[8] "Small" study areas are defined as those with fewer than 200 access lines per exchange. This is in response to a Commission concern first brought to NECA's attention in December 1997. *See* National Exchange Carrier Association, Inc. (NECA), Proposed Modifications to the 1997 Interstate Average Schedule Formulas and Proposed Further Modifications to the 1997-98 Interstate Average Schedule Formulas, AAD 97-2, AAD 97-109, *Order on Reconsideration and Order*, 13 FCC Rcd 10116 (1997).

Because the sharpness of resulting reductions to some companies would otherwise be likely to interfere with their ability to continue to provide affordable service, NECA also proposes a two-year transition plan, which would substantially mitigate the severity of impacts.

Overall, NECA proposes formula changes that would reduce settlement rates by about 7.27 per cent, given constant demand, and not including NECA's proposed transition plan.

2. Effects on Individual Average Schedule Companies

Effects of these formula changes on individual average schedule companies will vary depending on each company's size and demand characteristics. A summary of company changes by access line size is included in Section VII. Overall, NECA calculates that most companies are expected to experience decreases in settlements. Because of the potentially significant financial impact of some of these decreases, NECA recommends a transition plan in Section VII.O of this filing. Absent a transition plan, 23 study areas would lose more than 20% of settlements, and 51 more would lose more than 10%. If the Commission approves the transition method in this filing, one company would lose 12% of settlements in the first year, while all others would lose less than 10%. Even with transitional support, proposed settlement reductions will still be significant for most companies.

D. Communications with Average Schedule Companies

NECA is notifying all average schedule companies of the potential effects of these proposed formula changes. This notification presents preliminary formula impacts and explanations for the proposed changes. This notification also provides information that allows each average schedule company to project revised settlement amounts on its own or with the assistance of NECA regional staff. In addition, NECA will update average schedule training and other materials routinely supplied to average schedule companies to reflect the new settlement formulas.

NECA has worked throughout the year with its Industry Average Schedule Task Group. This work included examination of proposed methods and justifications, data studies, and extensive testing to assure that study methods were effective.

# II. SAMPLE SELECTION

## A. Introduction

This section describes statistical sampling[1] methods used by NECA in its annual data collection program for average schedule formula development. The sampling design identifies the sample cost and average schedule companies to be used for collecting accounting and demand data for a given year. A well-designed sample provides a desired level of precision and reliability and eliminates the need to collect data from the entire population of cost and average schedule companies. By employing statistical sampling methods, NECA and pool members save time, labor, and money without sacrificing accuracy.

This average schedule study uses a five-year sample design, introduced in the 2003 Data Collection year. This sample design provides for samples of average schedule and cost study areas to supply data to NECA over the five-year period from 2003 to 2007.

Large and small ECs are distinguished according to group designations developed by NECA for use in its annual Access Tariff Filing.[2] According to this classification scheme, group A includes all Regional Bell Operating Company study areas and study areas of other large holding companies not in the NECA pools. Group B includes larger cost study area members of the NECA pools, many of which are affiliated with other study areas through holding companies.[3] Because of their size and

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1 Statistical sampling is a procedure used in analytical studies to provide an estimate, with an acceptable precision, of the true value of a criterion variable underlying an entire population, but at considerable savings in time and money.

2 *See, e.g.* National Exchange Carrier Association, Inc., Tariff F.C.C. No. 5, Transmittal No. 1129, filed June 16, 2006 at Vol. 2, pp. 2 -3 (2006 Annual Access Tariff Filing).

3 Group B companies include: Century, Telephone and Data Systems, Inc., Alaska Communications Systems, Windstream Corporation, and Puerto Rico Telephone. Some study areas owned by holding companies in the group are included in group D because they utilize average schedules.

operating characteristics, group A and B companies are not representative of average schedule companies and therefore are not asked to supply data for average schedule formula development. Group C contains smaller cost study areas that are similar to average schedule companies, and group D consists of all average schedule study areas.

In 2003, NECA developed a five-year sampling design, similar to the 1998 five-year sampling design, to draw samples for each of the five years from 2003 to 2007. In this design, NECA continued to ensure that additional 'small' average schedule study areas were included.[4] 'Small' study areas were defined as those with fewer than 200 access lines per exchange. The design entailed defining stratification attributes, determination of sample size, and allocation of the sample to strata, sample selection and assignment of study areas to specific data collection years. The data used to design the sample included Traffic Sensitive pool participation status, exchange counts, provision of line haul, provision of host/remote facilities, provision of special access services, provision of tandem access facilities, and total net earned interstate access revenues.

Section B describes features of NECA's 2003 five-year sampling design that meet sample data needs and enable NECA to combine samples from two consecutive years to improve precision.

Section C defines the nine attributes of a study area that were used for an initial classification of the average schedule population into 34 classes and the cost company population into 49 classes. A

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[4] In a December 1997 order, the Common Carrier Bureau directed NECA to work with its staff to assure that sample data used by NECA accurately reflects all sizes of average schedule companies. *See* NECA Proposed Modification to the 1997 Interstate Average Schedule Formulas and Proposed Further Modifications to the 1997-1998 Interstate Average Schedule Formulas, AAD 97-109, *Order on Reconsideration and Order*, 13 FCC Rcd 10116 (1997) (*December 1997 Order*). The Accounting Safeguards Division also expressed concern that NECA's sample data was not representative of companies of all sizes in a June 1998 order. *See* NECA Proposed Modifications to the 1998-99 Interstate Average Schedule Formulas, AAD 98-20, *Order*, 13 FCC Rcd 17351 (1998)(*June 1998 Order*).

special size criterion was included in the average schedule company classification method, to enable inclusion of proportionately more of the smaller average schedule study areas.

Section D describes criteria used to group classes of study areas into sampling strata. Classes that include only a few study areas were combined with others, and classes that contain high variations in study area revenues were split into subclasses by revenue size. This procedure resulted in 13 cost study area strata and 14 average schedule study area strata. Stratification of the population is done to assure that the sample will provide the desired precision level and meet specialized data needs.

Section E describes the allocation of the five-year sample size among different strata. NECA uses the "Neyman Allocation" method to determine the optimum number of study areas to be sampled from each stratum. In some strata, the optimum sample size equals or exceeds the total stratum size. In such strata, data will be collected at least once from every study area over the five-year period and from some more than once. In other cases the optimum sample size is less than the total stratum size. In such strata, not all study areas will submit data during the five-year period.

In Section F, NECA explains the determination of sample size, drawing upon statistical formulas found in sampling textbooks. The stratified sample with the optimum allocation[5] of the sample among strata helps produce statistical results with a desired level of precision at a fraction of the resource cost of examining the entire population. NECA demonstrates that its annual sample size of approximately 100 cost and 100 average schedule study areas is sufficient to ensure that the proposed formulas provide results with the desired level of precision.

Section G explains random sampling of study areas from each stratum using probabilities of

[5] The Neyman Allocation is the special case of the optimum allocation.

selection proportional to the size of each study area. This procedure, called Probability Proportional to Size sampling (PPS Sampling), assigns a greater probability of selection to larger study areas.

Section H explains the sample weight calculation. These weights are applied to the sample data to provide parameter estimates for the average schedule population.

Section I describes the assignment of sample study areas from each stratum to sample years. This technique ensures that data from the larger study areas will be included in every average schedule study without having the same study area included in the sample for two consecutive years.

Section J depicts the supplemental sample for average schedule study areas with non-homogeneous cost per unit among companies with low values of lines per exchange. This supplemental sample helps to produce accurate and reliable average schedule settlement formulas. This section discusses why the supplemental sample is needed and how it is developed, and presents details on the supplemental sample.

Data that underlie the 2006 Study are from the annual and supplemental samples of study areas collected in 2004 and 2005. This section of the filing produces the list of sample study areas, listed in Appendix A1, and their sample weights, displayed in Appendix D1 and D2, that were used in the 2006 Study.

## B. Five-Year Sampling Design

The five-year sampling design selects a five-year sample, and then assigns members of the sample to

data collection years.[6] A five-year sampling design methodology was developed in 2003 to support average schedule study activities for the 2004-2008 period. It is similar to the five-year sampling methodology developed in 1998 to support average schedule study activities for the 1999-2003 period.[7]

Use of a five-year sampling design allows NECA to plan a frequency of reporting for companies in each stratum. NECA tailors the reporting frequency of each stratum to reflect the significance of the data to average schedule studies. Data from strata of larger companies has a special significance because it reduces variance of sample estimates more than data from strata of smaller companies. The five-year sampling design allows NECA to combine data from two consecutive annual samples in a single study without loss of effective sample size. In fact, two consecutive samples of size 100 from each of two independent one-year sampling designs combined in an estimator would achieve a lower level of precision than two consecutive annual samples of size 100 from a single five-year sampling design with commonly defined probabilities.

In addition, NECA can include a larger company's data in every study while sampling each large company only every other year. Thus, NECA is able to use data that achieves the targeted precision level while sampling only half of the two-year sample each year. This feature significantly reduces costs incurred by NECA and by ECs, thereby reducing access charges passed on to access customers. NECA then selects an annual sample from the five-year sample, using methods detailed in Sections C through G. Finally, NECA uses a randomization procedure to determine which study

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6 NECA introduced the first multi-year design method in 1988, which supported average schedule studies between 1989 and 1993. *See, e.g.* National Exchange Carrier Association, Inc., 1990 Modification of Average Schedules, December 29, 1989.

7 *See, e.g.* National Exchange Carrier Association, Inc., 2000 Modification of Average Schedules, December 30, 1999.

areas will be included in the sample for each of the five years. This randomization procedure assures that some companies will be selected three times, some two times, or one time during the five year sampling period. The reporting frequency assigned to a company is related to the significance of its data in average schedule studies. This feature assures that a greater share of the reporting costs is borne by the larger companies.

## C. Sampling Design Attributes

In this section NECA describes attributes used to classify the population of average schedule study areas into population classes. The 2003 design employed nine attributes listed in Exhibit 2.1.

These attributes were chosen to ensure that: (1) an adequate number of average schedule study areas were selected; (2) data would support development of each average schedule settlement formula with the desired level of precision; and (3) diverse network configurations were adequately represented.

Since there are two possible outcomes from each attribute, it is possible to create a total of 512 ($2^9$) average schedule classes. However, only 34 classes contain average schedule study areas.

Classification of cost companies was based on eight of the nine attributes used for average schedule companies. The exception was the attribute for the size of the company. The 586 cost companies populated only 49 classes out of a total possible of 256 ($2^8$) classes. This classification procedure created a total of 83 cost and average schedule classes. The classes created for this sampling design assure representation of the average schedule and cost company populations in terms of the relevant attributes, which have an impact on the average schedule settlements.

**EXHIBIT 2.1**

**SAMPLE DESIGN CRITERIA**

| Criteria | Source/Date | |
|---|---|---|
| | **Average Schedule** | **Cost** |
| 1. Number of Exchanges (= 1 or > 1) | NECA Settlements<br>December 2002 | NECA Customer Database<br>December 2002 |
| 2. Size of the Company (large or small)<br>Small: Size < 200 lines per exchange | NECA Settlements<br>December 2002<br>Size = Access Lines / Exchanges | This criterion is not used for classifying Cost companies |
| 3. Provider of Line Haul Facilities (yes or no) | NECA Settlements<br>Circuit Miles > 0;<br>Switched Circ. Terms > 0 | NECA Cost Study Database<br>(C&WF Cat. 2 + 3 + 4 > 0)<br>December 2002 |
| 4. Provider of Host/Remote Facilities (yes or no) | NECA Line Haul Data Base<br>Second Quarter 2003 | NECA Cost Study Database<br>(C&WF Cat. 4 > 0)<br>December 2002 |
| 5. Provider of Special Access Service (yes or no) | NECA Settlements<br>TS Special Access Net Rev. > 0 | NECA Settlements<br>Line 22: Special Access Earned Rev. > 0 |
| 6. Provider of Access Tandem Facilities (yes or no) | NECA Settlements<br>ITD Settlements > 0 | NECA Cost Study Database<br>(COE Cat. 2 > 0)<br>December 2002 |
| 7. Traffic Volume (High or Normal)<br>High: MPL > 325 | NECA Settlements<br>$\text{MPL} = \frac{\text{Switched Access Minutes}}{\text{Access Lines}}$ | NECA Cost Study Database<br>$\text{MPL} = \frac{\text{Switched Access Minutes}}{\text{Access Lines}}$ |
| 8. Density (High or Normal)<br>High: Density > 175 | NECA Settlements<br>$\text{Density} = \frac{\text{Switched Circ.Terms.}}{\text{Exchanges}}$ | NECA Settlements<br>$\text{Density} = \frac{\text{Switched Circ.Terms.}}{\text{Exchanges}}$ |
| 9. Participant in NECA's 2003 Traffic Sensitive Settlement Pool (yes or no) | NECA Customer Database | NECA Customer Database |

*The April 2003 view of December 2002 data

A description of the 83 classes (34 average schedule and 49 cost) with associated study area counts is shown in Exhibits 2.2A and 2.2B.

The columns in Exhibits 2.2A and 2.2B represent the following characteristics of the study areas:

| | |
|---|---|
| Exchanges: | Number of Exchanges |
| Size: | Size of the company |
| LH: | Provides Line Haul |
| H/R: | Provides Host/Remote |
| SA: | Provides Special Access |
| IT: | Provides Tandem Switching |
| MPL: | Relative Access Minutes per Line |
| Density: | Switched Circuit Terminations per Exchange |
| TS: | Traffic Sensitive Pool Participant |
| Count: | Number of Study Areas within a class |

**EXHIBIT 2.2A**

**CLASSES OF AVERAGE SCHEDULE STUDY AREAS**

| Class | Exchanges | Size | LH | H/R | SA | IT | MPL | Density | TS | Count |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 1 | large | N | N | N | N | Normal | Normal | N | 2 |
| 2 | 1 | large | N | N | N | N | Normal | Normal | Y | 2 |
| 3 | 1 | large | N | N | Y | N | Normal | Normal | Y | 3 |
| 4 | 1 | large | N | Y | N | N | Normal | Normal | N | 11 |
| 5 | 1 | large | N | Y | Y | N | Normal | Normal | Y | 2 |
| 6 | 1 | large | Y | Y | N | N | Normal | Normal | Y | 20 |
| 7 | 1 | large | Y | Y | N | N | High | Normal | Y | 3 |
| 8 | 1 | large | Y | Y | Y | N | Normal | Normal | Y | 152 |
| 9 | 1 | large | Y | Y | Y | N | Normal | High | Y | 16 |
| 10 | 1 | large | Y | Y | Y | N | High | Normal | Y | 8 |
| 11 | 1 | large | Y | Y | Y | N | High | High | Y | 4 |
| 12 | 1 | large | Y | Y | Y | Y | Normal | Normal | Y | 3 |
| 13 | 1 | large | Y | Y | Y | Y | Normal | High | Y | 4 |
| 14 | 1 | small | N | N | N | N | Normal | Normal | Y | 3 |
| 15 | 1 | small | Y | Y | N | N | Normal | Normal | Y | 11 |
| 16 | 1 | small | Y | Y | N | Y | Normal | Normal | Y | 1 |
| 17 | 1 | small | Y | Y | Y | N | Normal | Normal | Y | 2 |
| 18 | 1 | small | Y | Y | Y | N | High | Normal | Y | 1 |
| 19 | >1 | large | N | N | N | N | Normal | Normal | N | 1 |
| 20 | >1 | large | N | N | Y | N | Normal | Normal | Y | 1 |
| 21 | >1 | large | N | Y | N | N | Normal | Normal | N | 23 |
| 22 | >1 | large | Y | Y | N | N | Normal | Normal | Y | 4 |
| 23 | >1 | large | Y | Y | N | Y | Normal | Normal | Y | 1 |
| 24 | >1 | large | Y | Y | Y | N | Normal | Normal | Y | 142 |
| 25 | >1 | large | Y | Y | Y | N | Normal | High | Y | 9 |
| 26 | >1 | large | Y | Y | Y | N | High | Normal | Y | 2 |
| 27 | >1 | large | Y | Y | Y | N | High | High | Y | 3 |
| 28 | >1 | large | Y | Y | Y | Y | Normal | Normal | Y | 49 |
| 29 | >1 | large | Y | Y | Y | Y | Normal | High | Y | 12 |
| 30 | >1 | large | Y | Y | Y | Y | High | Normal | Y | 3 |
| 31 | >1 | small | Y | Y | N | N | High | Normal | Y | 1 |
| 32 | >1 | small | Y | Y | Y | N | Normal | Normal | Y | 2 |
| 33 | >1 | small | Y | Y | Y | N | High | Normal | Y | 2 |
| 34 | >1 | small | Y | Y | Y | Y | Normal | Normal | Y | 1 |
| Total | | | | | | | | | | 504 |

**EXHIBIT 2.2B**

**CLASSES OF COST COMPANY STUDY AREAS**

| Class | Exchanges | LH | H/R | SA | IT | MPL | Density | TS | Count |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 1 | N | N | N | N | Normal | Normal | N | 1 |
| 2 | 1 | N | N | N | N | Normal | Normal | Y | 3 |
| 3 | 1 | N | N | Y | N | Normal | Normal | Y | 16 |
| 4 | 1 | N | N | Y | N | Normal | High | Y | 1 |
| 5 | 1 | Y | N | N | N | Normal | Normal | N | 9 |
| 6 | 1 | Y | N | N | N | Normal | Normal | Y | 6 |
| 7 | 1 | Y | N | N | N | Normal | High | N | 2 |
| 8 | 1 | Y | N | Y | N | Normal | Normal | Y | 57 |
| 9 | 1 | Y | N | Y | N | Normal | High | Y | 6 |
| 10 | 1 | Y | N | Y | N | High | Normal | Y | 7 |
| 11 | 1 | Y | N | Y | Y | Normal | High | Y | 1 |
| 12 | 1 | Y | Y | N | N | Normal | Normal | N | 7 |
| 13 | 1 | Y | Y | N | N | Normal | Normal | Y | 4 |
| 14 | 1 | Y | Y | N | N | Normal | High | N | 1 |
| 15 | 1 | Y | Y | N | N | High | Normal | Y | 1 |
| 16 | 1 | Y | Y | N | Y | Normal | High | N | 2 |
| 17 | 1 | Y | Y | Y | N | Normal | Normal | Y | 16 |
| 18 | 1 | Y | Y | Y | N | Normal | High | Y | 6 |
| 19 | 1 | Y | Y | Y | N | High | Normal | Y | 3 |
| 20 | 1 | Y | Y | Y | Y | Normal | High | Y | 3 |
| 21 | >1 | N | N | N | N | Normal | Normal | N | 1 |
| 22 | >1 | N | N | Y | N | Normal | Normal | Y | 22 |
| 23 | >1 | N | N | Y | N | High | Normal | Y | 1 |
| 24 | >1 | Y | N | N | N | Normal | Normal | N | 7 |
| 25 | >1 | Y | N | N | N | Normal | Normal | Y | 2 |
| 26 | >1 | Y | N | N | N | Normal | High | N | 1 |
| 27 | >1 | Y | N | N | Y | Normal | Normal | N | 2 |
| 28 | >1 | Y | N | Y | N | Normal | Normal | Y | 48 |
| 29 | >1 | Y | N | Y | N | Normal | High | Y | 2 |
| 30 | >1 | Y | N | Y | N | High | Normal | Y | 11 |
| 31 | >1 | Y | N | Y | Y | Normal | Normal | Y | 18 |
| 32 | >1 | Y | N | Y | Y | Normal | High | Y | 2 |
| 33 | >1 | Y | N | Y | Y | High | Normal | Y | 1 |
| 34 | >1 | Y | N | Y | Y | High | High | Y | 3 |
| 35 | >1 | Y | Y | N | N | Normal | Normal | N | 20 |

**EXHIBIT 2.2B (Continued)**

**CLASSES OF COST COMPANY STUDY AREAS**

| Class | Exchanges | LH | H/R | SA | IT | MPL | Density | TS | Count |
|---|---|---|---|---|---|---|---|---|---|
| 36 | >1 | Y | Y | N | N | Normal | Normal | Y | 1 |
| 37 | >1 | Y | Y | N | N | Normal | High | N | 4 |
| 38 | >1 | Y | Y | N | N | High | Normal | Y | 1 |
| 39 | >1 | Y | Y | N | Y | Normal | Normal | N | 5 |
| 40 | >1 | Y | Y | N | Y | Normal | Normal | Y | 1 |
| 41 | >1 | Y | Y | N | Y | Normal | High | N | 10 |
| 42 | >1 | Y | Y | Y | N | Normal | Normal | Y | 178 |
| 43 | >1 | Y | Y | Y | N | Normal | High | Y | 5 |
| 44 | >1 | Y | Y | Y | N | High | Normal | Y | 20 |
| 45 | >1 | Y | Y | Y | N | High | High | Y | 2 |
| 46 | >1 | Y | Y | Y | Y | Normal | Normal | Y | 48 |
| 47 | >1 | Y | Y | Y | Y | Normal | High | Y | 11 |
| 48 | >1 | Y | Y | Y | Y | High | Normal | Y | 4 |
| 49 | >1 | Y | Y | Y | Y | High | High | Y | 3 |
| Total | | | | | | | | | 586 |

D. Stratification of the Population

NECA consolidated the 34 average schedule classes into 8 average schedule preliminary strata as shown in Exhibit 2.3A. Similarly, the 49 cost company classes were consolidated into 8 cost company preliminary strata, as shown in Exhibit 2.3B. This consolidation was based on the study area count within each class and on the degree of similarity among classes with respect to criteria defining them. Some of the classes listed in Exhibits 2.2A and 2.2B had too few members from which to sample and were subsequently combined with other classes. For example, classes 20 and 24 in Exhibit 2.2A were combined to form stratum A8 as shown in Exhibit 2.3A. Both of these classes shared common values for all attributes except Provision of Line Haul and Provision of Host/Remote.

**EXHIBIT 2.3A**

**PRELIMINARY STRATUM DEFINITION – AVERAGE SCHEDULE STUDY AREAS**

| Prelim. Stratum | Classes | Exch | Size | LH | H/R | SA | IT | MPL | Density | TS | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| A1 | 14, 15, 16, 17, 18, 31, 32, 33, 34 | 1:18 >1:6 | Small | n: 3 y: 21 | n: 3 y: 21 | n: 16 y: 8 | n: 22 y: 2 | High: 4 Normal: 20 | Normal | y | 24 |
| A2 | 1, 4, 19, 21 | 1:13 >1:24 | Large | n | n: 3 y: 34 | n | n | Normal | Normal | n | 37 |
| A3 | 7, 10, 11, 26, 27, 30 | 1:15 >1:8 | Large | y | y | n: 3 y: 20 | n: 20 y: 3 | High | High: 7 Normal: 16 | y | 23 |
| A4 | 9, 13, 25, 29 | 1:20 >1:21 | Large | y | y | y | n: 25 y: 16 | Normal | High | y | 41 |
| A5 | 12, 23, 28 | 1:3 >1:50 | Large | y | y | n: 1 y: 52 | y | Normal | Normal | y | 53 |
| A6 | 2, 3, 5, 8 | 1 | Large | n: 7 y: 152 | n: 5 y: 154 | n: 2 y: 157 | n | Normal | Normal | y | 159 |
| A7 | 6, 22 | 1:20 >1:4 | Large | y | y | n | n | Normal | Normal | y | 24 |
| A8 | 20, 24 | >1 | Large | n: 1 y: 142 | n: 1 y: 142 | y | n | Normal | Normal | y | 143 |
| Total | | | | | | | | | | | 504 |

The grouping of classes caused some strata not to be completely homogeneous with regard to all of the sampling attributes. These exceptions are noted in Exhibits 2.3A and 2.3B.

For example, in stratum A1, 18 study areas have only one exchange and 6 have more than one exchange, 21 study areas have line haul facilities and 3 do not, 21 study areas have host remote facilities and 3 do not, 16 study areas do not provide Special Access services and 8 do, 22 study areas do not have intertoll circuits while 2 do, 4 study areas have high traffic volume and 20 have

normal volume and all study areas participate in the traffic sensitive pool.

**EXHIBIT 2.3B**

**PRELIMINARY STRATUM DEFINITION – COST COMPANY STUDY AREAS**

| Prelim. Stratum | Classes | Exch. | LH | H/R | SA | IT | MPL | Density | TS | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| C1 | 1, 5, 7, 12, 14, 16, 21, 24, 26, 27, 35, 37, 39, 41 | 1:22<br>>1:50 | n: 2<br>y: 70 | n: 23<br>y: 49 | n | n: 53<br>y: 19 | Normal | High: 20<br>Normal: 52 | n | 72 |
| C2 | 10, 15, 19, 23, 30, 33, 34, 38, 44, 45, 48, 49 | 1:11<br>>1:46 | n: 1<br>y: 56 | n: 23<br>y: 34 | n: 2<br>y: 55 | n: 46<br>y: 11 | High | High: 8<br>Normal: 49 | y | 57 |
| C3 | 4, 9, 11, 18, 20, 29, 32, 43, 47 | 1:17<br>>1:20 | n: 1<br>y: 36 | n: 12<br>y: 25 | y | n: 20<br>y: 17 | Normal | High | y | 37 |
| C4 | 31, 40, 46 | >1 | y | n: 18<br>y: 49 | n: 1<br>y: 66 | y | Normal | Normal | y | 67 |
| C5 | 13, 17 | 1 | y | y | n: 4<br>y: 16 | n | Normal | Normal | y | 20 |
| C6 | 36, 42 | >1 | y | y | n: 1<br>y: 178 | n | Normal | Normal | y | 179 |
| C7 | 2, 3, 6, 8 | 1 | n: 19<br>y: 63 | n | n: 9<br>y: 73 | n | Normal | Normal | y | 82 |
| C8 | 22, 25, 28 | >1 | n: 22<br>y: 50 | n | n: 2<br>y: 70 | n | Normal | Normal | y | 72 |
| Total | | | | | | | | | | 586 |

To further improve homogeneity of costs within strata, some preliminary strata were subdivided based on the range of interstate access revenues within the stratum. For example, the average schedule preliminary stratum A4 was subdivided into strata A4A and A4B, with total interstate access revenue <100,000 and total interstate access revenue >= 100,000 respectively. Exhibits 2.4A

and 2.4B show the application of this criterion for the average schedule and cost study areas.

The average access revenue by stratum is shown in Exhibits 2.5A and 2.5B. The significant variation in the average access revenue across strata shows that this basis of stratification effectively distinguishes companies by revenue size. For example, the average revenue for stratum A4B, is about eight times the size of stratum A4A.

**EXHIBIT 2.4A**

**REVENUE SIZE CRITERION – AVERAGE SCHEDULE STUDY AREAS**

| Preliminary Stratum | Final Stratum | Interstate Access Revenue Criterion |
|---|---|---|
| A1 | A1 | N/A |
| A2 | A2 | N/A |
| A3 | A3 | N/A |
| A4 | A4A | < 100,000 |
| A4 | A4B | >= 100,000 |
| A5 | A5A | < 20,000 |
| A5 | A5B | >= 20,000 & < 80,000 |
| A5 | A5C | >= 80,000 |
| A6 | A6 | N/A |
| A7 | A7 | N/A |
| A8 | A8A | < 50,000 |
| A8 | A8B | >= 50,000 & < 100,000 |
| A8 | A8C | >= 100,000 & < 200,000 |
| A8 | A8D | >= 200,000 |

**EXHIBIT 2.4B**

**REVENUE SIZE CRITERION – COST COMPANY STUDY AREAS**

| Preliminary Stratum | Final Stratum | Interstate Access Revenue Criterion |
|---|---|---|
| C1 | C1A | < 50,000 |
| C1 | C1B | >= 50,000 & <= 200,000 |
| C1 | C1C | > 200,000 |
| C2 | C2 | N/A |
| C3 | C3A | < 200,000 |
| C3 | C3B | >= 200,000 |
| C4 | C4A | < 200,000 |
| C4 | C4B | >= 200,000 |
| C5 | C5 | N/A |
| C6 | C6A | < 200,000 |
| C6 | C6B | >= 200,000 |
| C7 | C7 | N/A |
| C8 | C8 | N/A |

**EXHIBIT 2.5A**

**DISTRIBUTION OF ACCESS REVENUES BY FINAL STRATA**

**AVERAGE SCHEDULE STUDY AREAS**

| Stratum | Count | Average Interstate Access Revenues |
|---|---|---|
| A1 | 24 | 2,904 |
| A2 | 37 | 65,012 |
| A3 | 23 | 91,562 |
| A4A | 16 | 71,514 |
| A4B | 25 | 571,419 |
| A5A | 18 | 12,276 |
| A5B | 24 | 43,039 |
| A5C | 11 | 160,417 |
| A6 | 159 | 17,173 |
| A7 | 24 | 11,542 |
| A8A | 81 | 24,476 |
| A8B | 37 | 69,702 |
| A8C | 18 | 144,247 |
| A8D | 7 | 518,702 |

**EXHIBIT 2.5B**

**DISTRIBUTION OF ACCESS REVENUES BY FINAL STRATA**

**COST COMPANY STUDY AREAS**

| Stratum | Count | Average Interstate Access Revenues |
|---|---|---|
| C1A | 37 | 17,665 |
| C1B | 16 | 126,283 |
| C1C | 19 | 535,198 |
| C2 | 57 | 108,072 |
| C3A | 23 | 123,577 |
| C3B | 14 | 522,681 |
| C4A | 48 | 100,047 |
| C4B | 19 | 381,934 |
| C5 | 20 | 25,365 |
| C6A | 161 | 67,543 |
| C6B | 18 | 313,977 |
| C7 | 82 | 21,685 |
| C8 | 72 | 59,460 |

E. Allocation of Sample to Strata

NECA allocated the total sample size to strata using a method known as "Neyman Allocation", a method which produces optimum precision results for stratified sampling.[8] In each stratum, the Neyman Allocation determines the size of the sample, which is proportional to an estimate of the standard deviation of the stratum's measure of size. The Neyman allocation produces an optimum result (improves precision the most) when the measure of size is correlated with the variable to be estimated revenue requirement. The Neyman allocation to a stratum also depends upon the total count of study areas in the stratum (Column C of Exhibits 2.6A and 2.6B), as well as the number of study areas in the five-year sample. Using these quantities, NECA determined the sample size in each stratum by the following methods.

NECA first defined a study area's measure of size to be the square root of its total interstate access revenues. The selection of this measure of size was done for two reasons. First, it relates to the variation in revenue requirements among average schedule companies. Second, it reduces the likelihood of over-allocation to strata of large study areas that would result from the use of a measure of size that did not use the square root. These values are shown in Appendix A1.

Next, the standard deviation of measure of size in each stratum is calculated. These values are shown in Column B of Exhibits 2.6A and 2.6B. For example, for average schedule stratum A1, the standard deviation of the measure of size is 26.68.

Initially the sample was allocated equally between average schedule and cost study areas. The total

[8] *Id*. at p. 97.

five-year sample size (538) for average schedule study areas was allocated to strata as follows:

1. Study areas in strata with high traffic volume (strata A3) were designated to be censused and sampled every other year, a total sample allocation of 58 study areas.
2. The remaining five-year sample size for all other strata was calculated (538-58=480).
3. A trial allocation to other strata of the remaining five-year sample size was done using the Neyman Allocation method.
4. Each trial allocation was tested to assure that no study area would be sampled more than once every other year (i.e., that the stratum sample size would not require sampling more than half of stratum members each year). Strata with sample size allocations larger than this (A4B and A8D, with a total sample size of 81) were also censused and each member was assigned to be sampled every other year.
5. The remaining sample size (480-81=399) was allocated to all remaining strata according to the Neyman allocation method.
6. Additional sample size increases were chosen to assure that enough study areas would be sampled in certain strata of special interest. For example, stratum A1 sample size was increased from 12 to 24; Stratum A5A sample size was increased from 7 to 15.

The total five-year sample size (538) for cost study areas was allocated to strata as follows:

1. Study areas in strata with high traffic volume (strata C2) were designated to be censused and sampled every other year, a total sample allocation of 143 study areas.
2. The remaining five-year sample size for all other strata was calculated (538-143=395).
3. A trial allocation to other strata of the remaining five-year sample size was done using the Neyman allocation method.
4. Each trial allocation was tested to assure that no study area would be sampled more than once every other year (i.e., that the stratum sample size would not require sampling more than half of stratum members each year).

5. The remaining sample size (395) was allocated to all remaining strata according to the Neyman allocation method.

Exhibits 2.6A and 2.6B show the use of standard deviations and the total five year sample size, and final sample size to calculate trial stratum five year sample sizes for average schedule and cost companies.

The sample allocation weight (Column D) is calculated as the product of the standard deviation of the measure of size (Column B) and the number of study areas (Column C). The sample allocation weight for a particular stratum, divided by the sum of all sample allocation weights, produces a stratum allocation fraction. This fraction was multiplied by the total trial five-year sample size to produce a trial five-year sample size in each stratum (Column E).

sample allocation $\text{weight}_h = SD_h(MOS) \times N_h$

sample allocation $\text{fraction}_h$ = allocation $\text{weight}_h / \Sigma(\text{allocation weight}_h)$

trial stratum five-year sample size = sample allocation $\text{fraction}_h$ x total trial five-year sample size

For example, for average schedule stratum A2 in Exhibit 2.6A, the trial stratum five-year sample size is calculated as follows:

sample allocation $\text{weight}_{A2}$ = 124.81 x 37 = 4618.07

sample allocation $\text{fraction}_{A2}$ = 4618.07 / 21683.97 = 0.212972

stratum five-year sample $\text{size}_{A2}$ = Int (0.212972 x 399 +0.5) = 85

The stratum annual sample size is calculated as the integer part of

$\frac{\text{stratum five year sample size}}{5} + 0.5$. The sampling term, which represents how often a study area will be sampled, is calculated as the integer part of $\frac{N_h}{\text{annual sample size}} + 0.5$, but limited to a value between 2 and 5.

**EXHIBIT 2.6A**

**FINAL STRATA – AVERAGE SCHEDULE STUDY AREAS**

| (A) Stratum No. | (B) Standard Deviation of M. O. S.[9] | (C) No. of Study Areas | (D) Sample Allocation Weight | (E) Five Year Sample Size | (F) Sampling Term | (G) Final Annual Sample Size | (H) Final Five Year Sample Size |
|---|---|---|---|---|---|---|---|
| A1 | 26.68 | 24 | 640.42 | 12 | 5 | [5,4] | 24 |
| A2 | 124.81 | 37 | 4618.07 | 85 | 2 | [19,18] | 85 |
| A3 | 180.82 | 23 | 0.00 | 58 | 2 | [12,11] | 58 |
| A4A | 48.79 | 16 | 780.57 | 14 | 5 | 3 | 15 |
| A4B | 406.82 | 25 | 0.00 | 63 | 2 | [13,12] | 63 |
| A5A | 21.68 | 18 | 390.24 | 7 | 5 | 3 | 15 |
| A5B | 38.53 | 24 | 924.69 | 17 | 5 | [4,3] | 17 |
| A5C | 98.56 | 11 | 1084.16 | 20 | 3 | [4,3] | 20 |
| A6 | 46.30 | 159 | 7361.34 | 136 | 5 | [28,27] | 136 |
| A7 | 45.06 | 24 | 1081.42 | 20 | 5 | 4 | 20 |
| A8A | 38.52 | 81 | 3120.28 | 58 | 5 | [19,18] | 58 |
| A8B | 26.75 | 37 | 989.83 | 18 | 5 | [4,3] | 18 |
| A8C | 38.50 | 18 | 692.96 | 13 | 5 | 3 | 15 |
| A8D | 186.06 | 7 | 0.00 | 18 | 2 | [4,3] | 18 |
| TOTAL | | 504 | 21683.97 | 538 | | [112] to [114] | 562 |

[9] M. O. S. is "Measure of Size." It is the square root of interstate access revenues.

**EXHIBIT 2.6B**

**FINAL STRATA – COST STUDY AREAS**

| (A) Stratum No. | (B) Standard Deviation of M. O. S. | (C) No. of Study Areas | (D) Sample Allocation Weight | (E) Five Year Sample Size | (F) Sampling Term | (G) Final Annual Sample Size | (H) Final Five Year Sample Size |
|---|---|---|---|---|---|---|---|
| C1A | 53.04 | 37 | 1962.52 | 16 | 5 | [4,3] | 16 |
| C1B | 65.75 | 16 | 1052.02 | 9 | 5 | 3 | 15 |
| C1C | 179.94 | 19 | 3418.84 | 28 | 4 | [5,4] | 27 |
| C2 | 168.47 | 57 | 0.00 | 143 | 2 | [29,28] | 143 |
| C3A | 79.62 | 23 | 1831.18 | 15 | 5 | 3 | 15 |
| C3B | 197.98 | 14 | 2771.71 | 23 | 3 | [5,4] | 22 |
| C4A | 81.28 | 48 | 3901.3 | 32 | 5 | 6 | 30 |
| C4B | 151.89 | 19 | 2885.84 | 24 | 4 | [5,4] | 23 |
| C5 | 56.13 | 20 | 1122.61 | 9 | 5 | 3 | 15 |
| C6A | 86.67 | 161 | 13953.15 | 115 | 5 | 22 | 110 |
| C6B | 90.12 | 18 | 1622.13 | 13 | 5 | 3 | 15 |
| C7 | 64.4 | 82 | 5280.91 | 43 | 5 | [9,8] | 42 |
| C8 | 116.17 | 72 | 8364.01 | 69 | 5 | [16,15] | 82 |
| TOTAL | | 586 | 48166.22 | 538 | | [107] to 111] | 555 |
| GRAND TOTAL[10] | | 1090 | 69850.19 | 1076 | | | 1117 |

F. Determination of Sample Size

This section describes how NECA determined the annual sample size required to support the development of settlement formulas. As demonstrated in previous filings, this determination is based on well-documented and widely accepted statistical sampling techniques. The optimal sample size was determined by balancing the need for sufficient and reliable data against the cost and

[10] The Grand Total is the sum of the Totals from Exhibits 2.6A and 2.6B. The Sample Allocation Weight Grand Total is used to calculate Column E.

burdens that collection of such data places upon sampled study areas.

In order to achieve the desired precision levels, based on total sampling cost and population representation, an annual sample of approximately 100 average schedule study areas and 100 cost study areas strikes this balance when two consecutive annual samples are combined in each average schedule study. In order to ensure that a sufficient number of study areas are selected to account for non-response, mergers, study areas converting from average schedule to cost settlement status, or study areas exiting the NECA pools, NECA targets a higher number of study areas, resulting in a five-year sample size of 538 for average schedule study areas and 538 for cost study areas.

Using data from sample companies, NECA analyzed the precision of a sample ratio estimate of total average schedule interstate revenue requirements per access line[11] to confirm that the resulting sample size is sufficient to provide the desired level of precision for the annual development of average schedule formulas. NECA found that this ratio would be accurate within 2.5% of the true value with 95% confidence, a sufficient precision level for developing of average schedule formulas.

Statistical sampling textbooks, such as *Sampling Techniques* by William Cochran,[12] provide tests to measure the precision of sample estimates. "Precision" is defined as a range about the estimate that is shown to include the value of the population parameter with a designated level of confidence. Because NECA estimates the total average schedule revenue requirement using a stratified ratio estimate, NECA uses the formulas for the precision of a stratified ratio estimate as shown below:

---

[11] Total interstate revenue requirements were used in this test to ensure that the total average schedule settlements pursuant to proposed formulas would be accurate. Access line counts were used because this demand unit is the most significant determinant of total average schedule settlements. For this purpose, NECA used the April 2003 view of December 2002 data.

[12] William G. Cochran, *Sampling Techniques*, John Wiley & Sons, Inc., New York, (2nd ed., 1963).

The standard error of a ratio, $\hat{R}_h$, within a stratum, is given by the following formula:[13]

$$s(\hat{R}_h) = \frac{\sqrt{1 - f_h}}{\sqrt{n'_h}\,\overline{X}_h}\sqrt{\frac{\sum_i (y_{i,h} - \hat{R}_h x_{i,h})^2}{N_h - 1}}$$

where:

$\hat{R}_h$ is the ratio estimate of average revenue requirement per access line for stratum *h*.

$n'_h$ is the number sampled in two consecutive years in stratum *h*. Stratum sample sizes are explained in Section II. F.

$N_h$ is the number of study areas in stratum *h*.

$x_{i,h}$ is the number of access lines for study area *i* in stratum *h*, and is taken from the April 2003 view of December 2002 data.

$y_{i,h}$ is the total interstate revenue requirement for study area *i* in stratum *h*, and is taken from the April 2003 view of December 2002 data.

$f_h$ is the ratio of the responding two-year sample size in stratum *h* ($n'_h$) to the total number of study areas ($N_h$) in stratum *h*.

$\overline{X}_h$ is the mean of access lines for stratum *h* displayed in Column H of Exhibit 2.8.

In this formula, the value $\hat{R}_h$ and the summation are calculated using data from all study areas in each stratum *h*.

Exhibit 2.8 shows an example of the calculation of the standard error and variance of the ratio estimate for average schedule stratum A4A. Study areas in this exhibit correspond to those in average schedule stratum A4A in Appendix A1. Columns B, C and D show the calculation of components of $\hat{R}_{A4A}$. Column E shows the calculation of the sum of squares component of the variance.

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13 *Id*. at p. 31.

**EXHIBIT 2.7**

**REVENUE REQUIREMENTS AND ACCESS LINES FOR AVERAGE SCHEDULE**

**STRATUM A4A**

| (A) Study Area Observation No. | (B) Interstate Revenue Requirement | (C) Access Lines | (D) $\frac{\sum(Col.B)}{\sum(Col.C)}$ | (E) $((B) - (D)(C))^2$ |
|---|---|---|---|---|
| | $(y_{i,h})$ | $(x_{i,h})$ | $(\hat{R}_h)$ | $(y_{i,h} - \hat{R}_h x_{i,h})^2$ |
| 1 | 25,358 | 1,204 | | 108,289,005.62 |
| 2 | 31,868 | 2,143 | | 27,618,039.63 |
| 3 | 48,498 | 3,325 | | 51,936,421.30 |
| 4 | 49,429 | 4,342 | | 20,176,796.28 |
| 5 | 52,329 | 4,842 | | 60,856,818.19 |
| 6 | 52,537 | 4,059 | | 4,539,282.23 |
| 7 | 60,239 | 4,244 | | 56,778,456.29 |
| 8 | 62,502 | 5,629 | | 54,780,557.92 |
| 9 | 63,729 | 5,292 | | 3,957,613.80 |
| 10 | 64,080 | 5,557 | | 24,297,617.60 |
| 11 | 68,099 | 5,306 | | 4,869,818.99 |
| 12 | 68,270 | 6,590 | | 184,077,275.46 |
| 13 | 81,838 | 7,864 | | 250,291,334.08 |
| 14 | 87,629 | 8,694 | | 413,589,589.46 |
| 15 | 88,017 | 6,775 | | 15,070,551.69 |
| 16 | 117,839 | 6,452 | | 1,422,439,056.73 |
| TOTAL | 1,022,261 | 82,318 | 12.42 | 2,703,568,235.27 |

$$\hat{R}_{A4A} = \frac{1{,}022{,}261}{82{,}318} = 12.42$$

$$s(\hat{R}_{A4a}) = \frac{\sqrt{1-0.375}}{(\sqrt{6})(5{,}144.875)}\sqrt{\frac{2{,}703{,}568{,}235.27}{16-1}} = 0.84219$$

$$Var(\hat{R}_{A4a}) = s(\hat{R}_h)^2 = (0.84219)^2 = 0.70929$$

Exhibit 2.8, Column C, shows the resulting variance of the ratio estimate for each stratum. The stratum variances were then used to determine the variance of the overall stratified ratio estimator, $\hat{R}$, using the following formula:[14]

$$Var(\hat{R}) = \frac{\sum_{h=1}^{L} X_h^2 Var(\hat{R}_h)}{X^2}$$

Where: $X_h$ is the total of access lines in stratum $h$

$X$ is the total of population access lines.

Columns B, C and D of Exhibit 2.8 show the components of this calculation.

[14] *Id.* at p. 90. Formula 5.3 found in <u>*Sampling Techniques*</u> note 6 *supra* is a similar expression. NECA used the sum of access lines as the weighting factor.

**EXHIBIT 2.8**

**AVERAGE SCHEDULE STRATUM VARIANCE DATA**

| (A) | (B) | (C) | (D) | (E) | (F) | (G) | (H) = (B) / (E) |
|---|---|---|---|---|---|---|---|
| **Stratum** | **Access Lines** | $\mathrm{Var}(\hat{R}_h)$ | **(B)$^2$ x (C)** | $N_h$ | $n_h'$ | **(F) / (E)** | **Mean Access Lines** |
| A1 | 4,889 | 1.0151 | 24,263,927 | 24 | 10 | 0.42 | 204 |
| A2 | 320,905 | 0.0000 | 0 | 37 | 37 | 1.00 | 8,673 |
| A3 | 98,275 | 0.0000 | 0 | 23 | 23 | 1.00 | 4,273 |
| A4A | 82,318 | 0.7093 | 4,806,343,529 | 16 | 6 | 0.38 | 5,145 |
| A4B | 951,023 | 0.0000 | 0 | 25 | 25 | 1.00 | 38,041 |
| A5A | 17,139 | 1.3860 | 407,118,722 | 18 | 6 | 0.33 | 952 |
| A5B | 74,997 | 1.5984 | 8,990,375,848 | 24 | 7 | 0.29 | 3,125 |
| A5C | 105,895 | 0.3599 | 4,035,983,254 | 11 | 7 | 0.64 | 9,627 |
| A6 | 201,075 | 0.0531 | 2,148,523,558 | 159 | 55 | 0.35 | 1,265 |
| A7 | 25,907 | 0.7736 | 519,192,513 | 24 | 8 | 0.33 | 1,080 |
| A8A | 146,827 | 0.1928 | 4,156,829,803 | 81 | 23 | 0.28 | 1,813 |
| A8B | 176,553 | 0.4105 | 12,794,417,595 | 37 | 7 | 0.19 | 4,772 |
| A8C | 165,325 | 0.2886 | 7,889,095,764 | 18 | 6 | 0.33 | 9,185 |
| A8D | 210,252 | 0.0000 | 0 | 7 | 7 | 1.00 | 30,036 |
| Total | 2,581,380 | | 45,772,144,514 | | | | |

Using the values from Exhibit 2.8, the overall variance of the ratio estimate is calculated as follows:

$$\mathrm{Var}(\hat{R}) = \frac{45{,}772{,}144{,}514}{(2{,}581{,}380)^2} = 0.006869$$

NECA then developed a 95% confidence interval to determine the relative precision of the estimator, using the formula below:[15]

$$\Pr(|\hat{R} - R| / R \geq d) = 0.05$$

Or

$$d = \frac{Z_{0.05} \times s(\hat{R})}{R}$$

where

$Z_{0.05}$ is the value of standard normal distribution N(0,1) corresponding to 95% confidence level, which is 1.96.

$d$ is the difference between the estimated and true value of $R$.

$R$ is the ratio of interstate access revenue requirements to access lines for the entire population of average schedule study areas for December 2002, a value of 11.9495.

Substituting values from the Exhibit in the above formula yields the following result.

$$d = \frac{1.96 \times \sqrt{0.006869}}{11.9495} = 0.013594$$

This calculation shows that the average schedule sample is precise within 1.36% at the 95% confidence level, a level sufficient for average schedule development.

G. <u>Selection of Sample</u>

In this section, NECA describes methods for selecting sample study areas. Obtaining reliable estimates from a sample requires that each member of the population has a well-defined probability of inclusion in the sample. NECA chose a special method of defining probabilities because it

[15] *Id.* at p. 75.

produces greater precision than other possible methods.

NECA determined the probability of including a specific study area in the five-year sample using one of two methods. Study areas in the census strata[16] were assigned a probability of one for inclusion in the multi-year sample. Study areas from other sample strata were assigned probabilities proportionate to size (PPS). The PPS method was used because it provides more precise estimates than other probability sampling methods.

Calculations supporting the PPS method are detailed in Appendix A1. Study areas within a stratum are ordered according to their measure of size starting with the largest. For example, in cost stratum C1A study area number one has the highest measure of size (220.15). Next, the cumulative measure of size is computed as a running total of measures of size. The cumulative measure of size associates a range of measure of size values with each study area, including all values between the study area's cumulative measure of size and the cumulative measure of size of the preceding study area. For example, the range of measure of size associated with study area one in cost stratum C1A is 0 to 220.15. Similarly, the range of size associated with the next study area is from 220.15 to 430.7.

The stratified PPS method divides each stratum into sampling intervals, and then selects one sample member from each interval. The sampling interval is determined by dividing the stratum total measure of size by the stratum five-year sample size reported in Column H of Exhibit 2.6A and 2.6B. For example, in cost stratum C1A, the stratum sampling interval is:

[16] Specifically, cost strata C2 and C3B and average schedule strata A3, A4B and A5C.

$$\textit{Stratum Sampling Interval} = \frac{4520.55}{16} = 282.53$$

The PPS method selects sample members from intervals systematically, selecting the first member by a random start, and then successively adding an interval to the random start to select other sample members. The random start for each stratum was computed by multiplying a random number by the stratum sampling interval. Random starts calculated by this method are displayed in Exhibit 2.9.[17]

In each stratum, the sample study area whose Measure of Size range included the stratum's random start was selected in the multiyear sample. A sequence of sample selection numbers was identified by progressively adding the stratum sampling interval to the random start. Each study area whose measure of size range included one of these values was also included in the multi-year sample. For example, for cost stratum C1A shown in Appendix A1, this method first selects the study area with sequence number 1 because the random start for this stratum (191.13) is within study area 1's range of measure of size, which extends from 0 to 220.15. Similarly, study area 3 is included in the sample because by calculating a second random number in the stratum (random start + sampling interval = 191.13 + 282.53 = 473.66), the actual sample selection number is included in the range of cumulative measure of size belonging to this study area (from 430.73 to 638.15). Results for all strata are displayed in Appendix A1.

[17] Random numbers were generated using the RANUNI function of the SAS computer software. The function returns a number generated from the uniform distribution on the interval [0,1] using a prime modulus multiplicative generator with modulus $2^{31}$ - 1, and multiplier 397,204,094. *See* SAS Institute, *SAS Language: Reference, Version 8, 521*.

**EXHIBIT 2.9**

**RANDOM STARTS FOR EACH STRATUM**

| Stratum | Random Start |
|---|---|
| A1 | 0.496257 |
| A2 | 0.008872 |
| A3 | 0.982431 |
| A4A | 237.548702 |
| A4B | 0.297917 |
| A5A | 21.739869 |
| A5B | 282.068662 |
| A5C | 0.656655 |
| A6 | 114.157884 |
| A7 | 15.383237 |
| A8A | 197.193380 |
| A8B | 208.996871 |
| A8C | 153.946206 |
| A8D | 0.718458 |
| C1A | 191.130594 |
| C1B | 219.071430 |
| C1C | 0.823655 |
| C2 | 0.702386 |
| C3A | 145.277141 |
| C3B | 0.855411 |
| C4A | 331.554106 |
| C4B | 0.578931 |
| C5 | 131.533753 |
| C6A | 165.447968 |
| C6B | 295.890652 |
| C7 | 64.198836 |
| C8 | 99.348269 |

To assure that probabilities are validly defined numbers between 0 and 1, a trial sampling interval is first defined in each stratum, which is subsequently adjusted to the final sampling interval.

This determination of the sampling interval involves a repetition of these steps.

1. Calculate a trial sampling interval in the stratum
2. If any study area in the stratum has a measure of size greater than the sampling interval, assign that study area to the census sub-stratum within the stratum.
3. Stratum members not in the census sub-stratum belong to the sampling sub-stratum.

As these steps are repeated in each stratum, a sampling sub-stratum is found with each member having a measure of size less than or equal to the trial sampling interval. From this sub-stratum, sample members are selected with probability proportionate to size, as explained below. All members of the census stratum are included in the sample.

In each sampling stratum, the probability that a particular study area is included in the five-year sample is calculated as follows:

*Probability of Inclusion in the Five -Year Sample =*

$$\frac{Stratum\ \ Five\text{-}Year\ Sample\ Size\ \ x\ \ Study\ Area\ Measure\ of\ \ Size}{Total\ \ Stratum\ \ Measure\ \ of\ \ \ Size}$$

For example, for study area one within cost stratum C1A,

$$Probability\ of\ Inclusion\ in\ the\ Five\text{-}Year\ Sample = \frac{16 \times 220.15}{4520.55} = 0.77921$$

According to this formula, larger study areas have a higher probability of inclusion than smaller ones.

The average Probability of Selection in a particular year's sample is given by:

$$Probability\ of\ Selection = \frac{Probability\ of\ \ Inclusion\ in\ Five\text{-}Year\ Sample}{Stratum\ Sampling\ Term}$$

For example, the probability of selecting Study Area 1 within Stratum C1A in any given year is:

$$Probability\ of\ Selection = \frac{0.77921}{5} = 0.155842$$

H. <u>Sample Weights</u>

In all probability samples, each member of the sample represents a share of the population that depends on its probability of selection. For example, in a simple random sample of 5 out of 50, each sample member represents 10 population members, and so has a probability of selection equal to 0.1. To derive an estimate of the population total from such a sample, we multiply the sample total by 10. In this case, 10 is the sample weight, applied equally to each member of the simple random sample. In a probability sample which is not a simple random sample, probabilities of selection are unequal. Correspondingly, sample weights are unequal and are unique for each member of the sample. Each sample weight is the reciprocal of the probability of selection:

$$Sample\ Weight = \frac{1}{Probability\ of\ \ Selection}$$

For example, when using data from study area 1 within cost stratum C4B, as part of a single year sample to estimate a population total, the sample weight would be:

$$\textit{Sample Weight} = \frac{1}{0.155842} = 6.42$$

NECA's studies combine data from two consecutive samples. Consequently, probabilities of inclusion in the combined sample are twice the probability of selection in the one-year sample. Therefore, the sample weights used by NECA with the double sample equal one-half the one-year sample weights.

## I. Assignment of Study Areas to Sample Years

This section describes how study areas selected for inclusion in the five-year sample are assigned to a particular year or years during the five year sample period.

Column F of Exhibits 2.6A and 2.6B specifies the sampling term assigned to each stratum. A sampling term of three, for example, means that a company selected in the 2003 sample would be selected again for the 2006 sample, or every third year. Shorter sampling terms were assigned to strata consisting of larger study areas, while longer sampling terms were assigned to strata consisting of smaller study areas. For example, in Exhibit 2.6B, cost stratum C1A was assigned a sampling term of five (to be selected only once each in five years), while cost stratum C3B was assigned a sampling term of three (to be selected once each in three years).

To make an assignment to years for each stratum, a list of consecutive integers was assembled in random order, counting from 1 to t, where t is the stratum sampling term. For example, in cost

stratum C1A (which has a sampling term of five), the first random number was 5, followed in sequence by 2, 3, 1, and 4. Next, these randomly ordered numbers were assigned consecutively to sample study areas. Study areas assigned a random number equal to 1 are sampled in the first year; those with a number equal to 2 are sampled in the second year, etc.

In strata with sampling terms less than 5, study areas are repeated in random number order in sample years after the term is reached. For example, in a stratum with a term of 2, a study area with a random number equal to 1 would also be sampled in the third and fifth year.

Each stratum's annual sample size produced by this randomization method is shown in Column G of Exhibits 2.6A and Exhibit 2.6B. In some strata, the sample sizes are not the same in every year because the multi-year sample size did not divide evenly by the term. In such cases, numbers in parenthesis designate alternative sample sizes.

By using these methods, NECA's five-year sample design accurately and efficiently represents the total average schedule population. Methods described herein also assure that sample data represent the costs of each settlement function, for large and small companies, having normal, low and high cost conditions.

J. Supplemental Sample of Average Schedule Study Areas with High Variance in Cost per Unit

Average schedule studies during the past two years have determined that three groups of study areas contribute to high variance in cost per unit. To provide for continuing reliability of statistical derivation of settlement formulas, NECA designed a supplemental sample from these three groups. Two groups consist of study areas with low values of lines per exchange in Nebraska and South

Dakota, respectively. The third group consists of study areas in thirteen other states, which include very few average schedule study areas, with potentially high contributions to variance. Three new strata: Nebraska, South Dakota, and 13 Other States were constructed, and a supplemental sample of average schedule companies was designed. All 52 study areas in these three strata are censused, and randomly assigned to six data collection years: 2002 through 2007. As a result, six supplemental study areas were selected for the 2005 collection of data supporting this year's study. A few study areas from the supplemental sample may be sampled in two consecutive years as a result of combining the regular and supplemental samples. Details on this supplemental sample are shown in Exhibit 2.10. The assignment of study areas to sample years is shown in appendix A1.

**EXHIBIT 2.10**

**SUPPLEMENTAL SAMPLE**

| Stratum | No. of Study Areas | Random numbers | Sampling Term | Final Annual Sample Size | Final Six Year Sample Size |
|---|---|---|---|---|---|
| Nebraska | 11 | 2, 1, 6, 4, 5, 3 | 6 | [2, 1] | 11 |
| South Dakota | 17 | 5, 1, 3, 2, 4, 6 | 6 | [2, 3] | 17 |
| 13 other States | 24 | 2, 5, 1, 6, 4, 3 | 6 | 4 | 24 |
| TOTAL | 52 | | | [8, 9] | 52 |

# III. DATA COLLECTION

## A. Introduction

One of the first steps necessary in developing settlement formulas is compiling accurate data. This section describes the sources and types of data NECA collected to support average schedule formula development. For the 2007 Modification of Average Schedules, NECA gathered data from several different sources, including NECA's settlement system, NECA's annual average schedule data collection, NECA's Cost Study Database, network schematics and line haul worksheets, Tariff No. 4, the Customer Database, and SS7 investment and expense information.

An overview of NECA's annual data collection from sample cost and average schedule study areas is discussed in Section III.B. NECA requested demand data from both sample[1] cost and average schedule study areas and accounting data from sample average schedule study areas.

Cost company accounting data comes from the sampled cost company's annual cost separations studies submitted to NECA as described in Section III.C. These data, together with demand data submitted by the companies, are used to develop statistical models of separations (Part 36) and access allocations (Part 69), which are applied to average schedule companies.

Since average schedule companies do not perform cost separations studies, the sampled average schedule companies report financial data to NECA at a total company level. Collection of these data is described in Section III.D.

Demand data reported to the NECA pool by average schedule companies are used to forecast base period demand to the test period and to calculate average schedule separations and allocation factors

[1] The selection of the annual sample is described in Section II.

needed to derive revenue requirements. Forecasted demand is used to create new settlement formula models. Section III.E details the sources of cost company and average schedule demand data.

Section III.F discusses the demand and accounting data used for high traffic volume average schedule companies.

Section III.G summarizes the collection of average schedule line haul demand data supporting development of the distance sensitive and non-distance sensitive line haul formulas, and describes how circuit mile data were obtained from sample cost companies in order to develop Part 36 separation factor models for Central Office Equipment Category 2, 4.2, and 4.3; and for Cable & Wire Facilities Categories 1.3, 3 and 4.

Section III.H describes the collection of SS7 cost data and A-Link access information from average schedule companies.

All the data listed above were subjected to several edit checks to ensure their validity. As in the past, the data were screened to ensure accuracy in developing the proposed 2007 average schedule formulas. Company personnel or source documents were consulted whenever questions or inconsistencies arose to determine if corrections should be made. Section III.I describes the edits performed on each type of data.

The methods outlined in Section III produced the validated data that was used throughout this study.

## B. NECA's Annual Data Collection

In 2004 and 2005, NECA requested demand data from both sample cost and average schedule study areas and accounting data from sample average schedule study areas to support development of average schedule settlement formulas, the average schedule USF loop cost formula and the average schedule local switching support formula. The 2004 sample provided accounting data from calendar years 2002 and 2003 and demand data from 2004. The 2005 sample provided accounting data from calendar years 2003 and 2004 and demand data from 2005. Sample companies for both years were based on the sample design, described in Section II.

As in the past, NECA personnel offered to assist companies in completing the data forms. Many companies availed themselves of this opportunity. In some cases, this assistance took the form of telephone consultation with representatives from the sample companies. In other cases, NECA personnel compiled data from company source documents on behalf of companies. This additional assistance is sometimes needed by smaller companies lacking the resources required to respond fully to the data request.

The 2004 annual data collection sampled 99 cost study areas from NECA's traffic sensitive pool. One study area was excluded because termination data was provided as a percentage rather than as a count. Fifty-six of the remaining sampled cost study areas have host-remote network configurations. Two study areas did not complete the supplementary Host Remote Data Request portion of their data submission due to lack of resources. As a result, a total of 96 cost study areas were used from the 2004 annual data collection, 54 of which have host-remote network configurations.

The 2004 annual data collection requested data from 105 average schedule study areas from NECA's traffic sensitive pool. Eight study areas did not participate due to lack of resources. Fourteen were excluded because they provided insufficient level of detail in their response. One was excluded because it converted to a Cost settlement basis. Two study areas, chosen from the supplemental sample of high variance strata, are reported twice in the appendices since they were also chosen from the original multi-year sample design. This resulted in 84 total observations.

The 2005 annual data collection sampled 110 cost study areas from NECA's traffic sensitive pool. One study area was excluded because termination data was provided as a percentage rather than as a count. Another study area was excluded because it serves a Pacific Island, and has no Average Schedule counterpart. Sixty-five of the remaining sampled cost study areas have host-remote network configurations. Four study areas did not complete the supplementary Host Remote Data Request portion of their submission due to lack of resources. As a result, a total of 104 cost study areas were used from the 2005 annual data collection, 61 of which had host-remote network configurations. Data from the 104 cost study areas were combined with data from the 96 cost study areas in the 2004 annual data collection. As a result, the two years of data collection yielded valid data from 200 cost study areas, 115 of which have host-remote network configurations.

The 2005 annual data collection requested data from 104 average schedule study areas from NECA's traffic sensitive pool. Nine study areas did not participate due to lack of resources. Five were excluded because they provided insufficient level of detail in their response. Five were excluded because they converted to cost. One study area, chosen from the supplemental sample of high variance strata, is reported twice in the appendices since they were also chosen from the original multi-year sample design. This resulted in 86 total observations. As a result, the two years of data collection yielded valid data from 170 average schedule study areas.

C. Cost Company Cost Data

NECA used detailed cost study data as the foundation of average schedule separations and allocation models (discussed in Section IV). As part of its member company data review activities, NECA routinely acquires cost company cost studies to validate pool settlement distributions and to support tariff rate filings.

In 2005, all cost companies participating in the NECA pools were asked to provide a copy of their 2004 cost studies, showing total company (Part 32) amounts, total interstate (Part 36) amounts, and access category (Part 69) amounts. The data, submitted annually, was entered into NECA's cost study separations/allocation software program. NECA personnel reconciled discrepancies between the calculation results of its cost study program and results from the exchange carrier's cost studies. This reconciliation process provided additional assurance that cost studies are performed in accordance with Commission rules and orders, and that the data necessary for calculating separations transitions are present[2]. The use of a single allocation program also provided NECA with a uniform data format for the analyses performed in this Study. The data was placed in NECA's Cost Study Database. Sample cost data is provided in Appendix B1.

D. Average Schedule Company Accounting Data

Average Schedule company accounting data were used to develop the Part 69 revenue requirements, described in Section VI.

Total company account specific data (Part 32) from calendar years 2003 and 2004 were requested

[2] *See, e.g.*, Safeguards to Improve the Administration of Interstate Access Tariff and Revenue Distribution Process, CC Docket No. 93-6, NECA Comments (filed April 14, 1993) at Attachment A, pp. 1-3.

from each average schedule study area in the 2005 sample. These companies were required to exclude from reported account balances any costs associated with non-regulated activities, in accordance with the Commission's Part 64 rules. Each company was also asked to supply copies of 2003 and 2004 financial documents supporting its accounting data, such as summarized General Ledgers, Annual Reports or final Trial Balances. These documents were used as sources for the verification steps described in Section III.I. The 2003 and 2004 accounting data from the 2005 sample are displayed in Appendices C1 and C2, respectively.

Similar accounting data from calendar years 2002 and 2003 were obtained from average schedule study areas in the 2004 sample. Source documents for these data were also obtained for verification purposes. Average schedule company accounting data obtained from the 2004 sample are displayed in Appendices C4 and C5.

E. Demand Data

Demand data from sample cost study areas were necessary to support the separation factor modeling described in Section IV.D.

Demand data for study areas in the average schedule sample, reported to the NECA Settlement System, were used to develop demand forecasts, calculate average schedule separations and allocation factors, compute revenue requirements and create new settlement formula models.

Demand data were extracted from the following sources:

1. Data reported to NECA's Settlement System or Customer Database.
    a. For average schedule companies, NECA used the average month of the period from July 2005 through June 2006, including all adjustments through September 2006 for

the following data elements[3]:

- Common Line Access Lines
- Traffic Sensitive Switched Access Minutes of Use
- Number of Exchanges
- Switched Interstate Circuit Terminations
- Interstate Circuit Miles
- Intertoll Dial Circuits
- Interstate Circuits
- Special Access Revenues

b. For average schedule companies, NECA used the average month of the period from January 2003 through December 2004, including all adjustments through September 2005 for the analyses underlying the forecast of Interstate Special Access Revenues[4], described in Section V.H.1.

c. SS7 facility and cost data reported to NECA's SS7 database

- SS7 capital investment in Service Switching Points (SSPs) and Consolidation Points (CPs)
- Location and number of fully connected or partially connected SSPs

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[3] Throughout the remainder of this Filing, Common Line Access Lines are referred to as "access lines"; Traffic Sensitive Switched Access Minutes are referred to as "access minutes"; Switched Interstate Circuit Terminations are referred to as "circuit terminations" and Interstate Circuit Miles are referred to as "circuit miles".

[4] Average schedule and cost interstate special access revenues have been adjusted to reflect revenues that would need to have been collected in order for NECA's special access tariff to achieve the authorized rate of return during all of the historical data months examined. Section V.H.1 describes the development of the rate of return adjustment factors. Adjusted special access revenues are referred to in this Filing as "adjusted special access revenues."

- Location of CP Data links and Signal Transfer Points (STPs)
- Number of CP Data links and A-link pairs
- A-link providers

d. For cost companies, NECA used the average month of the period from January 2004 through December 2004[5], including all adjustments through June 2006 for the following data elements:

- Common Line Access Lines
- Common Line Minutes of Use
- Traffic Sensitive Switched Access Minutes of Use
- Special Access Revenues
- Number of Exchanges

In addition, NECA used the December 2004 view of 2002 Access Lines and Common Line Minutes of Use.

2. Cost company documents and schematics, describing exchange locations at remote offices reported in response to the 2004 and 2005 sample data requests. Included in these documents are the following:

- Working Lines
- Route Miles

3. Interstate toll circuit miles, interstate circuit terminations, and intertoll dial circuits from the 2004 Cost Study database derived from:

- Interstate Message Circuit Miles
- Joint Message Total Circuit Miles

[5] Cost company demand data from 2004 correspond to 2004 cost studies used in this Average schedule Filing, the latest available for this analysis.

- Interstate Conversation Minute-Mile Factor
- Interstate Message Circuit Terminations
- Joint Message Total Circuit Terminations
- Interstate Conversation Minute Factor

4. Cost company exchange counts from NECA's Customer Database supplemented by Tariff No. 4.

Demand data from sample average schedule and cost study areas are displayed in Appendices D1, and D2, respectively.

F. Average Schedule High Traffic Volume Demand and Accounting Data

In this Filing, NECA documents special analyses of accounting and demand data for average schedule study areas with high traffic volumes. To support these analyses, NECA used accounting data from the 2004 and 2005 data collection and demand data reported for settlements that were coincident with each of these calendar years. A company was designated as having high traffic volume if its minutes of use per access line per month exceeded 280 during the data years included in this study. Wherever possible, the accounting data from the highest traffic volume year between 2002 and 2004 was used. If no accounting data was available from NECA's sample during the highest traffic year, the period with the next highest traffic volume was selected. Accounting data used in this study are displayed in Appendix C3. Demand data for the high traffic volume study areas corresponding to the accounting data year (2002, 2003 or 2004) were selected from the NECA settlement system and are displayed in Appendix D3.

## G. Line Haul Data

Average schedule line haul demand data (i.e., circuit miles, circuit terminations and interstate circuits) are used to calculate separations factors and to support the development of the Line Haul Distance Sensitive, Line Haul Non-Distance Sensitive, and SS7 settlement formulas. Cost company line haul data are used to develop Part 36 separation factor models for Central Office Equipment Category 2, 4.2, and 4.3; and for Cable & Wire Facilities Categories 1.3, 3 and 4, as described in Section IV.

### 1. Average Schedule Companies

NECA procedures require average schedule study areas to provide updated line haul worksheets and schematics at least once a year or whenever significant changes occur in their transport networks. Carriers report counts of access lines, as well as counts of circuits, circuit miles and circuit terminations, to NECA to support their settlement claims.

NECA compared line haul demand from its database with line haul demand reported to the monthly settlement system. Average schedule study areas whose settlement reports differed from data in the line haul database, reconciled these differences and provided updates. Each average schedule sample company's circuits, circuit miles and circuit terminations data, as reported to the NECA settlement system, are displayed in Appendix D1.

### 2. Cost Companies

Cost company circuit mile data were obtained by combining interstate circuit miles to remote switches with interstate toll circuit miles connected to other switches, as reported in 2004 cost studies. Circuit miles to remote offices were derived from counts of circuits at remote

offices (determined according to NECA's Traffic Engineering Circuit Count Method)[6] and route miles to remote offices.

*Total Circuit Miles = Interstate Toll Circuit Miles + Interstate Circuit Miles at Remote Offices*

*Interstate Toll Circuit Miles = Interstate Message Circuit Miles*

*+ Joint Message Interstate Circuit Miles*

*Joint Message Interstate Circuit Miles = Joint Message Total Circuit miles*

*x 2004 Cost Study Interstate Conversation Minute-Mile Factor*

The traffic engineering method uses route mile data and access line counts at each remote office to develop circuit miles. NECA determined that 115 sample cost companies have host/remote circuits (COE Category 4.3 equipment). Sample cost companies provided route mile data and access line counts at each remote office. Sample cost company total interstate circuit mile data are displayed in Appendix D2.

## H. Signaling System 7 (SS7) Data

NECA collects Signaling System 7 (SS7) network configuration and cost data for Service Switching Points (SSPs) and Consolidation Points (CPs) installed by average schedule companies that receive SS7 settlements.

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6 The circuit count method is first described in Exhibit 5.11 of NECA's 1994 Modification of Average Schedules, and has been included in NECA's Pool Administration Procedures for Average Schedule Companies. *See* National Exchange Carrier Association, Inc., 1994 Modification of Average Schedules, Dec. 30, 1993 at V- 35.

Information on SSP or CP equipment investment and expenses related to the provision of SS7 signaling links (e.g., CP data links) was collected, and the STP or access service provider was identified. NECA collects data on the connection charges of these access service providers. These data are displayed in Appendix G. NECA used these data to update the SS7 settlement formula. Data from SSPs that were reported with incomplete cost data were replaced with the average cost of SSPs of the same model type. In a few cases, when the carrier did not identify the model type of SSP, the overall average cost was used.

Companies that purchased SS7 equipment eight or more years ago would have fully depreciated their initial investment, and would have upgraded their equipment with new equipment of the same functionality. Because some new equipment tends to be less expensive than it was eight years ago, NECA updated this data. NECA estimated replacement costs for fully depreciated switches using prices from switch vendors on replacement costs by switch model and type. This method maintains current cost data without requiring all average schedule companies to track and categorize switch maintenance costs.

## I. Data Edits

### 1. Cost Study Area Part 32, Part 36 and Part 69 Data Edits

Several edits were performed on cost study area data to ensure completeness and accuracy. The methods used for these edits included the following steps:

a. Results from NECA's cost study program were reconciled with results provided by sample companies.
b. Cost study data entries were reviewed for completeness.
c. Related accounts were compared for consistency.

c. Access element amounts were compared to total company and total interstate amounts.

d. Data review ensured sufficient level of detail to conduct cost study analyses.

2. Average Schedule Study Area Accounting Data Edits

Several edits were performed on average schedule study area accounting data to ensure completeness and accuracy. The methods used for these edits included the following steps:

a. Accounting source documents were compared to data reporting forms to ensure that the data were reported correctly. A review of data ensured that all study areas provided sufficient account detail.

b. Individual study area investment per line and investment per minute ratios were compared to average sample ratios. Extreme values were investigated to ensure accuracy.

c. Individual accounts for each study area were compared to their total investments and expenses for reasonability.

d. Growth ratios for each account for each carrier were evaluated to ensure reasonability.

3. Demand Data Edits

Demand data used in this study were reviewed for consistency with prior reports and with NECA settlement procedures. Month-over-month and year-over-year comparisons were made to identify data anomalies and growth trend changes. Errors were corrected, and reasons for any inconsistencies were provided.

4. Signaling System 7 (SS7) Data Edits

The methods used for these edits included the following:

a. SS7 facility data were reviewed for consistency with source documents and settlement claims.

b. Source documents were reviewed to determine that SS7 cost components are complete.

# IV. COST COMPANY ALLOCATION MODELS

## A. Introduction

This section describes the use of cost study data provided by cost companies for the year ending December 2004.[1] These cost study data are used to calculate separated costs and to allocate separated costs to access categories, as discussed in Section IV.B, using FCC rules that apply to the test period (July 1, 2007 through June 30, 2008). From each cost study, NECA calculates fractions of unseparated accounts that are allocated to the interstate jurisdiction, and fractions of interstate accounts that are allocated to access categories. NECA then develops statistical models that relate these fractions to relevant demand variables.

Because average schedule companies do not perform studies that produce cost separations and access category allocations, NECA uses these models in average schedule studies to allocate average schedule company accounts to access categories. As discussed in Section VI, the models are used to calculate values for the separation and allocation of accounts of each sample average schedule company.

The following is an illustration of a straight line equation model for separating an account.

$$\frac{Interstate\ Cost\ in\ the\ Account}{Total\ Cost\ in\ the\ Account} = 0.05 + (0.9\ x\ Related\ Variable)$$

NECA employed the straight-line equation form in some models and other forms in other models. Part 36 models are explained in Section IV.D.

[1] Data from 2005 cost studies do not begin to become available until the second half of 2006, which was too late for inclusion in this Study.

Next, NECA used cost study accounting data in each access charge category to model the allocation of interstate amounts to access categories (Part 69 models). These Part 69 models are explained in Section IV.E. An illustration follows:

$$\frac{\textit{Common Line Cost in the Account}}{\textit{Interstate Cost in the Account}} = 0.1 + (0.6\ x\ \textit{Related Variable})$$

To ensure that all models represent the average schedule population, influential data points were identified and accommodated according to the method described in Section IV.C. The outlier accommodation method was used for all separation and allocation models except for models with the independent variable being the separation fraction of another account prescribed by Part 36 rules. These cases exhibit a near perfect fit and the outlier accommodation method would have been irrelevant.

## B. Jurisdictional Cost Separations and Access Category Allocations

The following sections discuss cost allocation methods underlying data obtained from 2004 cost studies for sample cost companies. The summary of cost allocation methods in Exhibit 4.1 describes factors used to separate and allocate sample cost company accounts for the test period.

### 1. Separation of Local Switching Investment

In an order released May 22, 2001, the FCC adopted the Federal-State Joint Board recommendation to impose an interim separations freeze effective July 1, 2001.[2] The

[2] Jurisdictional Separations and Referral to the Federal-State Joint Board, CC Docket No. 80-286, *Report and Order*, 16 RCC Rcd 11382 (2001).

freeze included all Part 36 category relationships and interstate separations factors for price cap carriers and all interstate separations factors for rate-of-return carriers. The freeze was in effect for five years or until the Commission completes comprehensive separations reform, whichever comes first. However, on May 16, 2006, the Commission released an Order[3] extending the freeze, on an interim basis, for another 3 years, or until comprehensive reform is completed.

As a result of the separations freeze, the Local Switching separations factors underlying the 2000 cost studies no longer need to be projected to reflect the future test period. However, NECA did adjust the DEM weighting factors of companies that crossed an access line threshold between 2000 and 2004.[4]

2. Summary of Cost Allocation Methods

Using the 2004 cost study separations factors, NECA calculated the interstate costs of each sample cost study. These calculated costs are shown in Appendix B1. Exhibit 4.1 summarizes the basis of this calculation. The first column of Exhibit 4.1 identifies accounts or categories. The second column identifies the basis of jurisdictional separations. The third column provides the basis for apportioning interstate accounts to access categories.

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3 Jurisdictional Separations and Referral to the Federal-State Joint Board, CC Docket No. 80-286, *Order and Further Notice of Proposed Rulemaking*, 21 RCC Rcd 5516 (2006).

4 47 C.F.R. § 36.125.

The entry "Cost Study" appearing in the second or third columns indicates that no change to the historical account allocation has been made. All other entries describe the basis of separations or allocation recalculations used to reflect the changes described above.

3. Cost Study Separations Factors

Using these recalculated interstate costs, a set of separations factors was calculated for each sample cost study area. The set includes one separations factor for each category of Central Office Equipment and Cable & Wire Facilities, and one factor for each of selected investment, expense, reserve, and tax calculation accounts. The separations factor is calculated as follows:

$$Separations\ Factor = \frac{Interstate\ Cost\ in\ Category\ or\ Account}{Total\ Cost\ in\ Account}$$

These separations factors were used as described in Section IV.D to develop separations factor models.

4. Cost Study Access Allocation Factors

Using the recalculated accounts, a set of access allocation factors was calculated for each sample cost study area. The set includes one access allocation factor for each category of Central Office Equipment, Cable & Wire Facilities, and for certain investment accounts, expenses and reserves. These allocation factors were used as described in Section IV.E to develop allocation factor models.

| EXHIBIT 4.1<br>COST SEPARATION AND ALLOCATION METHODS | | |
|---|---|---|
| **Account or Category** | **Part 36 Separations Basis** | **Part 69 Allocation Basis** |
| Central Office Equipment | | |
| Category 1 | Cost Study | Cost Study |
| Category 2 | Cost Study | Cost Study |
| Category 3 | Local Switching Separation Factor | Interstate portion is directly assigned to local switching element. |
| Category 4.11 | Cost Study | Cost Study |
| Category 4.12 | Cost Study | Cost Study |
| Category 4.13 | Prorate into Joint, interstate private line (PL) and intrastate PL based on 4.13 loops. Joint portion is separated 25% to interstate; PL portion is directly assigned to appropriate jurisdictions. | Joint portion is assigned to Base Factor Portion (BFP). PL portion is assigned to special access. |
| Category 4.2 | Cost Study | Cost Study |
| Category 4.3 | Cost Study | Cost Study |
| Cable & Wire Facilities | | |
| Category 1 | Prorate into joint and PL based on Cat. 1 loops. Joint portion is separated 25% to interstate. PL portion is assigned to appropriate jurisdiction. | Joint portion is assigned to BFP. PL portion is assigned to special access. |
| Category 2 | Cost Study | Cost Study |
| Category 3 | Cost Study | Cost Study |
| Category 4 | Cost Study | Cost Study |
| Information Originating/ Terminating Equipment | | |
| Category 1 | 25% to Interstate | Prorate into public tel., limited pay and all other IOT based on splitting factors. Public tel. is assigned to pay element. Limited pay is assigned to limited pay element. All other IOT is assigned to Common Line BFP element. |
| Category 2 | Cost Study | Cost Study |
| General Support Facilities | COE+IOT+C&WF | COE+IOT+C&WF |

| EXHIBIT 4.1 (Continued)<br>COST SEPARATION AND ALLOCATION METHODS | | |
|---|---|---|
| **Account or Category** | **Part 36 Separations Basis** | **Part 69 Allocation Basis** |
| | | |
| Tangible Assets - Capital Lease | | |
| General Support Facilities | General Support Assets | General Support Assets |
| Central Office Equipment | | |
| Category 1 | COE Cat. 1 | COE Cat. 1 |
| Category 2 | COE Cat. 2 | COE Cat. 2 |
| Category 3 | COE Cat. 3 | COE Cat. 3 |
| Category 4 | COE Cat. 4 | COE Cat. 4 |
| Information Originating/ Terminating Equipment | | |
| Category 1 | IOT Cat. 1 | IOT Cat. 1 |
| Category 2 | IOT Cat. 2 | IOT Cat. 2 |
| Cable & Wire Facilities | | |
| Category 1 | C&WF Cat. 1 | C&WF Cat. 1 |
| Category 2 | C&WF Cat. 2 | C&WF Cat. 2 |
| Category 3 | C&WF Cat. 3 | C&WF Cat. 3 |
| Category 4 | C&WF Cat. 4 | C&WF Cat. 4 |
| Tangible Assets - Lease Hold Improvements | | |
| General Support Facilities | General Support Assets | COE+IOT+C&WF+GSF |
| COE - Switching | COE Cat. 2 & COE Cat. 3 | COE+IOT+C&WF+GSF |
| COE - Operator Equipment | COE Cat. 1 | COE+IOT+C&WF+GSF |
| COE - Transmission | COE Cat. 4 | COE+IOT+C&WF+GSF |
| Information Originating/ Terminating Equipment | IOT | COE+IOT+C&WF+GSF |
| Cable & Wire Facilities | C&WF | COE+IOT+C&WF+GSF |
| Intangible Assets | 2001 Excluding 2690 | COE+IOT+C&WF+GSF |
| Telecom. Plant Held for Future Telecom. Use | 2001 | 2001 |

| EXHIBIT 4.1 (Continued)<br>COST SEPARATION AND ALLOCATION METHODS | | |
|---|---|---|
| **Account or Category** | **Part 36 Separations Basis** | **Part 69 Allocation Basis** |
| | | |
| Telecom. Plant Under Construction (Includes AFUDC) | 2001 | 2001 |
| Telecom. Plant Acquis. Adjustment | 2001 | 2001 |
| Materials & Supplies | C&WF | COE+IOT+C&WF+GSF |
| RTB Stock[5] | 2001 | COE+IOT+C&WF+GSF |
| Cash Working Capital | Total Expenses Excluding Depreciation & Amortization Expense | COE+IOT+C&WF+GSF |
| Accumulated Depreciation | | |
| General Support Facilities | GSF | GSF |
| COE - Switching | COE Cat. 2 + COE Cat. 3 | COE Cat. 2 + COE Cat. 3 |
| COE - Operator Equipment | COE Cat. 1 | COE Cat. 1 |
| COE - Transmission | COE Cat. 4 | COE Cat. 4 |
| Information Originating/ Terminating Equipment | IOT | IOT |
| Cable & Wire Facilities | C&WF | C&WF |
| Property Held for Future Telecom Use | 2002 | COE+IOT+C&WF+GSF |
| Accumulated Amortization - Tangible | 2680 | Associated 2680 Investment |
| Accumulated Amortization - Intangible | 2690 | COE+IOT+C&WF+GSF |
| Accumulated Amortization - Other | 2005 | 2005 |
| Net Current Deferred Taxes | | |
| General Support Facilities | GSF | GSF |
| COE - Switching | COE Cat. 2 + COE Cat. 3 | COE Cat. 2 + COE Cat. 3 |
| COE - Operator Equipment | COE Cat. 1 | COE Cat. 1 |
| COE - Transmission | COE Cat. 4 | COE Cat. 4 |
| Information Originating/ Terminating Equipment | IOT | IOT |
| Cable & Wire Facilities | C&WF | C&WF |
| Not Classified | 2001 Excluding Land | 2001 |

[5] Due to liquidation of Rural Telephone Bank in 2006, RTB Stock values were reset to zero for the 2004 cost studies.

| EXHIBIT 4.1 (Continued)<br>COST SEPARATION AND ALLOCATION METHODS | | |
|---|---|---|
| **Account or Category** | **Part 36 Separations Basis** | **Part 69 Allocation Basis** |
| | | |
| Net Non-Current Deferred Taxes | | |
| General Support Facilities | GSF | GSF |
| COE - Switching | COE Cat. 2 + COE Cat. 3 | COE Cat. 2 + COE Cat. 3 |
| COE - Operator Equipment | COE Cat. 1 | COE Cat. 1 |
| COE - Transmission | COE Cat. 4 | COE Cat. 4 |
| Information Originating/ Terminating Equipment | IOT | IOT |
| Cable & Wire Facilities | C&WF | C&WF |
| Not Classified | 2001 Excluding Land | 2001 |
| Network Support Expenses | GSF | COE+IOT+C&WF+GSF |
| General Support Expenses | GSF | GSF |
| COE Expenses -6210 | COE | COE 2210 |
| -6220 | COE | COE 2220 |
| -6230 | COE | COE 2230 |
| C&WF Expenses | C&WF | C&WF |
| IOT Expenses | IOT | IOT |
| Other Property, Plant & Equipment Expenses | 2001 | COE+IOT+C&WF |
| Network Operations Expenses | COE+IOT+C&WF | COE+IOT+C&WF |
| Access Expenses | Cost Study | Cost Study |
| Depreciation & Amortization Expense | | |
| General Support Facilities | GSF | GSF |
| COE - Switching | COE Cat. 2 + COE Cat. 3 | COE Cat. 2 + COE Cat. 3 |
| COE - Operator Equipment | COE Cat. 1 | COE Cat. 1 |
| COE - Transmission | COE Cat. 4 | COE Cat. 4 |
| Information Originating/ Terminating Equipment | IOT | IOT |
| Cable & Wire Facilities | C&WF | C&WF |
| Plant Held for Future Telecom. Use | 2001 | 2001 |
| Amortization - Tangible Assets | 2680 | 2680 |
| Amortization - Intangible Assets | 2690 | 2690 |
| Amortization - Other | 2005 | 2005 |

| EXHIBIT 4.1 (Continued)<br>COST SEPARATION AND ALLOCATION METHODS | | |
|---|---|---|
| **Account or Category** | **Part 36 Separations Basis** | **Part 69 Allocation Basis** |
| Marketing Expenses | Cost Study | COE+IOT+C&WF+GSF |
| Service Expenses - OB&C | User Study | Limited to 5% to CL |
| Service Expenses - All Other | Cost Study | Cost Study |
| Executive & Planning Expense | Big Three Expenses | Big Three Expenses |
| General & Administrative Expense | Big Three Expenses | Big Three Expenses |
| Other Operating Taxes | 2001 | COE+IOT+C&WF+GSF |
| Investment Tax Credit | 2001 | COE+IOT+C&WF+GSF |
| Funds During Construction | 2003 | COE+IOT+C&WF+GSF |
| Contributions | Corporate Expenses | COE+IOT+C&WF+GSF |
| Interest on Capital Leases | 2680 - Capital Leases | COE+IOT+C&WF+GSF |
| Other Interest & Related Items | Net Telecommunication Plant | 2001 or Net Investment |
| Other Jurisdictional Assets | Cost Study | Cost Study |
| Other Jurisdictional Liabilities & Deferred Credit - Net | Cost Study | Cost Study |
| Investment Allowance/Disallowance | 2001 | COE+IOT+C&WF+GSF |
| Capitalized Payroll | 2001 | COE+IOT+C&WF+GSF |
| Depreciation Adjustment | 2001 | COE+IOT+C&WF+GSF |
| Expense Allowance/Disallowance | 2001 | COE+IOT+C&WF+GSF |
| Customer Deposits | 2001 Excluding Land | COE+IOT+C&WF+GSF |
| Accumulated Depreciation Allowance/Disallowance | 2001 Excluding Land | COE+IOT+C&WF+GSF |
| FIT Allowance/Disallowance | 2001 | COE+IOT+C&WF+GSF |

## C. Outlier Accommodation Methods

In constructing average schedule study regression and ratio models, influential data points that were considered to be non-typical of average schedule companies or that have an undue influence on estimated model parameters are present in the data. Since its 1998 filing, NECA has employed an Outlier Accommodation Method ("Method") to moderate the impact of these influential points in model development. This method responds to FCC concerns raised in the *June 1998 Order*[6] that recommended NECA use a more accurate and consistent method to address outliers.

The inclusion of influential points in Average Schedule Study regression and ratio estimate models is a two step process involving: (1) identification of influential points, and (2) accommodation of influential data in model development.

### 1. Outlier Accommodation Method in Regression Models

#### a. Identification of Outliers in Regression Models

There are numerous methods available in statistical literature[7] to identify influential data points in linear regression models. NECA adopts the DFFITS

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[6] NECA Proposed Modifications to the 1998-99 Interstate Average Schedule Formulas, AAD 98-20, *Order*, 13 FCC Rcd 17351 (1998)(*June 1998 Order*).

[7] A good comparison study can be found in Chatterjee, S. and Hadi, A.S. "Influential Observations, High Leverage Points, and Outliers in Linear Regression", *Statistical Science*, 1986, Vol. 1, No. 3, pp. 379-416.

measure of influence proposed by Belsley.[8] The DFFITS statistic is a scaled measure of the influence on the predicted value for the *i*th observation and is calculated by deleting the *i*th observation from the regression data. This calculated statistic is obtainable only from classical linear regression models.[9] Large values of DFFITS indicate influential observations. A distinct size-adjusted absolute cutoff point can be defined. The cutoff point is used to distinguish high influence points from others.[10]

The cutoff point suggested by Chatterjee[11] is defined as

$$C = 2\sqrt{\frac{P+1}{N-P-1}}$$

where P = number of model coefficients

N = number of observations included in model

b. <u>Accommodation of Outliers in Regression Models</u>

Outlier accommodation methods have the purpose of diminishing the variance of

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8 Belsley, David A., *(et al.)*, <u>*Regression Diagnostics: Identifying Influential Data and Sources of Collinearity*</u>, John Wiley & Sons 1980.

9 For non-linear models, an additional step is required before using the Outlier Accommodation Method. *See* Section VII.B.

10 As Belsley points out that DFFITS is "*a t-like diagnostic. - - - (that) has been scaled by an appropriate estimated standard error, which, under the Gaussian assumption, is stochastically independent of the given diagnostic*." As such, a distinct size-adjusted absolute cutoff point can be defined. *Id.* at p. 28.

11 Chatterjee, S., and Hadi, A.S., <u>*Sensitivity Analysis in Linear Regression*</u>, John Wiley & Sons 1988, pp. 121-122.

estimates by reducing the impact of influential data on models. Statistical texts conclude that methods of weighted regression will optimize the variance of a model if each point is given a weight in inverse proportion to its contribution to total model variance. In other words, if the weights for the observations are proportional to the reciprocals of the error variances, then the weighted least-squares estimates are Best Linear Unbiased Estimators.[12]

NECA uses variance weights as follows:

$$If\ \ DFFITS_i \le C\ , Then\ Variance\ Weight_i = 1$$
$$Else\ Variance\ Weight_i = \left( \frac{C\ /\ 2}{DFFITS_i} \right)^2$$

where C is the cutoff point.

The numerator of the variance weight is the median DFFITS value of points which are not influential. Thus, this variance weight compares a point which is influential to points which are not influential. Exhibit 4.2 is a graph that illustrates these variance weights. Using weights obtained by this method, weighted regression models were developed.

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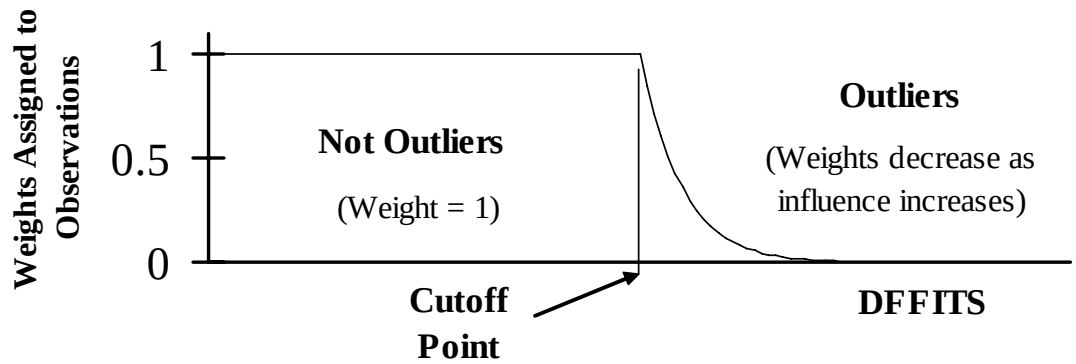
12 *See* Draper, Norman *(et al.)*, Applied Regression Analysis, John Wiley & Sons, 1966, pp. 108-115, and Judge, George *(et al.)*, The Theory and Practice of Econometrics, John Wiley & Sons, 1980, pp. 420-421.

**EXHIBIT 4.2**

**Illustrative Outlier Weights**




2. Outlier Accommodation Method for Ratio Estimates

a. Identification of Outliers for Ratio Estimates

For ratio estimates, the influence of each observation on the ratio can be calculated directly by excluding each point from the ratio one at a time. This is technically parallel to the DFFITS method adopted in regression models in identifying influential points.

$$Ratio = \frac{\sum\left(SampleWeight_i \times Y_i\right)}{\sum\left(SampleWeight_i \times X_i\right)}$$

$$Influence_j = Ratio - \frac{\sum\left(SampleWeight_i \times Y_i\right) - SampleWeight_j \times Y_j}{\sum\left(SampleWeight_i \times X_i\right) - SampleWeight_j \times X_j}$$

The cutoff point of variance weights for ratio estimates is determined by testing various scaled standard deviations of influence to produce the same proportion of influence points as in regression cases.

$$C = 2.33 \text{ x } Std\ \ Deviation\left(Influence_i\right)$$

Study areas with influence exceeding cutoff point C are then accommodated.

b. Accommodation of Outliers for Ratio Estimates

In parallel to the method of calculating variance weights for regression models, variance weights for ratio estimates are assigned as:

$$If\ \ Influence_i \le C\ , Then\, Variance\, Weight_i = 1$$
$$Else\, Variance\, Weight_i = \left(\frac{C\ /\ 2}{Influence_i}\right)^2$$

The final ratio estimate would be calculated using both sample weights and variance weights. All ratio models in this filing use this method of outlier accommodation.

D. Part 36 Separations Factor Modeling

This section describes the use of cost company separations factor data to develop models of separations factors. Separations models were developed for certain categories of Central Office Equipment and Cable & Wire Facilities, and for each Class B account of investment, expense,

reserve and tax account. The separations models rely on 2004 cost company demand data (defined in Section III.E), and cost study separations factors (defined in Section IV.B.3).

1. Model Forms

For each cost category, NECA developed a model of simplest structure with the least number of statistically significant variables, that explains the largest percentage of the variation of the separations fraction and that has correct signs for all regression coefficients.

Graphical displays and statistical regression diagnostic tools have been utilized to determine whether alternative forms and combinations of variables would lead to improved models. Weighted average ratios were chosen when data did not demonstrate statistically significant regression relationships between separations fractions and other variables.

Different model forms were tested to relate the separations percentage to various independent or indicator variables. An independent variable is one used as a predictor of another variable in a regression model. An indicator variable is one used to model separately for each of two groups of separations percentages, defined by ranges of their independent variables. The simplest of these related the separation percentage to a single independent variable. In each case, straight line (linear) forms were tested. The form that estimated the fraction of dollars in the account or category most accurately was chosen.

These model forms are illustrated below with the variables of regression models defined as:

$$P = \textit{Dependent Variable in the Model}$$

$$= \frac{\textit{Categorized Interstate Account}}{\textit{Unseparated Account}}$$

$$X = \textit{Independent Variable in the Model}$$

*Simple Straight Line Model Form:* $P = a + bX$

In some cases, model that is a combination of connected straight lines fit the data better than a simple straight line. When the intercept is not statistically significant, a proportional model results.

*Proportional Model Form:* $P = bX$

When the slope of the straight line is not statistically significant (for any or all prospective independent variables), a weighted average ratio form results.

*Weighted Average Ratio Form:* $P = a$

All Part 36 models used one of two structures. In the following paragraphs, *P* represents the estimated value of P (the separations factor) obtained from the corresponding separations model.

When no statistically significant relationship with an independent variable could be found, a simple average ratio is employed. An example of this form is COE Category 1.

Where total Cat. 1 COE is not zero, then:

$$P = \frac{Interstate\,Cat.1\ COE}{Total\ COE}$$

$$= \quad 0.000275$$

Whenever a statistically significant relationship could be found, NECA developed a regression model to estimate separations fractions. NECA tested independent variables that logically related to the fraction to be estimated in each model. For example, the C&WF Category 1.2 (Interstate Private Line + Interstate WATS) fraction is logically related to the adjusted Special Access Revenues per line.

$$P = \frac{Interstate\ Cat.\,1.2\ C\,\&\,WF}{Total\ C\,\&\,WF}$$

$$= \quad 0.004019 + 0.000641\ \ x\ \ Adj.\ Special\ Access\ Revenue\ Per\ Line$$

This relationship is expected because the adjusted special access revenues per line variable is known to correlate strongly with the interstate fraction of C&WF Category 1.2.

In addition, separations fractions can be modeled separately for each of two groups of separations percentages, defined by ranges of their independent variables. This was done to better target the interstate percentages for companies with low independent variable values, so not to over allocate because of high model intercept values. For example, the COE Category 4.11 + 4.12 (Wideband Exchange Line + Exchange Trunk) fraction is modeled separately, depending on the value of adjusted Special Access Revenues per

exchange (ASARE).

$$P = \frac{Interstate\ Cat.\ 4.11 + 4.12\ COE}{Total\ COE}$$

$$= 0.028853 + 0.000010\ x\ \ Adj.\ SA\ Rev.\ per\ Exchange,\ if\ ASARE <= 4{,}000$$

$$= 0.064853 + 0.000001\ x\ \ Adj.\ SA\ Rev.\ per\ Exchange,\ if\ ASARE > 4{,}000$$

In some instances no statistically significant evidence that the intercept was different from zero was found. A simpler proportional model (P = bX) was utilized. An example of the proportional form for GSF Equipment is:

$$P = \frac{Interstate\ GSF}{Total\ GSF}$$

$$= 1.000658\ \ x\ \ \%\ Interstate\ of\ [COE + C\&WF + IOT]$$

$$R^2 = 1.00 \qquad F = 36{,}716{,}270 \qquad t = 6{,}059$$

The separation of GSF is significantly related to the separation of COE, C&WF and IOT investment, as seen by an *R-Squared* value of 1.00.

Similar evaluations of possible independent variables were made for all models. A variable was included in a model if a basis was found in separations rules or in economic relationships, if the *t-statistic* for inclusion of the variable was significant and if the sign of the coefficient was logically acceptable.

Variables were considered for inclusion in these models only if they could be obtained from both cost and average schedule companies. In some cases, logical variables were

available for cost companies, but not for average schedule companies. For example, cost study areas that have COE Category 2 investment measure tandem switched minutes for separations studies. This variable could not be used to evaluate the separations model for average schedule companies, however, since average schedule companies do not measure tandem switched minutes. Alternatively, average schedule companies report intertoll dial circuit for settlements, while cost companies do not. NECA estimated intertoll dial circuit counts for each cost company, based on the relationship between intertoll dial circuits and line haul toll circuit terminations from the average schedule company data, using the following simple average ratio.

*Cost Company Intertoll Dial Circuits = 0.252385 x Total Cost Company Interstate Circuit Terminations*

While most demand variables used in these models were from the year 2004, corresponding to the cost study year, NECA found that for the COE Category 3 Local Switching separation model, year 2002 high volume access minutes demand data were superior. Mimicking decisions of carriers to plan new construction once customer demand increases, this lagging demand variable was shown to have stronger correlation with COE category 3 investments, both in terms of individual *t-statistics* and an overall fit. The access minutes were grouped into normal volume and high volume categories using 330 minutes per line as the breakpoint, as follows:

*Normal Volume Minutes Per Line*
*= Minimum (Total Minutes Per Line, 330)*

*High Volume Minutes Per Line*
*= Total Minutes Per Line – Normal Volume Minutes Per Line*

The breakpoint of 330 minutes per line separates study areas into groups of either high or normal COE Category 3 separation fractions.

Only normal volume minutes per line were weighted by the Dial Equipment Minutes (DEM) weight, because study areas with high volume traffic generally have their separation factors capped at 0.85, reducing the relationship between DEM weight and high volume minutes per line. Using this specification more accurately allocates total COE to interstate Category 3 for study areas with high traffic volumes.

For the COE Category 4.11 + 4.12 separation model, adjusted special access revenues per exchange were included separately for companies with fewer than 4,000 and over 4,000 adjusted special access revenues per exchange.

For the COE Category 4.2 separation model, adjusted special access revenues per line were included separately for companies with and without wideband costs and terminations per line were included separately for companies with fewer than 0.04 and over 0.04 terminations per line.

For the C&WF Category 3 separation model, circuit miles per termination were grouped into categories of either normal route or long route using 100 circuit miles per termination as the breakpoint. Then for the long route companies, the first 60 circuit miles per termination is quantified as normal route miles with the remaining as long route miles. These breakpoints were determined graphically by examining the relationship between the interstate percent of C&WF Category 3 and circuit miles per termination. In addition, normal route circuit miles per termination were included separately for

companies with fewer than 9 and over 9 normal circuit route miles per termination.

NECA determines minimum and maximum values of separation factors from cost company modeling results as shown in Exhibit 4.3. These values are used to limit average schedule company separations factors obtained from separations models. If the average schedule company interstate portion calculated from a model was higher than the cost company maximum limit or lower than the cost company minimum limit, the corresponding limit was used as the average schedule company's separations factor. The test was not applied to regression models dependent upon other accounts' separations factors, which were already constrained within cost company model limits.

2. Separation Factor Models

All separations factor models are displayed in Exhibit 4.3. When a regression model was used, the associated *t-statistic*, *R-Square statistic*, and *F-statistic* values are shown.

# EXHIBIT 4.3

## PART 36 SEPARATION FACTOR MODELS

**COE Category 1 - Operator Systems**

If total Cat. 1 COE is not zero, then:

$$P = \frac{\text{Interstate Cat. 1 COE}}{\text{Total COE}}$$

$$= 0.000275$$

**COE Category 2 - Tandem Switching**

If total Cat. 2 COE is not zero, then:

$$P = \frac{\text{Interstate Cat. 2 COE}}{\text{Total COE}}$$

$$= 0.015295 + 0.001166 \times \text{Interstate Toll Circuit Miles per Line}$$

Minimum = 0.015318
Maximum = 0.044341

$R^2$ = 0.03 $F$ = 1.09 $t$ = 1.04

**COE Category 3 - Local Switching**

If total Cat. 3 COE is not zero, then:

$$P = \frac{\text{Interstate Cat. 3 COE}}{\text{Total COE}}$$

$$= 0.048132 + 0.000319 \times \text{DEM Weight} \times \text{Year 2004 Normal Volume Minutes per Line} + 0.000391 \times \text{Year 2002 High Volume Minutes per Line}$$

Minimum = 0.118055
Maximum = 0.654546

$R^2$ = 0.28 $F$ = 38.66 $t_1$ = 7.37 $t_2$ = 1.55

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**COE Category 4.11 Plus 4.12 - Wideband Exchange Line + Exchange Trunk**

If interstate Cat. (4.11 + 4.12) COE is not zero, then:

$$P = \frac{\text{Interstate COE Cat. 4.11 + Cat. 4.12}}{\text{Total COE}}$$

= 0.028853 + 0.000010 x Adjusted Special Access Revenues per Exchange (ASARE), if ASARE <= 4,000

= 0.064853 + 0.000001 x Adjusted Special Access Revenues per Exchange (ASARE), if ASARE > 4,000

Minimum = 0.030692
Maximum = 0.159132

$R^2$ = 0.09 $F$ = 7.80 $t_1$ = 2.43 $t_2$ = 1.73

**COE Category 4.13 - Exchange Line Circuit Excluding Wideband**

$$P = \frac{\text{Interstate Cat. 4.13 COE}}{\text{Total COE}}$$

= 0.087081

**COE Category 4.2 - Interexchange Circuit**

If total Cat. 4.2 COE is not zero, then:

$$P = \frac{\text{Interstate Cat. 4.2 COE}}{\text{Total COE}}$$

= 0.003264 + 1.060136 x Terminations per Line (TL)
+ 0.001858 x Adjusted Special Access Revenues per Line with Wideband
+ 0.012866 x Adjusted Special Access Revenues per Line without Wideband,

if TL <= 0.04

= 0.042618 + 0.076292 x Terminations per Line (TL)
+ 0.001858 x Adjusted Special Access Revenues per Line with Wideband
+ 0.012866 x Adjusted Special Access Revenues per Line without Wideband,

if TL > 0.04

Minimum = 0.014038
Maximum = 0.314645

$R^2$ = 0.21 $F$ = 12.56 $t_1$ = 1.86 $t_2$ = 1.48 $t_3$ = 1.64 $t_4$ = 5.68

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**COE Category 4.3 - Host/Remote Message Circuit**

If total Cat. 4.3 COE is not zero, then:

$$P = \frac{\text{Interstate Cat. 4.3 COE}}{\text{Total COE}}$$

$$= 0.006604 + 0.041075 \times \text{Host Remote Circuit per Termination}$$

Minimum = 0.006604
Maximum = 0.047679

$R^2$ = 0.18 $F$ = 24.81 $t$ = 4.98

**C&WF Category 1.2 - Interstate Private Line + Interstate WATS**

If total Cat. 1.2 C&WF is not zero, then:

$$P = \frac{\text{Interstate Cat. 1.2 C\&WF}}{\text{Total C\&WF}}$$

$$= 0.004019 + 0.000641 \times \text{Adjusted Special Access Revenues per Line}$$

Minimum = 0.004095
Maximum = 0.016648

$R^2$ = 0.07 $F$ = 13.26 $t$ = 3.64

**C&WF Category 1.3 - Subscriber Common Line - Joint Interstate/Intrastate Use**

$$P = \frac{\text{Interstate Cat. 1.3 C\&WF}}{\text{Total C\&WF}}$$

$$= 0.228530 - 0.003988 \times \text{Circuit Miles per Line} + 0.002885 \times \text{Long Route Circuit Miles per Line}$$

Minimum = 0.108407
Maximum = 0.228530

$R^2$ = 0.21 $F$ = 26.95 $t_1$ = -6.00 $t_2$ = 2.56

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**C&WF Category 2 - Wideband Exchange Trunk**

If interstate Cat. (4.11 + 4.12) COE is not zero, then:

$$P = \frac{\text{Interstate Cat. 2 C\&WF}}{\text{Total C\&WF}}$$

$$= 0.015133$$

**C&WF Category 3 - Interexchange**

If interstate Cat. 3 C&WF is not zero, then:

$$P = \frac{\text{Interstate Cat. 3 C\&WF}}{\text{Total C\&WF}}$$

= 0.008170 + 0.001951 x Normal Route Circuit Miles per Termination (NRCMT)
+ 0.000118 x Long Route Circuit Miles per Termination,
if NRCMT <= 9

= 0.022246 + 0.000387 x Normal Route Circuit Miles per Termination (NRCMT)
+ 0.000118 x Long Route Circuit Miles per Termination,
if NRCMT > 9

Minimum = 0.008168
Maximum = 0.066197

$R^2$ = 0.09 $F$ = 6.58 $t_1$ = 1.36 $t_2$ = 2.36 $t_3$ = 0.69

**C&WF Category 4 - Host/Remote Message**

If interstate Cat. 4 C&WF is not zero, then:

$$P = \frac{\text{Interstate Cat. 4 C\&WF}}{\text{Total C\&WF}}$$

= 0.000526 + 0.000056 x Host Remote Circuit Miles per Host Remote Circuit
+ 7.389691 x Exchange per Line

Minimum = 0.001885
Maximum = 0.047460

$R^2$ = 0.32 $F$ = 26.36 $t_1$ = 1.39 $t_2$ = 6.78

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**GSF - General Support Facilities Equipment**

$$P = \frac{\text{Interstate GSF}}{\text{Total GSF}}$$

$$= 1.000658 \times \text{\% Interstate of Total [COE + C\&WF + IOT]}$$

$R^2$ = 1.00 $F$ = 36,716,270 $t$ = 6,059

**Tangibles - Account 2680**

$$P = \frac{\text{Interstate Tangibles}}{\text{Total Tangibles}}$$

$$= 1.118731 \times \text{\% Interstate of Total [COE + C\&WF + IOT]}$$

$R^2$ = 0.84 $F$ = 195.11 $t$ = 13.97

**Intangibles - Account 2690**

$$P = \frac{\text{Interstate Intangibles}}{\text{Total Intangibles}}$$

$$= 1.000743 \times \text{\% Interstate of Total 2001 (Excluding 2690)}$$

$R^2$ = 1.00 $F$ = 13,447,140 $t$ = 3,667

**Telecommunications Plant - Other - Accounts 2002 + 2003 + 2005**

$$P = \frac{\text{Interstate of Total 2002 + 2003 + 2005}}{\text{Total 2002 + 2003 + 2005}}$$

$$= 0.999981 \times \text{\% Interstate of Total 2001}$$

$R^2$ = 1.00 $F$ = 20,653,394 $t$ = 4,545

**Materials & Supplies - Account 1220**

$$P = \frac{\text{Interstate Materials \& Supplies}}{\text{Total Materials \& Supplies}}$$

$$= 1.000044 \times \text{\% Interstate of C\&WF}$$

$R^2$ = 1.00 $F$ = 709,124,794 $t$ = 26,629

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**RTB Stock - Account 1402**

$$P = \frac{\text{Interstate RTB Stock}}{\text{Total RTB Stock}}$$

$$= 0$$

**Accumulated Depreciation - Accounts 3100 + 3200**

$$P = \frac{\text{Interstate Accumulated Depreciation}}{\text{Total Accumulated Depreciation}}$$

$$= 1.018674 \times \text{\% Interstate of Total 2001}$$

$R^2 = 1.00$ $F = 107{,}427$ $t = 327.76$

**Accumulated Amortization - Accounts 3400 + 3500 + 3600**

$$P = \frac{\text{Interstate Accumulated Amortization}}{\text{Total Accumulated Amortization}}$$

$$= 1.007782 \times \text{\% Interstate of Total 2001}$$

$R^2 = 1.00$ $F = 17{,}482$ $t = 132.22$

**Net Deferred Federal Income Taxes - Accounts 4100 + 4340 + 4370**

$$P = \frac{\text{Interstate Net Deferred Federal Income Taxes}}{\text{Total Net Deferred Federal Income Taxes}}$$

$$= 0.359075$$

**Network Support Expense - Account 6110**

$$P = \frac{\text{Interstate of Network Support Expense}}{\text{Total Network Support Expense}}$$

$$= 1.000717 \times \text{\% Interstate of Total [COE + C\&WF + IOT]}$$

$R^2 = 1.00$ $F = 24{,}913{,}700$ $t = 4{,}991$

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**General Support Expense - Account 6120**

$$P = \frac{\text{Interstate of GSF Expense}}{\text{Total GSF Expense}}$$

$$= 1.000658 \times \text{\% Interstate of Total [COE + C\&WF + IOT]}$$

$R^2$ = 1.00 $F$ = 36,716,296 $t$ = 6,059

**COE Expense - Account 6210**

$$P = \frac{\text{Interstate of COE}}{\text{Total COE}}$$

$$= 1.002025 \times \text{\% Interstate of COE}$$

$R^2$ = 1.00 $F$ = 4,666,396 $t$ = 2,160

**C&WF Expense - Account 6410**

$$P = \frac{\text{Interstate of C\&WF Expense}}{\text{Total C\&WF Expense}}$$

$$= \text{\% Interstate of C\&WF}$$

$R^2$ = 1.00 $F$ = Infinity $t$ = Infinity

**Other Property, Plant & Equipment Expense - Account 6510**

$$P = \frac{\text{Interstate of Account 6510}}{\text{Total Account 6510}}$$

$$= 1.000236 \times \text{\% Interstate of Total 2001}$$

$R^2$ = 1.00 $F$ = 145,763,602 $t$ = 12,073

**Network Operations Expense - Account 6530**

$$P = \frac{\text{Interstate of Network Operations Expense}}{\text{Total Network Operations Expense}}$$

$$= 1.003379 \times \text{\% Interstate of Total [COE + C\&WF + IOT]}$$

$R^2$ = 1.00 $F$ = 1,551,991 $t$ = 1,246

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**Depreciation and Amortization Expense - Account 6560**

$$P = \frac{\text{Interstate Depreciation and Amortization Expense}}{\text{Total Depreciation and Amortization Expense}}$$

$$= -0.028984 + 1.152614 \times \%\ \text{Interstate of Total 2001}$$

$R^2$ = 0.93 $F$ = 2,530 $t$ = 50.30

**Marketing Expense - Account 6610**

$$P = \frac{\text{Interstate Marketing Expense}}{\text{Total Marketing Expense}}$$

$$= 0.198662 + 0.318497 \times \%\ \text{Interstate of Total [COE + C\&WF + IOT]}$$

$R^2$ = 0.04 $F$ = 6.03 $t$ = 2.46

**Services Expense - Account 6620**

$$P = \frac{\text{Interstate Services Expense}}{\text{Total Services Expense}}$$

$$= 0.260889 + 0.167770 \times \%\ \text{Interstate of Total 2001}$$

$R^2$ = 0.03 $F$ = 5.81 $t$ = 2.41

**Executive & Planning Expense - Account 6710**

$$P = \frac{\text{Interstate Executive and Planning Expense}}{\text{Total Executive and Planning Expense}}$$

$$= 1.001000 \times \%\ \text{Interstate of Total Big Three Expenses}$$

$R^2$ = 1.00 $F$ = 22,330,461 $t$ = 4,726

**General & Administrative Expense - Account 6720**

$$P = \frac{\text{Interstate General and Administrative Expense}}{\text{Total General and Administrative Expense}}$$

$$= 0.043858 + 1.020508 \times \%\ \text{Interstate of Total Big Three Expenses}$$

$R^2$ = 0.80 $F$ = 788.77 $t$ = 28.09

# EXHIBIT 4.3 (Continued)

## PART 36 SEPARATION FACTOR MODELS

**Other Operating Taxes - Account 7200**

$$P = \frac{\text{Interstate Account 7200}}{\text{Total Account 7200}}$$

$$= 0.047093 + 0.916973 \times \text{\% Interstate of Total 2001}$$

$R^2 = 0.59$ $F = 284.53$ $t = 16.87$

**Federal Investment Tax Credit**

If study area is subject to Federal Income Tax,

$$P = \frac{\text{Interstate of Investment Tax Credit}}{\text{Total Investment Tax Credit}}$$

$$= 1.012597 \times \text{\% Interstate of Total Net Plant}$$

$R^2 = 0.98$ $F = 2{,}023$ $t = 44.98$

**Non-Operating Income and Expense**

$$P = \frac{\text{Interstate of Non-Operating Income and Expense}}{\text{Total Non-Operating Income and Expense}}$$

$$= 0.064961 + 0.937213 \times \text{\% Interstate of Total 2001}$$

$R^2 = 0.73$ $F = 407.64$ $t = 20.19$

**Interest & Related Items - Account 7500**

$$P = \frac{\text{Interstate of Total 2001}}{\text{Total 2001}}$$

$$= 0.971238 \times \text{\% Interstate of Total 2001}$$

$R^2 = 0.99$ $F = 30{,}646$ $t = 175.06$

## E. Part 69 Allocation Factor Modeling

This section describes the use of access allocation factor data to develop models relating access allocations to other variables.

### 1. Methods and Data

Most categories of cost are allocated according to Part 69 rules either by a 100 percent direct assignment rule or by a simple indirect allocation rule. Only a few cost categories have allocations complex enough to require a model to apportion them among access categories.[13]

As with the development of Part 36 models, NECA developed models of simplest form with statistically significant independent variables. These models explained the largest percentage of variation of allocation fractions and had coefficients with acceptable signs.

Using graphical displays and statistical regression analysis, alternative forms and combinations of variables were tested. Simple weighted average ratios were chosen when the data did not demonstrate any statistically significant relationship between the allocation fractions and the other variables.

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[13] Exhibit 4.1 shows the methods used in this average schedule study to allocate cost company accounts to access categories.

NECA selected model variables based on relationships designated in Part 69 rules or correlations with other variables designated in the Part 69 rules. The dependent variable in each model is the ratio of cost in an individual access category to total interstate cost. For example, the following variables were used to develop the model for Common Line Accumulated Amortization:

$$\textit{\% CL of Accumulated Amortization} = \frac{\textit{Common Line Accumulated Amortization}}{\textit{Interstate Accumulated Amortization}}$$

$$\textit{\% CL of Interstate 2001} = \frac{\textit{Common Line Account 2001}}{\textit{Interstate Account 2001}}$$

Exhibit 4.4 lists all variables tested as independent variables in these allocation factor models. Results are shown in Exhibits 4.5, 4.6, and 4.7.

Some models used independent variables designated by Part 69 rules. The Depreciation Expense models are examples of such models. According to Part 69 rules, Depreciation Expense is apportioned to access categories in proportion to related components of Telecommunications Plant in Service, the total of which is the independent variable in these models.

Other models use variables correlated with variables designated by Part 69 rules. The Category 3 Cable & Wire Facilities model is an example of such a model. The ratios of circuit miles to access lines and adjusted special access revenues to access lines are correlated with the usage-based assignment prescribed by Part 69.

| EXHIBIT 4.4<br>INDEPENDENT VARIABLES TESTED IN MODEL DEVELOPMENT | |
|---|---|
| **Variable Name** | **Calculation** |
| % Access of Interstate 2001 | Access Category Telecommunications Plant in Service / Total Interstate Telecommunications Plant in Service |
| % Access of Interstate Other Plant | Access Category Telecommunications Plant – Other / Total Interstate Telecommunications Plant – Other |
| % Access of Interstate Big Three Expenses | Access Category Big Three Expenses / Total Interstate Big Three Expenses |
| % Access of Interstate Big Three Expenses Less Services Expense | Access Category Big Three Expenses Minus Services / Total Interstate Big Three Expenses Minus Services |
| % Access of Plant Specific Expense | Access Category Plant Specific Expense / Total Interstate Plant Specific Expense |
| % Access of Plant Non-Specific Expense | Access Category Plant Non-Specific Expense / Total Interstate Plant Non-Specific Expense |
| % Access of Customer Operations Expense | Access Category Customer Operations Expense / Total Interstate Customer Operations Expense |
| Adjusted Special Access Revenues per Line | Adjusted Special Access Revenues / Access Lines |
| Adjusted Special Access Revenues per Exchange | Adjusted Special Access Revenues / Exchanges |
| Adjusted Special Access Revenues per Termination | Adjusted Special Access Revenues / Terminations |
| Circuit Miles Per Line | Circuit Miles / Access Lines |
| Circuit Miles Per Termination | Circuit Miles / Terminations |
| Interstate Toll Circuit Miles Per Termination | Interstate Circuit Miles + Joint Interstate Circuit Miles / Terminations |
| Normal Route Circuit Miles Per Termination | Normal Route Circuit Miles / Terminations |
| Long Route Circuit Miles Per Termination | Long Route Circuit Miles / Terminations |
| Host Remote Circuit Miles Per Termination | Host Remote Circuit Miles / Terminations |
| Host Remote Circuits Per Termination | Host Remote Circuits / Terminations |
| Normal Volume Minutes Per Line | Normal Volume Minutes / Access Lines |
| High Volume Minutes Per Line | High Volume Minutes / Access Lines |

## 2. Part 69 Allocation Models

### a. Expense and Reserve Models

Structured according to Part 69 allocation rules, these models related the percentage of interstate access category expenses or reserves to the respective percentage of interstate Telecommunications Plant in Service. The strength of these Part 69 models, as evidenced by the high *R-Square*, *F-statistic* and *t-statistic* values, is attributed to the very close relationship between the variables used in the model and the factors defined in the rules.

Exhibit 4.5 displays models developed for certain expense and reserve accounts.

# EXHIBIT 4.5

## PART 69 – EXPENSE AND RESERVE ALLOCATION MODELS

### Accumulated Depreciation

| | | | | |
|---|---|---|---|---|
| %CL | = | 0.957812 | x | % CL of Interstate 2001 |
| %CO | = | 1.091332 | x | % CO of Interstate 2001 |
| %SA | = | 0.969223 | x | % SA of Interstate 2001 |
| %TR | = | 0.974330 | x | % TR of Interstate 2001 |

| | $R^2$ | *F* | *t* | Minimum | Maximum |
|---|---|---|---|---|---|
| %CL Model | 0.99 | 25,620 | 160 | 0.074902 | 0.919670 |
| %CO Model | 0.97 | 7,048 | 84 | 0.015423 | 0.764447 |
| %SA Model | 0.99 | 19,832 | 141 | 0.000000 | 0.557527 |
| %TR Model | 0.99 | 25,574 | 160 | 0.000000 | 0.561077 |

### Net Deferred Income Taxes

| | | |
|---|---|---|
| %CL | = | 0.470004 |
| %CO | = | 0.287659 |
| %SA | = | 0.157003 |
| %TR | = | 0.085334 |

### Accumulated Amortization

| | | | | |
|---|---|---|---|---|
| %CL | = | 0.997283 | x | % CL of Interstate 2001 |
| %CO | = | 1.014159 | x | % CO of Interstate 2001 |
| %SA | = | 1.001885 | x | % SA of Interstate 2001 |
| %TR | = | 0.997507 | x | % TR of Interstate 2001 |

| | $R^2$ | *F* | *t* | Minimum | Maximum |
|---|---|---|---|---|---|
| %CL Model | 0.99 | 10,258 | 101 | 0.077989 | 0.696764 |
| %CO Model | 0.97 | 2,026 | 45 | 0.054946 | 0.706706 |
| %SA Model | 1.00 | 16,921 | 130 | 0.014982 | 0.518402 |
| %TR Model | 1.00 | 22,125 | 149 | 0.002135 | 0.574424 |

### Depreciation and Amortization Expense

| | | | | | | |
|---|---|---|---|---|---|---|
| %CL | = | -0.049785 | + | 0.959898 | x | % CL of Interstate 2001 |
| %CO | = | 0.044098 | + | 1.087062 | x | % CO of Interstate 2001 |
| %SA | = | 1.008396 | x | % SA of Interstate 2001 | | |
| %TR | = | 0.004006 | + | 0.944788 | x | % TR of Interstate 2001 |

| | $R^2$ | *F* | *t* | Minimum | Maximum |
|---|---|---|---|---|---|
| %CL Model | 0.91 | 1,897 | 44 | 0.025280 | 0.871887 |
| %CO Model | 0.82 | 923 | 30 | 0.059461 | 0.805553 |
| %SA Model | 0.98 | 11,024 | 105 | 0.000000 | 0.580061 |
| %TR Model | 0.94 | 3,392 | 58 | 0.004006 | 0.548070 |

# EXHIBIT 4.5 (Continued)

## PART 69 – EXPENSE AND RESERVE ALLOCATION MODELS

**Services Expenses**

| | | | | | | |
|---|---|---|---|---|---|---|
| %CL | = | 0.087455 | + | 0.290514 | x | % CL of Interstate 2001 |
| %CO | = | 0.076316 | + | 0.570682 | x | % CO of Interstate 2001 |
| %SA | = | 0.014850 | + | 0.490470 | x | % SA of Interstate 2001 |
| %TR | = | 0.012004 | + | 0.558300 | x | % TR of Interstate 2001 |

| | $R^2$ | $F$ | $t$ | Minimum | Maximum |
|---|---|---|---|---|---|
| %CL Model | 0.11 | 25 | 5.00 | 0.110173 | 0.366399 |
| %CO Model | 0.42 | 146 | 12.09 | 0.084381 | 0.476062 |
| %SA Model | 0.39 | 125 | 11.19 | 0.014850 | 0.296984 |
| %TR Model | 0.74 | 556 | 23.59 | 0.012004 | 0.333506 |

b. Central Office Equipment Models

Exhibit 4.6 lists those categories of Central Office Equipment that require models. Direct assignment rules used for other categories are summarized in Exhibit 6.5.

For combined COE Categories 4.11 and 4.12, NECA developed weighted average allocation fractions because the data did not display significant correlations with other variables.

For COE Category 2 - Tandem Switching Equipment, the allocation was 100 percent transport.

# EXHIBIT 4.6

## PART 69 – CENTRAL OFFICE EQUIPMENT ALLOCATION MODELS

### COE Category 1 - Operator Systems

%CL = 0.00
%CO = 0.444962
%SA = 0.00
%TR = 0.00

### Category 2 - Tandem Switching Equipment

%CL = 0.00
%CO = 0.00
%SA = 0.00
%TR = 1.000000

### Category 4.11 and 4.12 - Exchange Circuit

If Adjusted Special Access Revenues are not equal to zero:

%CL = 0.00
%CO = 0.00
%SA = 0.998734
%TR = 0.001266

If Adjusted Special Access Revenues equal zero:

%CL = 0.00
%CO = 0.00
%SA = 0.00
%TR = 1.00

### Category 4.13 - Exchange Line Circuit Equipment Excluding Wideband

If Adjusted Special Access Revenues are not equal to zero:

| | | | | | | | $R^2$ | $F$ | $t$ |
|---|---|---|---|---|---|---|---|---|---|
| %CL | = | 0.985932 | – | 0.002993 | x | Adjusted SA Revenues per Line | 0.08 | 18.27 | –4.27 |
| %CO | = | 0.00 | | | | | | | |
| %SA | = | 0.014068 | + | 0.002993 | x | Adjusted SA Revenues per Line | 0.08 | 18.27 | 4.27 |
| %TR | = | 0.00 | | | | | | | |

If Adjusted Special Access Revenues equal zero:

%CL = 1.00
%CO = 0.00
%SA = 0.00
%TR = 0.00

# EXHIBIT 4.6 (Continued)

## PART 69 – CENTRAL OFFICE EQUIPMENT ALLOCATION MODELS

| **Category 4.2 - Interexchange Circuit Equipment** | | | | | | | | $R^2$ | $F$ | $t$ |
|---|---|---|---|---|---|---|---|---|---|---|
| If Adjusted Special Access Revenues are not equal to zero: | | | | | | | | | | |
| %CL | = | 0.00 | | | | | | | | |
| %CO | = | 0.00 | | | | | | | | |
| %SA | = | 0.333035 | + | 0.001150 | x | Adjusted SA Revenues per Termination | | 0.04 | 7.47 | 2.73 |
| %TR | = | 0.666965 | – | 0.001150 | x | Adjusted SA Revenues per Termination | | 0.04 | 7.47 | –2.73 |
| If Adjusted Special Access Revenues equal zero: | | | | | | | | | | |
| %CL | = | 0.00 | | | | | | | | |
| %CO | = | 0.00 | | | | | | | | |
| %SA | = | 0.00 | | | | | | | | |
| %TR | = | 1.00 | | | | | | | | |

c. Cable & Wire Facilities Models

Exhibit 4.7 lists all categories of Cable & Wire Facilities that require models. Categories not displayed are directly assigned by Part 69 rules as summarized in Exhibit 6.5.

For Category 2 - Wideband and Exchange Trunk, NECA used weighted averages because the data did not demonstrate any significant correlations.

For Category 4 - Host/Remote Message, the allocation was 100 percent transport.

The separations and allocation models defined in this section were used to develop the Part 36 and Part 69 costs for sample average schedule companies, as described in Section VI.

# EXHIBIT 4.7

## PART 69 - CABLE & WIRE FACILITIES ALLOCATION MODELS

### Category 2 - Wideband and Exchange Trunk

If Adjusted Special Access Revenues are not equal to zero:

| | | |
|---|---|---|
| %CL | = | 0.00 |
| %CO | = | 0.00 |
| %SA | = | 0.997288 |
| %TR | = | 0.002712 |

If Adjusted Special Access Revenues equal zero:

| | | |
|---|---|---|
| %CL | = | 0.00 |
| %CO | = | 0.00 |
| %SA | = | 0.00 |
| %TR | = | 1.00 |

### Category 3 - Interexchange

If Adjusted Special Access Revenues are not equal to zero:

| | | | | | | | $R^2$ | $F$ | $t_1$ | $t_2$ |
|---|---|---|---|---|---|---|---|---|---|---|
| %CL | = | 0.00 | | | | | | | | |
| %CO | = | 0.00 | | | | | | | | |
| %SA | = | 0.255345 | – | 0.011208 | x | Circuit Miles per Line | 0.04 | 4.46 | –1.87 | 2.74 |
| | | | + | 0.025090 | x | Adjusted SA Revenues per Line | | | | |
| %TR | = | 0.744655 | + | 0.011208 | x | Circuit Miles per Line | 0.04 | 4.46 | 1.87 | –2.74 |
| | | | – | 0.025090 | x | Adjusted SA Revenues per Line | | | | |

If Adjusted Special Access Revenues equal zero:

| | | |
|---|---|---|
| %CL | = | 0.00 |
| %CO | = | 0.00 |
| %SA | = | 0.00 |
| %TR | = | 1.00 |

### Category 4 - Host/Remote Message

| | | |
|---|---|---|
| %CL | = | 0.00 |
| %CO | = | 0.00 |
| %SA | = | 0.00 |
| %TR | = | 1.00 |

## F. Additional Account Adjustments

NECA used cost study data to determine three account adjustment factors described below. These factors are used to develop average schedule revenue requirements as described in Section V.B.2.

### 1. Interest on Customer Deposits

The operating portion of total Interest and Related Items was further multiplied by a factor of 0.006597 to calculate Interest on Customer Deposits. Interest on Customer Deposits receives different treatment than other Interest expense in the Commission's rules governing revenue requirement calculation and hence must be derived for average schedule companies. The factor was calculated as the weighted average fraction of Interest on Customer Deposits to Interest and Related Items from sample 2004 cost study data. This factor is applied to Average Schedule Company Total Interest and Related Items.

### 2. Investment Tax Credits

The uniform system of accounts does not prescribe the reporting of Investment Tax Credit (ITC). Although ITC data are developed in reports of income tax liabilities, these amounts are not reported by Average Schedule study areas. Consequently, NECA used a factor based on sample cost companies to estimate Average Schedule amounts of ITC. The factor of 0.000144 was calculated as the ratio of weighted unseparated ITC over weighted unseparated Net Plant from 2004 Cost Study data. This factor is applied to Average Schedule Company Total Net Plant amounts.

### 3. Charitable Contributions

Similarly, not all sample average schedule companies separately record amounts of Charitable Contributions. Since the charitable contribution data are available from cost companies, a factor based on sample cost companies was developed to estimate Average Schedule amounts of charitable contributions. The factor of 0.001738 was calculated as the weighted ratio of unseparated charitable contributions over unseparated Expenses and Other Taxes (EOT) from 2004 Cost Study data. This factor is applied to Average Schedule Company Total EOT amounts.

## G. Cost Study Factors

Three cost study factors were used in Section VII.J to allocate SS7 costs to the interstate jurisdiction and to apply loading for maintenance and corporate operations expenses. These factors were developed from weighted sample cost company cost studies as shown in Exhibit 4.8.

**EXHIBIT 4.8**

**DEVELOPMENT OF SS7 COST STUDY FACTORS**

$$\text{COE Switching Factor} = \frac{\Sigma\,[(\text{Sample Weight}) \times (\text{Interstate COE Cat. 3})]}{\Sigma\,[(\text{Sample Weight}) \times (\text{Unseparated COE Cat. 3})]}$$

$$= 0.575237$$

$$\text{COE Maintenance Factor} = \frac{\Sigma\,[(\text{Sample Weight}) \times (\text{Central Office Equipment Expense})]}{\Sigma\,[(\text{Sample Weight}) \times (\text{Central Office Equipment Investment})]}$$

$$= 0.083740$$

$$\text{COE Corporate Operations Factor} = \frac{\Sigma\,[(\text{Sample Weight}) \times (\text{CO Corporate Operations Expense})]}{\Sigma\,[(\text{Sample Weight}) \times (\text{CO Telecom. Plant In Service})]}$$

$$= 0.061263$$

Additional cost study factors were developed to calculate the average effective Federal Income Tax rate for total, interstate and each access category. To calculate these effective tax rates for average schedule companies, the 2004 cost study data of sample cost companies that are subject to federal income tax were used. These average effective tax rates are used to calculate Average Schedule Company Federal Income Tax in Section VI.F. The following method was used to calculate these rates. Results are shown in Exhibit 4.9.

$$\text{Average Effective Tax Rate} = \frac{\Sigma\,[(\text{Grossed Up Federal Income Tax} - (\text{Investment Tax Credit} + \text{Deferred Tax Provision})) \times (\text{Sample Weight})]}{\Sigma\,[(\text{Net Return} - \text{Total Income Adjustments}) \times (\text{Sample Weight})]}$$

| EXHIBIT 4.9 | |
|---|---|
| **EFFECTIVE TAX RATES** | |
| **Category** | **Tax Rate** |
| Unseparated | *0.290456* |
| Interstate | *0.293278* |
| Common Line | *0.293673* |
| Central Office | *0.285627* |
| Special Access | *0.294508* |
| Transport | *0.307190* |

# V. DATA PROJECTIONS

## A. Introduction

For average schedule settlement formula development, NECA used historical demand and accounting data from average schedule study areas. Demand data used were those accepted by NECA from companies for monthly settlements. Accounting data were taken from the financial statements prepared by individual carriers and submitted as a part of NECA's annual data collection. These sources of data are preferred over budgets or forecasts done by the exchange carriers because they reflect each carrier’s actual cost and demand levels and reduce the burden on individual study areas caused by additional requests.

NECA used these data to uniformly develop test period projections of account balances and demand. The test period for the 2006 Study is the year beginning July 1, 2007 and ending June 30, 2008, the period when the settlement formulas from this study would be in effect. Settlement formulas derived from these projected data will be used to calculate monthly settlements for each carrier during the upcoming test period.

This study continues using the stratified method of account growth analysis introduced in the 2000 Study. The sample companies were assigned to strata, based on access line size, and a separate set of growth ratios was calculated for each stratum. This stratification improves the overall accuracy of account growth forecasts because account balance growth tends to vary according to company size.

For additional reliability, NECA computed stratified composite average growth ratios by separately averaging 2005 Sample growth ratios with 2004 Sample growth ratios. These composite growth ratios were then applied to the accounts of individual sample study areas to calculate test period account values. A description of this method is included in Section V.B.

Test period demand projections were based on trends measured from a multi-year history of the average schedule population. Historical demand data taken from data reported to the NECA pool were used to develop growth models and calculate multi-year growth ratios. These multi-year growth ratios were multiplied by the average base period demand value of each sample average schedule study area to calculate test period demand values. Sections V.C through V.H describe the use of these methods to forecast each demand variable. The forecasted data described in this section were used to calculate test period access category revenue requirements described in Section VI.F, and settlement formulas described in Section VII.

## B. Account Forecasting

Year over year growth ratios were calculated for each account in each line size stratum of the 2005 Sample. Calculation of these ratios involved the Outlier Accommodation Method For Ratio Estimates, described in Section IV.C.2. To lower the variance found in growth ratios computed from a single sample, NECA used composite growth ratios developed by averaging the 2006 Study growth ratios with those developed in the 2005 Study.[1]

### 1. Stratification of the 2005 Sample

In prior studies, NECA found that different growth trends were experienced by companies of different sizes. NECA introduced stratification into account growth analysis to reflect these

[1] Accounting data supplied by the 2005 Average Schedule Sample are reported in Appendices C1 and C2. Accounting data supplied by the 2004 Average Schedule Sample are reported in Appendices C4 and C5.

differences. The 2006 Study continues using this methodology. Study areas in the 2005 Sample were separated into three strata based on access line size as of December 2003, including all adjustments through December 2005.

- Stratum 1 - Study Areas with less than 4,000 access lines
- Stratum 2 - Study Areas with between 4,000 and 10,000 access lines
- Stratum 3 - Study Areas with more than 10,000 access lines

2. Account Estimation

In order to include only telephone operating costs in this study, NECA apportioned the Interest and Related Items account between the operating and non-operating categories. As described below, some average schedule accounts and subaccounts were estimated using ratios from sample cost company data.

- The FCC rules governing the calculation of interstate revenue requirements mandate different treatment for Interest on Customer Deposits than for other Operating Interest and Related Items.[2] Since sample average schedule companies do not provide separate subaccount data for Interest on Customer Deposits, this subaccount was derived by applying a factor, 0.006597, to Operating Interest and Related Items. This factor was derived for this purpose from sample cost company cost studies, as described in Section IV.F.1.
- The amount of Charitable Contributions included in Account 7370, Non-Operating Income and Expense, was derived based on the average ratio of Contributions to

[2] *See* 47 C.F.R. §§ 65.820 and 65.830.

Expenses and Other Taxes reported by sample cost companies. The development of this ratio, 0.001738, was discussed in Section IV.F.3.

- The account balances of Information Origination/Termination investment and expense were set to zero for all sample study areas, because the trend of reduction displayed by these accounts would produce zero account balances during the July 2007 to June 2008 test period.
- The amount of State Income Taxes (SIT) for sample Subchapter S companies was derived based on the average ratio of SIT to Total Expense reported by other Sample average schedule companies. The resulting factors of 0.034610 for 2004 and 0.033644 for 2003 were multiplied by Expense to calculate SIT for each sample Subchapter S study area.
- Due to the liquidation of Rural Telephone Bank Stock in 2006, RTB Stock data was not used from the 2004 cost studies.

3. Identification and Accommodation of Outliers

Annual growth ratios were calculated for Part 32 accounts using 2003 and 2004 accounting data from the 2005 Sample. To ensure that no company's data exerted undue influence on these ratios, NECA applied an Outlier Accommodation Method, first introduced in the 1998 Study and described in Section IV.C.2, which reduced the relative weight of highly influential points and allowed them to be included in account growth ratio development.

In the first step of this process, NECA computed 2003 and 2004 unseparated revenue requirement amounts for each 2005 Sample study area in each stratum, using the revenue requirement calculation method described in Section VI.F of this Filing. An average unseparated revenue requirement growth ratio was calculated for each stratum of the 2005

Sample as follows:

2005 Sample Average Revenue Requirement (RRQ) Growth $\text{Ratio}_i$ =

$$\frac{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \text{ x Variance Weight}_i \text{ x 2004 Unseparated RRQ})}{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \text{ x Variance Weight}_i \text{ x 2003 Unseparated RRQ})}$$

Variance weights were obtained by applying the Outlier Accommodation Method For Ratio Estimates (described in Section IV.C.2). These variance weights, which were calculated based on relative growth in unseparated revenue requirement, were then used in the calculation of all account growth ratios.

The data for subchapter S companies was excluded from the calculation of the Other Taxes growth rate, since the SIT component of Other Taxes for these study areas was imputed as described in section V.B.2.

4. Account Groupings

A separate annual growth ratio was computed for the larger accounts using the combined ratio estimate technique, described in Section V.B.5. The remaining accounts, which typically exhibited wider than average variations in year over year growth from sample to sample, were assigned to account groupings and then a growth ratio for each group was calculated. Exhibit 5.1 shows the account groupings used.

## EXHIBIT 5.1

## ACCOUNT GROUPINGS FOR GROWTH CALCULATION

| Account Group | Accounts Included in Group | Part 32 Account Number |
|---|---|---|
| Accumulated Depreciation & Amortization | Accumulated Depreciation – Telecommunications Plant in Service<br>Accumulated Depreciation – Held for Future Telecommunications Use<br>Accumulated Amortization – Tangible<br>Accumulated Amortization – Intangible<br>Accumulated Amortization – Other | 3100<br>3200<br>3400<br>3500<br>3600 |
| Plant Specific Expense | Network Support Expense<br>General Support Expense<br>Central Office Equipment Expense<br>Cable & Wire Facilities Expense | 6110<br>6120<br>6210, 6220, 6230<br>6410 |
| Plant Non-Specific Expense | Other Property, Plant and Equipment Expense<br>Network Operations Expense | 6510<br>6530 |
| Customer Operations Expense | Marketing Expense<br>Services Expense | 6610<br>6620 |
| Corporate Operations Expense | Executive & Planning Expense<br>General & Administrative Expense | 6710<br>6720 |
| Other Telecommunications Plant | Deferred Maintenance and Retirement<br>Property Held for Future Telecommunications Use<br>Telecommunications Plant Under Construction<br>Telecommunications Plant Adjustment | 1438<br>2002<br>2003<br>2005 |
| Other Operating Taxes | Operating State and Local Income Taxes<br>Operating Other Taxes | 7230<br>7240 |
| Net Deferred Income Taxes | Net Current Deferred Operating Income Taxes<br>Net Non-Current Deferred Operating Income Taxes<br>Other Jurisdictional Liabilities and Deferred Credits | 4100<br>4340<br>4370 |
| GSF and Tangibles | General Support Facilities<br>Amortizable Tangible Assets | 2110<br>2680 |
| COE and Intangibles | Central Office Equipment<br>Intangibles | 2210-2230<br>2690 |
| Total Plant | Materials & Supplies<br>Telecommunications Plant in Service<br>Other Telecommunications Plant | 1220<br>2001<br>2002, 2003, 2005 |

5. <u>The 2005 Sample Stratified Annual Growth Ratios</u>

NECA used the combined ratio estimate technique to determine stratified annual growth rates. For the 2005 Sample, the Stratified Annual Growth Ratios were calculated within each stratum, using the following formula:

2005 Sample Stratified Annual Growth $\text{Ratio}_i$ =

$$\frac{\sum_{\text{Stratum}_i}(\text{Sample Weight}_i \text{ x Variance Weight}_i \text{ x 2004 Account Balance}_i)}{\sum_{\text{Stratum}_i}(\text{Sample Weight}_i \text{ x Variance Weight}_i \text{ x 2003 Account Balance}_i)}$$

In Exhibit 5.2, the growth rates for the accounts were determined either directly by each account's own growth rate or assigned through the growth rates of the account groups as defined in Exhibit 5.1. The growth rates of following account groups were applied to other accounts:

A. Total Plant growth rate was applied to Other Telecommunications Plant, Charitable Contributions, and Allowance for Funds Used During Construction (Nonoperating income and expense).

B. Interest and Related Items growth rate was applied to Interest On Customer Deposit account.

C. Net Telecommunications Plant growth rate was applied to Other Non-Current Assets, and Other Long Term Liabilities.

Columns C, G and K of Exhibit 5.2 display the resulting 2005 Sample Stratified Annual Growth Ratios for each of the three access line size strata.

**EXHIBIT 5.2**
**AVERAGE SCHEDULE ACCOUNT GROWTH RATIOS**

| | Small Study Areas | | | |
|---|---|---|---|---|
| **Account** | **(A) 2004 Sample Annual Growth** | **(B) 2004 Sample Adjusted Growth** | **(C) 2005 Sample Annual Growth** | **(D) 2005 Composite Growth** |
| Telecommunications Plant In Service | 1.0613 | 1.0578 | 1.0418 | 1.0498 |
| Land & Support Assets | 1.0380 | 1.0366 | 1.0365 | 1.0366 |
| Central Office Equipment | 1.0591 | 1.0558 | 1.0507 | 1.0533 |
| Cable & Wire Facilities | 1.0708 | 1.0661 | 1.0374 | 1.0518 |
| Tangible Assets | 1.0380 | 1.0366 | 1.0365 | 1.0366 |
| Intangibles | 1.0591 | 1.0558 | 1.0507 | 1.0533 |
| Materials And Supplies | 0.8654 | 0.8445 | 0.8992 | 0.8718 |
| Other Telecommunications Plant | 1.0595 | 1.0562 | 1.0404 | 1.0483 |
| Total Telecommunications Plant | 1.0595 | 1.0562 | 1.0404 | 1.0483 |
| Other Non-Current Assets | 1.0132 | 1.0130 | 0.9745 | 0.9938 |
| Accum. Depreciation & Amortization | 1.1022 | 1.0927 | 1.0864 | 1.0896 |
| Net Telecommunications Plant | 1.0132 | 1.0130 | 0.9745 | 0.9938 |
| Net Deferred Operating Income Tax | 1.0534 | 1.0507 | 1.1295 | 1.0901 |
| Plant Specific Expense | 1.0624 | 1.0587 | 1.0928 | 1.0758 |
| Plant Non-specific Expense | 1.1531 | 1.1328 | 1.0063 | 1.0695 |
| Customer Service Expense | 1.0040 | 1.0040 | 1.0286 | 1.0163 |
| Corporate Operations Expense | 1.0221 | 1.0216 | 1.0816 | 1.0516 |
| Depreciation & Amortization Expense | 1.0607 | 1.0572 | 1.0090 | 1.0331 |
| Charitable Contributions | 1.0595 | 1.0562 | 1.0404 | 1.0483 |
| Interest & Related Items | 0.9496 | 0.9469 | 0.9122 | 0.9296 |
| Interest On Customer Deposits | 0.9496 | 0.9469 | 0.9122 | 0.9296 |
| Other Long Term Liabilities | 1.0132 | 1.0130 | 0.9745 | 0.9938 |
| Other Operating Taxes | 1.0425 | 1.0408 | 0.9600 | 1.0004 |
| Allow. For Funds Used During Const. | 1.0595 | 1.0562 | 1.0404 | 1.0483 |
| Expenses & Other Taxes | 1.0440 | 1.0421 | 1.0506 | 1.0464 |
| Revenue Requirement | 1.0375 | 1.0361 | 1.0301 | 1.0331 |

**EXHIBIT 5.2**
**AVERAGE SCHEDULE ACCOUNT GROWTH RATIOS**
**(Continued)**

| | Medium Study Areas | | | |
|---|---|---|---|---|
| **Account** | **(E) 2004 Sample Annual Growth** | **(F) 2004 Sample Adjusted Growth** | **(G) 2005 Sample Annual Growth** | **(H) 2005 Composite Growth** |
| Telecommunications Plant In Service | 1.0441 | 1.0422 | 1.0530 | 1.0476 |
| Land & Support Assets | 1.0499 | 1.0475 | 1.0242 | 1.0359 |
| Central Office Equipment | 1.0615 | 1.0579 | 1.0619 | 1.0599 |
| Cable & Wire Facilities | 1.0321 | 1.0311 | 1.0547 | 1.0429 |
| Tangible Assets | 1.0499 | 1.0475 | 1.0242 | 1.0359 |
| Intangibles | 1.0615 | 1.0579 | 1.0619 | 1.0599 |
| Materials And Supplies | 0.9549 | 0.9528 | 0.8127 | 0.8827 |
| Other Telecommunications Plant | 1.0431 | 1.0413 | 1.0520 | 1.0467 |
| Total Telecommunications Plant | 1.0431 | 1.0413 | 1.0520 | 1.0467 |
| Other Non-Current Assets | 0.9878 | 0.9876 | 0.9809 | 0.9843 |
| Accum. Depreciation & Amortization | 1.0817 | 1.0755 | 1.0913 | 1.0834 |
| Net Telecommunications Plant | 0.9878 | 0.9876 | 0.9809 | 0.9843 |
| Net Deferred Operating Income Tax | 1.0581 | 1.0549 | 1.3262 | 1.1906 |
| Plant Specific Expense | 1.0326 | 1.0316 | 1.0589 | 1.0452 |
| Plant Non-specific Expense | 1.1206 | 1.1076 | 1.0545 | 1.0811 |
| Customer Service Expense | 1.0615 | 1.0579 | 1.0652 | 1.0616 |
| Corporate Operations Expense | 1.0401 | 1.0386 | 1.0311 | 1.0348 |
| Depreciation & Amortization Expense | 1.0865 | 1.0796 | 0.9629 | 1.0213 |
| Charitable Contributions | 1.0431 | 1.0413 | 1.0520 | 1.0467 |
| Interest & Related Items | 1.0472 | 1.0451 | 0.9318 | 0.9884 |
| Interest On Customer Deposits | 1.0472 | 1.0451 | 0.9318 | 0.9884 |
| Other Long Term Liabilities | 0.9878 | 0.9876 | 0.9809 | 0.9843 |
| Other Operating Taxes | 1.2149 | 1.1769 | 0.9817 | 1.0793 |
| Allow. For Funds Used During Const. | 1.0431 | 1.0413 | 1.0520 | 1.0467 |
| Expenses & Other Taxes | 1.0620 | 1.0584 | 1.0231 | 1.0407 |
| Revenue Requirement | 1.0498 | 1.0474 | 1.0125 | 1.0300 |

**EXHIBIT 5.2**
**AVERAGE SCHEDULE ACCOUNT GROWTH RATIOS**
**(Continued)**

| | Large Study Areas | | | |
|---|---|---|---|---|
| **Account** | **(I) 2004 Sample Annual Growth** | **(J) 2004 Sample Adjusted Growth** | **(K) 2005 Sample Annual Growth** | **(L) 2005 Composite Growth** |
| Telecommunications Plant In Service | 1.0476 | 1.0454 | 1.0393 | 1.0424 |
| Land & Support Assets | 1.0855 | 1.0788 | 1.0524 | 1.0656 |
| Central Office Equipment | 1.0495 | 1.0472 | 1.0404 | 1.0438 |
| Cable & Wire Facilities | 1.0359 | 1.0347 | 1.0357 | 1.0352 |
| Tangible Assets | 1.0855 | 1.0788 | 1.0524 | 1.0656 |
| Intangibles | 1.0495 | 1.0472 | 1.0404 | 1.0438 |
| Materials And Supplies | 0.9055 | 0.8956 | 1.0355 | 0.9656 |
| Other Telecommunications Plant | 1.0466 | 1.0445 | 1.0392 | 1.0419 |
| Total Telecommunications Plant | 1.0466 | 1.0445 | 1.0392 | 1.0419 |
| Other Non-Current Assets | 0.9912 | 0.9911 | 0.9528 | 0.9720 |
| Accum. Depreciation & Amortization | 1.0967 | 1.0882 | 1.0981 | 1.0931 |
| Net Telecommunications Plant | 0.9912 | 0.9911 | 0.9528 | 0.9720 |
| Net Deferred Operating Income Tax | 0.9075 | 0.8981 | 1.0393 | 0.9687 |
| Plant Specific Expense | 1.0129 | 1.0127 | 1.0591 | 1.0359 |
| Plant Non-specific Expense | 1.1684 | 1.1441 | 0.9875 | 1.0658 |
| Customer Service Expense | 1.0186 | 1.0183 | 1.0438 | 1.0310 |
| Corporate Operations Expense | 1.0024 | 1.0024 | 0.9954 | 0.9989 |
| Depreciation & Amortization Expense | 1.0258 | 1.0252 | 1.0090 | 1.0171 |
| Charitable Contributions | 1.0466 | 1.0445 | 1.0392 | 1.0419 |
| Interest & Related Items | 0.9275 | 0.9218 | 0.7251 | 0.8235 |
| Interest On Customer Deposits | 0.9275 | 0.9218 | 0.7251 | 0.8235 |
| Other Long Term Liabilities | 0.9912 | 0.9911 | 0.9528 | 0.9720 |
| Other Operating Taxes | 0.9956 | 0.9956 | 0.9775 | 0.9865 |
| Allow. For Funds Used During Const. | 1.0466 | 1.0445 | 1.0392 | 1.0419 |
| Expenses & Other Taxes | 1.0276 | 1.0269 | 1.0169 | 1.0219 |
| Revenue Requirement | 1.0194 | 1.0190 | 1.0000 | 1.0095 |

6. The 2006 Study Stratified Composite Growth Ratios

NECA uses composite growth ratios from two annual samples to provide more stable account growth estimates and substantially smaller statistical variance. Derivation of composite growth rates entails adjusting 2004 Sample annual straight line growth ratios to the next year, and averaging these adjusted growth ratios with the 2005 Sample Stratified Growth Ratios.

The 2004 Sample Stratified Annual Growth Ratios, representing growth from 2002 to 2003, are shown in Columns A, E and I of Exhibit 5.2. Each of these growth ratios was adjusted forward one year to reflect the equivalent straight line rate of growth from 2003 to 2004. This adjustment method is illustrated in Exhibit 5.3, using the Central Office Equipment (COE) investment growth ratio for small study areas, as an example.[3] Adjusted 2004 Sample Stratified Annual Growth Ratios are displayed in Columns B, F and J of Exhibit 5.2.

**EXHIBIT 5.3**

**ADJUSTMENT OF 2004 SAMPLE STRATIFIED ANNUAL GROWTH RATIOS FOR STUDY AREAS WITH LESS THAN 4,000 ACCESS LINES USING COE INVESTMENT AS AN EXAMPLE**

| | |
|---|---|
| A. 2004 Sample Stratified Small Company Annual Growth Ratios (2002 to 2003) | 1.0591 |
| B. 2004 Sample Stratified Small Company Two Year Growth Ratios (2002 to 2004) {2 x (Line A - 1)} + 1 | 1.1182 |
| C. Adjusted 2004 Sample Stratified Small Company Annual Growth Ratio (Line B/Line A) | 1.0558 |

[3] NECA used a straight-line forecasting method to project average schedule accounts, because it has less risk of over-estimating accounts.

This Study developed composite growth ratios for each account within each access line size stratum. A composite growth ratio is the arithmetic average of the Adjusted 2004 Sample Stratified Annual Growth Ratio and the related 2004 Sample Stratified Annual Growth Ratio.

An example of the composite growth ratio calculation, using the growth in COE investment reported by study areas with less than 4,000 access lines follows.

*2006 Study Stratified Composite Growth Ratio for Stratum 1*

$$= \{\text{Adjusted 2004 Stratified Stratum}_1 \text{ Growth Ratio} + \text{2005 Stratified Stratum}_1 \text{ Annual Growth Ratio}\} / 2$$

$$= (1.0558 + 1.0507)/ 2$$

$$= 1.0533$$

The 2006 Study Stratified Composite Growth Ratios are displayed in Columns D, H and L of Exhibit 5.2.

7. <u>Stratified Multi-year Growth Ratios</u>

NECA derived stratified multi-year growth ratios to estimate test period costs from the historical accounting data submitted by study areas. For the 2003 accounts submitted by the 2004 Sample, the multi-year growth rates reflect the fact that the test period extends four and one-half years beyond the end of 2003. For accounts in each stratum of the 2005 Sample multi-year growth ratios reflect three and one-half years between the end of 2004 and the test period. The calculation for multi-year growth ratios is as follows:

For 2004 Accounts:

*2004 Stratified Multi-year Growth Ratio*$_i$ =

*1 + [(2006 Study Stratified Composite Growth Ratio*$_i$ *- 1) x 3.5]*

For 2003 Accounts:

2003 *Stratified Multi-year Growth Ratio*$_i$ =

*1 + [(2006 Study Stratified Composite Growth Ratio*$_i$ *- 1) x 4.5]*

8. Account Forecasting

NECA prepared a forecast of each account for each sample study area. The forecasted data represents the average month of the test period. Study areas included in the 2004 Sample were separated into access line size strata based on the number of lines reported for December 2003. The forecasted amounts in each stratum were computed by multiplying the 2003 account balance by the 2003 Stratified Multi-year Growth Ratio by stratum. Similarly, accounts of study areas from the 2005 Sample were first assigned to access line strata and then projected to the test period by multiplying the 2004 account balance by the corresponding multi-year growth ratio.

*Study Area Forecast of 2004 Account =*

*(Study Area 2004 Account Value) x (2004 Stratified Multi-year Growth Ratio*$_i$*)*

*Study Area Forecast of 2003 Account =*

*(Study Area 2003 Account Value) x (2003 Stratified Multi-year Growth Ratio*$_i$*)*

Section VI.F describes the computation of revenue requirements using forecasted accounts.

## C. Access Minute Forecasting

To forecast traffic sensitive access minutes of use, NECA developed an econometric model based on the historical growth of access minutes from the average schedule population. This model was used to prepare an Access Minute Growth Ratio, which was used to forecast Average Schedule sample study area minutes to the test period.[4] The modeling process and calculation of forecasts are described below.

### 1. Econometric Model for Access Minutes

Traffic sensitive access minutes data reported to the NECA pool by the population[5] of average schedule companies from January 1999 through July 2006, including all adjustments through October 2006, were used to develop the model. These data are displayed in Appendix D4.

In this model, the Natural Log of access minutes was the dependent variable. The independent variables were Natural Log of Real Disposable Personal Income (Income), Natural Log of Real Price Index for Long Distance Services (Price), Natural Log of Real Price Index of Cellular Services, Natural Log of Employment, a constant term, an Indicator for April 2006, and eleven seasonal dummy variables. The price, income and employment

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4 Access Minute Growth Ratios for NECA average schedule companies were derived using the econometric modeling techniques that support NECA's Annual Tariff Filing. *See, e.g.*, National Exchange Carrier Association, Inc., Tariff F.C.C. No. 5, Transmittal No. 1129, filed June 16, 2006 at Vol. 3, Sec. 3, p. 9.

5 NECA did not use outlier accommodation during the development of growth models for demand data. Data points in demand trend analyses were population aggregate values by month, which are not materially subject to variance from influence of changes of individual study areas.

variables are national aggregates. To perform these calculations, the following data were used:

1. Consumer Price Index (CPI) – Macroeconomic Advisers, LLC (MA) provides a measure of the rate of inflation to NECA in their February 2006 view. The U.S. Government Bureau of Labor Statistics is the original source for the historical data and MA is the developer of the forecast data. The CPI series is used in the model to adjust the price and income variables for inflation.

2. Real Price Index – The nominal price index for long distance services is constructed using the interstate components of the Bureau of Labor Statistics for Producer Price Index for Telephone Communications. The nominal series are converted into real prices by dividing the nominal long distance price series by the CPI series.

3. Real Disposable Personal Income – MA's February 2006 view of the outlook for nominal disposable income is adjusted for inflation using the CPI index.

4. Employment – The Bureau of Labor Statistics compiles historical data on employment. MA projects employment for the forecast period using an econometric model that links employment level to the growth in Gross Domestic Product (GDP) and National Income. The projections of employment were obtained from MA's February 2006 economic outlook.

5. Real Price Index of Cellular Services – Because of the limitations of the available data, the nominal price index for cellular services is constructed by splicing together two separate series:

- A series developed from the Cellular Telecommunications & Internet Association (CTIA) semi-annual data on Average Local Monthly Bills for December 1998 and June 1999.[6] CTIA produces data only for December and June of each year. Values for January through May 1999 were estimated by linear interpolation, and,
- The BLS series for "Cellular and other wireless voice grade services", covering the time span from June of 1999 to the present.[7]

The complete spliced series was converted into a real price series by dividing the nominal cellular price indices by the CPI series. In the model, it is assumed that the nominal price of cellular services will decline very slowly in the months following July 2006. (This trend extrapolate the average cellular price trend that began in January 2003.)

6. April 2006 Cellular Price Indicator – since the Bureau of Labor Statistics preliminary calculation of cellular prices for that month is out of line with BLS values for adjacent months.

7. Seasonal Dummy Variables – Eleven seasonal dummy variables for the months of February through December are used to capture monthly patterns in the data that repeat across the years.

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6 Cellular Telecommunications & Internet Association, CTIA'S Semi-Annual Wireless Industry Survey Results – June 1985 to June 2006. http://files.ctia.org/pdf/CTIAMidYear2006Survey.pdf.

7 Rod Meaney, et.al., Producer Price Index Detailed Report – Data for September 2001, U.S. Department of Labor, Bureau of Labor Statistics, Cellular and Other Wireless Voice Grade Services, Series ID:pcu5172125172121, 1999 to 2006, August 2006. http://data.bls.gov/cgi-bin/srgate.

The lag for real price, and for disposable income, is 3 months. The lag for employment is 12 months, while the lag for real cellular prices is 9 months. The sign of the cellular price variable is positive, since wireless services can be used as a substitute for land-line services. In other words, a decline in the price of cellular services will reduce the demand for access service. The model was corrected for autocorrelation.

The coefficient of each independent variable in the model is its elasticity relative to access minutes, and represents the percent change in access minutes resulting from a percent change in each independent variable.

Model coefficients together with the diagnostic *t-statistic, F-statistic and R-Square* statistics are given in Exhibit 5.4. The model fits the data well, explaining most of the variance in access minutes. The F-statistic shows that this regression is statistically significant at the 99 percent confidence level.

2. Access Minute Growth Ratios

An access minute growth ratio was used to project demand to the test period. Because average schedule sample study area demand data were collected for the base period (July 2005 through June 2006), an access minute growth ratio was developed to project access minutes data from the average month of the base period to the average month of the test period. The calculation of the access minutes growth ratio is described below.

| EXHIBIT 5.4<br><br>ACCESS MINUTES ECONOMETRIC MODEL | | |
|---|---|---|
| **Variable** | **Coefficient** | **T-Statistic** |
| Log Real Price | -0.0864 | -2.37 |
| Log Real Income | 0.4692 | 2.13 |
| Log of Real Price of Cellular Services | 0.5969 | 10.39 |
| Log of Employment | 2.8990 | 9.21 |
| April 2006 Cellular Price Indicator | -0.0137 | -0.90 |
| Constant | -16.0913 | -4.45 |
| February | -0.0172 | -2.69 |
| March | --0.0312 | -4.31 |
| April | -0.0259 | -3.36 |
| May | --0.0444 | -5.89 |
| June | -0.0367 | -4.85 |
| July | -0.0308 | -4.06 |
| August | 0.0088 | 1.13 |
| September | 0.00006 | 0.01 |
| October | -0.0166 | -2.14 |
| November | -0.0313 | -4.16 |
| December | -0.0283 | -4.23 |
| $R^2 = 0.8260$ | F-statistic = 26.23 | Durbin-Watson = 2.02 |

The econometric model was used to estimate access minutes in each month of the base period as well as for each month of the test period. NECA used the model's twelve month access minute totals for the base period and the test period to arrive at an Access Minute Growth Ratio.

The Access Minute Growth Ratio was calculated as follows:

$$\textit{Access Minute Growth Ratio} = \frac{\textit{Annual Modeled Access Minutes 7/07 – 6/08}}{\textit{Annual Modeled Access Minutes 7/05 – 6/06}}$$

$$= \frac{4{,}892{,}575{,}685}{5{,}361{,}442{,}202}$$

$$= 0.9125$$

NECA used the Access Minute Growth Ratio to project access minutes data for each sample study area. The base period monthly average access minutes[8] value of each study area was multiplied by the Access Minute Growth Ratio to determine its test period monthly average access minutes. NECA used test period access minutes of each average schedule sample study area to evaluate allocation models, as described in Section VI, and to derive several Traffic Sensitive settlement formulas as described in Section VII.

[8] These data are displayed in Appendix D1.

D. Stratified Access Line Forecasting

NECA forecasted access lines of sample study areas using Stratified Access Line Growth Ratios, which measure the relative growth of access lines from the average month of the base period to the average month of the test period within each stratum of average schedule companies. The use of a stratified approach was introduced in the 2000 Study in order to improve the accuracy of access line forecasts, after differences with respect to access line growth were observed among large and small study areas.[9]

NECA tested several stratification models containing various breakpoints and found that the most statistically significant differences in access line growth rates occurred when 1,000 and 7,500 access lines were used to group sample study areas.

Stratified models of access line trends were developed by fitting a regression time series model to historical monthly access line values of the average schedule study areas in each stratum. The three year historical time period from July 2003 through June 2006, including all adjustments made through September 2006 were used to develop the model. NECA found that the access lines reported for settlements each month dropped measurably in July 2005, when the Commission Order[10] change in DS1 Channel Service reporting took effect. As a result, NECA added a variable (STEP), reflecting the change in DS1 Channel Service reporting that started in July 2005. Then NECA derived the following models and access line growth rates, using the regression data displayed in Exhibit 5.5A, to estimate base period to test period growth for the average schedule population:

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[9] *See* National Exchange Carrier Association, Inc., 2001 Modification of Average Schedules, December 28, 2000, Sec. V.D at p 18.

[10] See 47 C.F.R. § 69.104(q).

*<u>If Access Lines are less than or equal to 1,000</u>*

*Monthly Access Lines = 81,331 - (147.73 x Month Sequence) - (846.46 x STEP)*

*$R^2$ = 0.9778* *t-statistic for Intercept = 683.40* *F-statistic = 725.90*
*t-statistic for Month Sequence = -17.99*
*t-statistic for STEP = -4.68*

*Where STEP = 0, from July 2003 to June 2005*
*STEP = 1 for July 2005 on.*

*<u>If Access Lines are between 1,000 and 7,500</u>*

*Monthly Access Lines = 758,406 - (1,309.63 x Month Sequence)*
*- (9,575.89 x STEP)*

*Where STEP = 0, from July 2003 to June 2005*
*STEP = 1 for July 2005 on.*

*$R^2$ = 0.9873* *t-statistic for Intercept = 906.59* *F-statistic =1,278.19*
*t-statistic for Month Sequence = -22.69*
*t-statistic for STEP = -7.53*

*<u>If Access Lines are greater than 7,500</u>*

*Monthly Access Lines = 1,539,437 - (3,036.85 x Month Sequence)*
*- (30,243 x STEP)*

*Where STEP = 0, from July 2003 to June 2005*
*STEP = 1 for July 2005 on.*

*$R^2$ = 0.9939* *t-statistic for Intercept = 1,063.37* *F-statistic = 2,698.33*
*t-statistic for Month Sequence = -30.41*
*t-statistic for STEP = -13.74*

**EXHIBIT 5.5A**
**DEMAND DATA USED IN TIME SERIES MODELS – COMMON LINE**

| DATE | Common Line Month Sequence | Access Lines By Line Size Group | | |
|---|---|---|---|---|
| | | Small | Medium | Large |
| 200307 | 1 | 81,378 | 754,353 | 1,529,255 |
| 200308 | 2 | 81,248 | 754,262 | 1,528,729 |
| 200309 | 3 | 80,821 | 754,306 | 1,527,746 |
| 200310 | 4 | 80,819 | 752,808 | 1,525,749 |
| 200311 | 5 | 80,649 | 751,453 | 1,522,511 |
| 200312 | 6 | 80,159 | 748,710 | 1,519,818 |
| 200401 | 7 | 79,879 | 748,247 | 1,516,803 |
| 200402 | 8 | 79,845 | 745,178 | 1,515,284 |
| 200403 | 9 | 79,731 | 747,099 | 1,513,584 |
| 200404 | 10 | 79,712 | 747,252 | 1,512,119 |
| 200405 | 11 | 79,823 | 746,795 | 1,509,877 |
| 200406 | 12 | 79,773 | 745,075 | 1,506,077 |
| 200407 | 13 | 79,928 | 744,682 | 1,502,106 |
| 200408 | 14 | 79,682 | 743,138 | 1,500,902 |
| 200409 | 15 | 79,504 | 740,659 | 1,495,309 |
| 200410 | 16 | 79,396 | 738,946 | 1,492,375 |
| 200411 | 17 | 78,635 | 735,837 | 1,487,764 |
| 200412 | 18 | 78,054 | 733,451 | 1,483,511 |
| 200501 | 19 | 78,109 | 730,717 | 1,480,736 |
| 200502 | 20 | 78,015 | 730,695 | 1,479,287 |
| 200503 | 21 | 78,178 | 728,740 | 1,476,358 |
| 200504 | 22 | 78,065 | 729,759 | 1,474,836 |
| 200505 | 23 | 78,152 | 729,096 | 1,470,172 |
| 200506 | 24 | 78,068 | 727,610 | 1,464,294 |
| 200507 | 25 | 77,046 | 718,929 | 1,441,591 |
| 200508 | 26 | 76,691 | 717,052 | 1,436,340 |
| 200509 | 27 | 76,582 | 715,509 | 1,432,284 |
| 200510 | 28 | 76,284 | 712,979 | 1,427,924 |
| 200511 | 29 | 76,413 | 710,979 | 1,422,752 |
| 200512 | 30 | 75,717 | 710,699 | 1,417,616 |
| 200601 | 31 | 75,700 | 705,894 | 1,412,697 |
| 200602 | 32 | 75,239 | 704,975 | 1,409,482 |
| 200603 | 33 | 75,633 | 700,440 | 1,405,419 |
| 200604 | 34 | 75,540 | 702,962 | 1,401,677 |
| 200605 | 35 | 75,462 | 703,762 | 1,397,542 |
| 200606 | 36 | 75,438 | 702,464 | 1,393,396 |

**EXHIBIT 5.5B**

**DEMAND DATA USED IN TIME SERIES MODELS – TRAFFIC SENSITIVE**

| DATE | Traffic Sensitive Month Sequence | Normal Route Circuit Miles | Long Route Circuit Miles | Switched Circuit Terminations (Long Route) | Switched Circuit Terminations (Normal Route) | Interstate Circuits (Long Route) | Interstate Circuits (Normal Route) | Intertoll Dial Circuits |
|---|---|---|---|---|---|---|---|---|
| 200307 | 1 | 4,422,696 | 1,197,717 | 14,238 | 106,443 | 10,327 | 112,931 | 24,367 |
| 200308 | 2 | 4,426,999 | 1,193,632 | 14,197 | 106,472 | 10,305 | 112,992 | 24,441 |
| 200309 | 3 | 4,455,586 | 1,198,049 | 14,192 | 106,662 | 10,300 | 113,282 | 24,403 |
| 200310 | 4 | 4,412,433 | 1,200,007 | 14,230 | 106,262 | 10,326 | 112,953 | 24,407 |
| 200311 | 5 | 4,445,793 | 1,187,049 | 14,351 | 106,046 | 10,400 | 112,905 | 24,480 |
| 200312 | 6 | 4,566,691 | 1,194,459 | 14,351 | 107,963 | 10,400 | 116,336 | 25,174 |
| 200401 | 7 | 4,717,469 | 1,184,932 | 14,401 | 109,406 | 10,452 | 118,195 | 26,838 |
| 200402 | 8 | 4,724,991 | 1,194,656 | 14,399 | 110,238 | 10,450 | 119,184 | 27,644 |
| 200403 | 9 | 4,848,019 | 1,217,111 | 14,589 | 112,090 | 10,552 | 123,764 | 28,640 |
| 200404 | 10 | 5,039,619 | 1,595,878 | 16,797 | 112,100 | 11,673 | 123,958 | 29,488 |
| 200405 | 11 | 5,072,585 | 1,647,676 | 16,841 | 111,992 | 11,715 | 124,713 | 29,285 |
| 200406 | 12 | 5,196,953 | 1,550,407 | 17,037 | 112,859 | 12,235 | 125,915 | 29,175 |
| 200407 | 13 | 5,191,767 | 1,552,786 | 17,077 | 112,817 | 12,261 | 126,042 | 29,634 |
| 200408 | 14 | 5,247,585 | 1,555,316 | 17,160 | 112,674 | 12,395 | 126,655 | 29,738 |
| 200409 | 15 | 5,338,674 | 1,568,513 | 17,261 | 113,897 | 12,443 | 128,966 | 30,295 |
| 200410 | 16 | 5,356,678 | 1,581,488 | 17,299 | 113,748 | 12,465 | 130,120 | 30,351 |
| 200411 | 17 | 5,471,043 | 1,624,053 | 17,749 | 113,953 | 12,744 | 132,171 | 30,642 |
| 200412 | 18 | 5,583,942 | 1,765,161 | 18,636 | 114,072 | 13,180 | 133,655 | 31,315 |
| 200501 | 19 | 5,658,004 | 1,789,985 | 18,512 | 114,816 | 13,187 | 134,766 | 31,943 |
| 200502 | 20 | 5,691,759 | 1,798,921 | 18,568 | 114,671 | 13,213 | 136,649 | 32,160 |
| 200503 | 21 | 5,735,340 | 1,787,931 | 18,568 | 114,716 | 13,218 | 137,333 | 32,599 |
| 200504 | 22 | 5,765,884 | 1,797,559 | 18,619 | 114,689 | 13,260 | 137,251 | 33,000 |
| 200505 | 23 | 5,838,417 | 1,796,668 | 18,626 | 115,159 | 13,267 | 139,900 | 33,082 |
| 200506 | 24 | 5,867,593 | 1,934,018 | 19,501 | 114,894 | 13,704 | 138,426 | 33,985 |
| 200507 | 25 | 5,889,331 | 1,936,796 | 19,500 | 115,466 | 13,771 | 143,044 | 34,112 |
| 200508 | 26 | 5,974,200 | 1,944,295 | 19,499 | 115,534 | 13,771 | 145,642 | 34,870 |
| 200509 | 27 | 6,005,421 | 1,939,647 | 19,637 | 115,035 | 14,154 | 145,628 | 35,042 |
| 200510 | 28 | 6,159,026 | 1,838,078 | 19,637 | 115,677 | 14,471 | 146,296 | 35,057 |
| 200511 | 29 | 6,196,628 | 1,808,133 | 19,958 | 115,523 | 14,632 | 145,985 | 35,536 |
| 200512 | 30 | 6,186,624 | 1,813,783 | 19,969 | 115,361 | 14,539 | 145,648 | 35,588 |
| 200601 | 31 | 6,230,113 | 1,920,878 | 20,187 | 116,285 | 14,764 | 146,978 | 36,363 |
| 200602 | 32 | 6,283,097 | 1,967,166 | 20,184 | 116,507 | 14,750 | 147,710 | 36,402 |
| 200603 | 33 | 6,282,473 | 1,966,359 | 20,184 | 116,208 | 14,750 | 147,450 | 36,113 |
| 200604 | 34 | 6,374,041 | 1,944,136 | 20,139 | 117,081 | 14,727 | 148,532 | 36,268 |
| 200605 | 35 | 6,357,849 | 1,974,485 | 20,344 | 116,601 | 14,860 | 147,431 | 36,253 |
| 200606 | 36 | 6,384,920 | 1,969,878 | 20,387 | 116,733 | 14,893 | 148,406 | 36,420 |

Using these access line regression models, each of the Stratified Access Line Growth Ratios were computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points:

*Average of Month Sequence Numbers in Test Period (July 2007 to June 2008) = 54.5*

*Average of Month Sequence Numbers in Base Period (July 20054 to June 2006) = 30.5*

*2 Year Access Line Growth Ratio For Study Areas With Access Lines Less Then or Equal To 1,000*

$$= \frac{\text{Access Line Modeled Avg. Month of 7/07 – 6/08}}{\text{Access Line Modeled Avg. Month of 7/05 – 6/06}}$$

$$= \frac{\text{72,433 Access Lines}}{\text{75,979 Access Lines}}$$

$$= 0.9533$$

*2 Year Access Line Growth Ratio For Study Areas With Access Lines Between 1,000 and 7,500*

$$= \frac{\text{Access Line Modeled Avg. Month of 7/07 - 6/08}}{\text{Access Line Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{677,456 Access Lines}}{\text{708,887 Access Lines}}$$

$$= 0.9557$$

*2 Year Access Line Growth Ratio For Study Areas With More Then 7,500 Access Lines*

$$= \frac{\text{Access Line Modeled Avg. Month of 7/07 - 6/08}}{\text{Access Line Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{1,343,676 Access Lines}}{\text{1,416,560 Access Lines}}$$

$$= 0.9485$$

Next, average monthly base period access lines were computed for each sample study area, using the

September 2006 view of data reported to the NECA pool from July 2005 through June 2006.[11] Each sample company was then assigned to a stratum, based on its access line size. Forecasted test period average access lines for each sample study area was computed by multiplying base period average access lines by the appropriate Stratified Access Line Growth Ratio.

E. Circuit Mile Forecasting

In the 2000 Study, NECA initiated a method of forecasting normal route and long route circuit miles separately, based on analysis which indicated that they have different growth trends. In this Study, NECA continues analyzing normal route and long route circuit mile growth independently. NECA uses a threshold of 100 average circuit miles per circuit to distinguish long routes from normal cost routes. NECA's analysis of networks of companies with normal and long routes showed that a threshold of 100 circuit miles per circuit correctly classified only companies with low cost in the long route group, while at lower threshold levels, some companies with normal costs are incorrectly classified as low cost companies. Therefore, NECA continues to use 100 as the long route threshold. The total number of monthly circuit miles reported for settlements were split into normal route and long route circuit miles as follows:

*If Circuit Miles are less than or equal to 100 x Interstate Circuits,*

*Then Normal Route Circuit Miles = Circuit Miles*

*And Long Route Circuit Miles = 0*

*If Circuit Miles are more than 100 x Interstate Circuits,*

*Then Normal Route Circuit Miles = 100 x Interstate Circuits*

*And Long Route Circuit Miles = Total Circuit Miles - Normal Route Circuit Miles*

[11] These data are displayed in Appendix D1.

1. Normal Route Circuit Mile Forecasting

NECA developed a constrained regression model to forecast normal route circuit miles using the following variables:

- Normal Route Circuit Mile counts - Monthly amounts were calculated from the settlement data submitted by average schedule companies from July 2003 through June 2006, including all adjustments through September 2006 (*See* Exhibit 5.5B).

- Period Indicator variables – One for each of three time periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2006). Each indicator variable equals 1 in months of its respective time period and 0 outside its time period. For example, the Period 2 Indicator for April 2004 through June 2006 has a value of 0 in each month between July 2003 and March 2004, and a value of 1 for all subsequent months.

- Month Sequence variables – One for each of the three periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2006). Each variable is a product of a sequentially assigned number and the Period Indicator variable for the corresponding time span. The sequentially assigned number measures a time trend with Month Sequence 1 corresponding to July 2003 and Month Sequence 36 corresponds to June 2006. For example, values for Month Sequence variable for the time span July 2003 to October 2003 are 1 for July 2003, 2 for August 2003, 3 for September 2003, and 4 for October 2003, and 0 after October 2003.

The two constraints imposed on the break points in the data, November 2003 and April 2004, can be expressed as:

$A_1 + B_1 x\ 5 = A_2 + B_2 x\ 5$

$A_2 + B_2 x\ 10 = A_3 + B_3 x\ 10$

Where $A_1$, $A_2$ , $A_3$ are coefficients of Period Indicator variables and $B_1$, $B_2$, $B_3$ are the coefficients of Month Sequence variables for each of the three time spans.

The regression results for normal route circuit miles (NRCM) are as follows:

*NRCM= 2,910,015 x Period$_1$ + (917.29 x Month Sequence$_1$)* *for 07/03 to 10/03*

*NRCM= 2,548,783 x Period$_2$ + (73,164 x Month Sequence$_2$)* *for 11/03 to 03/04*

*NRCM= 2,994,900 x Period$_3$ + (28,552 x Month Sequence$_3$)* *for 04/04 to 06/06*

$R^2$ = 0.9706

*t-statistic for Period$_1$ = 45.52*
*t-statistic for Month Sequence$_1$ = 0.05*
*t-statistic for Period$_2$ = 30.51*
*t-statistic for Month Sequence$_2$ = 7.68*
*t-statistic for Period$_3$ = 82.70*
*t-statistic for Month Sequence$_3$ = 18.87*

*F-statistic = 247.60*

The Normal Route Circuit Mile Growth Ratio was computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points.

*Average of Month Sequence Numbers from July 2007 to June 2008 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2005 to June 2006 Base Period = 30.5*

*Normal Route Circuit Mile Growth Ratio*

$$= \frac{\text{Normal Route Circuit Miles Modeled Avg. Month of 7/07 - 6/08}}{\text{Normal Route Circuit Miles Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{4,550,978 Normal Route Circuit Miles}}{\text{3,865,733 Normal Route Circuit Miles}}$$

$$= 1.1773$$

Many Average Schedule companies have implemented significant network changes since the 2003 and 2004 accounting periods. These changes cause companies to report significant changes in transport demand to NECA for monthly settlements. The new demand levels do not correspond to costs included in the accounts used in this study.

To align demand and cost projections for the test period, NECA had to account for the major network changes that occurred between the accounting periods used for cost projection (2003 and 2004) and the base period used for demand projection (July 2005 through June 2006). Affected demand quantities include interstate circuits, circuit miles, circuit terminations, and intertoll dial circuits.

Adjustment of base period transport demand to remove initial significant shifts that occurred between the accounting period and the demand base period. Major shifts were defined as among the highest or lowest 5% of all month-to-month changes recorded by all sample companies from the beginning of the accounting period to the end of demand base period. This adjustment improved the statistical fit of the formulas and increased formula levels by a small amount.

2. Long Route Circuit Mile Forecasting

The growth in long route circuit miles was calculated based on historical trend data from July 2003 to June 2006. NECA selected those study areas with long route circuit miles for every month from July 2003 to June 2006. The following variables were used in long route circuit mile regression modeling:

- Long Route Circuit Mile Counts - Monthly long route circuit miles were calculated from settlement data submitted by average schedule companies from July 2003 through June 2006, including all adjustments through September 2006. (*See* Exhibit 5.5B)
- Month Sequence number - A sequentially assigned number, measuring a time trend. Month Sequence 1 corresponds to July 2003 and Month Sequence 36 corresponds to June 2006.
- Trend Change Indicator – A variable that captures a major shift in the long route miles reported by the average schedule companies for April 2004. Zero for July 2003 to March 2004 and 1 for April 2004 to June 2006.

The regression model for long route circuit miles is as follows:

*Long Route Circuit Miles = 869,214 + (19,686 x Month Sequence)*
*+ (287,305 x Trend Change Indicator)*

$R^2$ *=0.9722* *t-statistic for Intercept =44.94* *F-statistic = 577.96*
*t-statistic for Month Sequence = 14.88*
*t-statistic for Trend Change Indicator = 9.05*

The Long Route Circuit Mile Growth Ratio was computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points.

*Average of Month Sequence Numbers from July 2007 to June 2008 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2005 to June 2006 Base Period = 30.5*

*Long Route Circuit Mile Growth Ratio*

$$= \frac{\textit{Long Route Circuit Miles Modeled Avg. Month of 7/07 - 6/08}}{\textit{Long Route Circuit Miles Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\textit{2,229,405 Long Route Circuit Miles}}{\textit{1,756,941 Long Route Circuit Miles}}$$

$$= \textit{1.2689}$$

Next, base period average normal and long route circuit miles were computed for each sample study area, using the September 2006 view of data reported to the NECA pool from July 2005 through June 2006 and applying the data methodology as described in Section V.E.1.[12] Forecasted test period average normal and long route circuit miles for each sample study area were computed by multiplying base period average number of normal and long route circuit miles by the appropriate Circuit Mile Growth Ratio.

## F. Circuit Termination Model

In the 2006 Study, the circuit termination model is split into two parts – one for those with normal route circuit miles only and one for those with long route circuit miles. NECA used a constrained regression model in forecasting circuit terminations of sample average schedule study areas.

### 1. Circuit Termination Forecasting for Long Route Study Areas

The following variables were used in circuit termination demand regression modeling for the study areas with long route circuit miles:

- Circuit Termination counts - Monthly amounts reported for settlements by average

[12] These data are displayed in Appendix D1.

schedule companies from July 2003 through June 2006, including all adjustments through September 2006. Exhibit 5.5B displays the circuit termination data for study areas with long route circuit miles.

- Period Indicator variables – One for each of three time periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2006). Each indicator variable equals 1 in months of its respective time period and 0 outside its time period. For example, the Period 2 Indicator for April 2004 through June 2006 has a value of 0 in each month between July 2003 and March 2004, and a value of 1 for all subsequent months.

- Month Sequence variables – One for each of the three periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2005). Each variable is a product of a sequentially assigned number and the Period Indicator variable for the corresponding time span. The sequentially assigned number measures a time trend with Month Sequence 1 corresponding to July 2003 and Month Sequence 36 corresponds to June 2006. For example, values for Month Sequence variable for the time span July 2003 to October 2003 are 1 for July 2003, 2 for August 2003, 3 for September 2003, and 4 for October 2003, and 0 after October 2003.

The two constraints imposed on the break points in the data, November 2003 and April 2004, can be expressed as:

$$A_1 + B_1 x\ 5 = A_2 + B_2 x\ 5$$

$$A_2 + B_2 x\ 10 = A_3 + B_3 x\ 10$$

Where $A_1, A_2, A_3$ are coefficients of Period Indicator variables and $B_1, B_2, B_3$ are the coefficients of Month Sequence variables for each of the three time spans.

The regression results for Circuit Terminations (Circ. Ter.) for the long route study areas are as follows:

$$Circ.\ Ter. = 14{,}534 \times Period_1 - (159.05 \times Month\ Sequence_1) \qquad \text{for 07/03 to 10/03}$$

$$Circ.\ Ter. = 10{,}930 \times Period_2 + (561.74 \times Month\ Sequence_2) \qquad \text{for 11/03 to 03/04}$$

$$Circ.\ Ter. = 14{,}861 \times Period_3 + (168.65 \times Month\ Sequence_3) \qquad \text{for 04/04 to 06/06}$$

$R^2 = 0.9644$ $\quad$ $t\text{-statistic for } Period_1 = 32.94$ $\quad$ $F\text{-statistic} = 203.17$

$t\text{-statistic for } Month\ Sequence_1 = -1.33$

$t\text{-statistic for } Period_2 = 18.96$

$t\text{-statistic for } Month\ Sequence_2 = 8.55$

$t\text{-statistic for } Period_3 = 59.46$

$t\text{-statistic for } Month\ Sequence_3 = 16.15$

The Circuit Termination Growth Ratio was computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points.

*Average of Month Sequence Numbers from July 2007 to June 2008 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2005 to June 2006 Base Period = 30.5*

*Circuit Termination Growth Ratio for the Long Route Study Areas*

$$= \frac{\text{Circuit Terminations Modeled Avg. Month of 7/07 - 6/08}}{\text{Circuit Terminations Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{24,052 Circuit Terminations}}{\text{20,004 Circuit Terminations}}$$

$$= 1.2023$$

Next, NECA calculated a monthly average base period circuit termination value for each sample average schedule study area with long route circuit miles, using data reported to the NECA pool for the period from July 2005 through June 2006, including all adjustments through September 2006 and applying the data methodology as described in Section V.E.1. NECA forecasted circuit terminations to the test period by multiplying each sample study area's base period value by the Circuit

Termination Growth Ratio.

2. Circuit Termination Forecasting for Normal Route Study Areas

NECA also applied similar circuit termination models for study areas with normal route circuit miles only. The regression results for Circuit Terminations (Circ. Ter.) for the normal route study areas are as follows:

$$Circ.\ Ter. = 106{,}445 \times Period_1 + (16.29 \times Month\ Sequence_1) \qquad for\ 07/03\ to\ 10/03$$

$$Circ.\ Ter. = 100{,}412 \times Period_2 + (1{,}222 \times Month\ Sequence_2) \qquad for\ 11/03\ to\ 03/04$$

$$Circ.\ Ter. = 110{,}972 \times Period_3 + (166.84 \times Month\ Sequence_3) \qquad for\ 04/04\ to\ 06/06$$

$R^2 = 0.9883$

*t-statistic for* $Period_1 = 278.17$
*t-statistic for* $Month\ Sequence_1 = 0.16$
*t-statistic for* $Period_2 = 200.83$
*t-statistic for* $Month\ Sequence_2 = 21.45$
*t-statistic for* $Period_3 = 511.91$
*t-statistic for* $Month\ Sequence_3 = 18.42$

*F-statistic = 633.53*

The Circuit Termination Growth Ratio was computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points.

*Average of Month Sequence Numbers from July 2007 to June 2008 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2005 to June 2006 Base Period = 30.5*

*Circuit Termination Growth Ratio for the Normal Route Study Areas*

$$= \frac{\text{Circuit Terminations Modeled Avg. Month of 7/07 - 6/08}}{\text{Circuit Terminations Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{120,065 Circuit Terminations}}{\text{116,061 Circuit Terminations}}$$

$$= 1.0345$$

## G. Interstate Circuits Model

NECA developed two constrained regression models of interstate circuit trends – one for those with normal route circuit miles only and one for those with long route circuit miles.

### 1. Interstate Circuit Forecasting for Long Route Study Areas

The following variables were used in interstate circuit demand regression modeling:

- Interstate Circuit counts - Monthly amounts reported for settlements by average schedule companies from July 2003 through June 2006, including all adjustments through September 2006. Exhibit 5.5B displays the interstate circuit data for study areas with long route circuit miles and normal route circuit miles only.

- Period Indicator variables – One for each of three time periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2006). Each indicator variable equals 1 in months of its respective time period and 0 outside its time period. For example, the Period 2 Indicator for April 2004 through June 2006 has a value of 0 in each month between July 2003 and March 2004, and a value of 1 for all subsequent months.

- Month Sequence variables – One for each of the three periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2005). Each variable is a product of a sequentially assigned number and the Period Indicator variable for the corresponding time span. The sequentially assigned number measures a time trend with Month Sequence 1 corresponding to July 2003 and Month Sequence 36 corresponds to June 2006. For example, values for Month Sequence variable for the time span July 2003

to October 2003 are 1 for July 2003, 2 for August 2003, 3 for September 2003, and 4 for October 2003, and 0 after October 2003.

The two constraints imposed on the break points in the data, November 2003 and April 2004, can be expressed as:

$A_1 + B_1 x\ 5 = A_2 + B_2 x\ 5$

$A_2 + B_2 x\ 10 = A_3 + B_3 x\ 10$

Where $A_1, A_2, A_3$ are coefficients of Period Indicator variables and $B_1, B_2, B_3$ are the coefficients of Month Sequence variables for each of the three time spans.

The regression results for Interstate Circuit for the long route study areas are as follows:

*Interstate Circuit = 10,493 x Period$_1$ - (89.07 x Month Sequence$_1$)* *for 07/03 to 10/03*

*Interstate Circuit = 8,404 x Period$_2$ + (328.68 x Month Sequence$_2$)* *for 11/03 to 03/04*

*Interstate Circuit = 10,316 x Period$_3$ + (137.56 x Month Sequence$_3$)* *for 04/04 to 06/06*

$R^2 = 0.9761$

*t-statistic for Period$_1$ = 39.71*
*t-statistic for Month Sequence$_1$ = -1.24*
*t-statistic for Period$_2$ = 24.34*
*t-statistic for Month Sequence$_2$ = 8.35*
*t-statistic for Period$_3$ = 68.91*
*t-statistic for Month Sequence$_3$ = 21.99*

*F-statistic =306.31*

The Interstate Circuit Growth Ratio was computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points.

*Average of Month Sequence Numbers from July 2007 to June 2008 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2005 to June 2006 Base Period = 30.5*

*Interstate Circuit Growth Ratio for the Long Route Study Areas*

$$= \frac{\text{Interstate Circuits Modeled Avg. Month of 7/07 - 6/08}}{\text{Interstate Circuits Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{17,813 Interstate Circuits}}{\text{14,511 Interstate Circuits}}$$

$$= 1.2275$$

Next, NECA calculated a monthly average base period interstate circuit value for each sample average schedule study area with long route circuit miles, using data reported to the NECA pool for the period from July 2005 through June 2006, including all adjustments through September 2006 and applying the data methodology as described in Section V.E.1. NECA forecasted interstate circuit to the test period by multiplying each sample study area's base period value by the Interstate Circuit Growth Ratio.

2. Interstate Circuit Forecasting for Normal Route Study Areas

NECA developed similar Interstate Circuits models used for study areas with normal route circuit miles only.

The regression results for Interstate Circuits for the normal route study areas are as follows:

Interstate Circuit = $112{,}803 \times Period_1 + (109.3 \times Month\ Sequence_1)$ *for 07/03 to 10/03*

Interstate Circuit = $101{,}948 \times Period_2 + (2{,}280 \times Month\ Sequence_2)$ *for 11/03 to 03/04*

Interstate Circuit = $114{,}276 \times Period_3 + (1{,}047 \times Month\ Sequence_3)$ *for 04/04 to 06/06*

$R^2 = 0.9826$ *t-statistic for* $Period_1 = 65.71$ *F-statistic = 423.53*
*t-statistic for* $Month\ Sequence_1 = 0.23$
*t-statistic for* $Period_2 = 45.45$
*t-statistic for* $Month\ Sequence_2 = 8.92$
*t-statistic for* $Period_3 = 117.50$
*t-statistic for* $Month\ Sequence_3 = 25.77$

The Interstate Circuit Growth Ratio was computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points.

*Average of Month Sequence Numbers from July 2007 to June 2008 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2005 to June 2006 Base Period = 30.5*

*Interstate Circuit Growth Ratio for the Normal Route Study Areas*

$$= \frac{\text{Interstate Circuits Modeled Avg. Month of 7/07 - 6/08}}{\text{Interstate Circuits Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{171,365 Interstate Circuits}}{\text{146,225 Interstate Circuits}}$$

$$= 1.1719$$

H. Intertoll Dial Circuit Forecasting

NECA used a constrained regression model in forecasting Intertoll Dial Circuits. The following variables were used:

- Intertoll Dial Circuit counts - Monthly amounts reported for settlements by average schedule companies from July 2003 through June 2006, including all adjustments through September 2006. Exhibit 5.5B displays the Intertoll Dial Circuit data.

- Period Indicator variables – One for each of three time periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2006). Each indicator variable equals 1 in months of its respective time period and 0 outside its time period. For example, the Period 2 Indicator for April 2004 through June 2006 has a value of 0 in each month between July 2003 and March 2004, and a value of 1 for all subsequent months.

- Month Sequence variables – One for each of the three periods (July 2003 to October 2003, November 2003 to March 2004, and April 2004 to June 2006). Each variable is a product of a sequentially assigned number and the Period Indicator variable for the corresponding time span. The sequentially assigned number measures a time trend with Month Sequence 1 corresponding to July 2003 and Month Sequence 36 corresponds to June 2006. For example, values for Month Sequence variable for the time span July 2003 to October 2003 are 1 for July 2003, 2 for August 2003, 3 for September 2003, and 4 for October 2003, and 0 after October 2003.

The two constraints imposed on the break points in the data, November 2003 and April 2004, can be expressed as:

$$A_1 + B_1 x\ 5 = A_2 + B_2 x\ 5$$

$$A_2 + B_2 x\ 10 = A_3 + B_3 x\ 10$$

Where $A_1, A_2, A_3$ are coefficients of Period Indicator variables and $B_1, B_2, B_3$ are the coefficients of Month Sequence variables for each of the three time spans.

The regression results for Intertoll Dial Circuit (ITD) are as follows:

$$ITD = 23{,}966\ x\ Period_1 + (46.44\ x\ Month\ Sequence_1) \qquad \text{for 07/03 to 10/03}$$

$$ITD = 21{,}153\ x\ Period_2 + (609.03\ x\ Month\ Sequence_2) \qquad \text{for 11/03 to 03/04}$$

$$ITD = 25{,}976\ x\ Period_3 + (126.79\ x\ Month\ Sequence_3) \qquad \text{for 04/04 to 06/06}$$

$R^2 = 0.9863$

*t-statistic for* $Period_1 = 95.76$
*t-statistic for* $Month\ Sequence_1 = 0.68$
*t-statistic for* $Period_2 = 64.69$
*t-statistic for* $Month\ Sequence_2 = 16.34$
*t-statistic for* $Period_3 = 183.21$
*t-statistic for* $Month\ Sequence_3 = 21.40$

*F-statistic = 539.95*

The Intertoll Dial Circuit Growth Ratio was computed by calculating the average month sequence number for the Base Period and Test Period and evaluating the models at these points.

*Average of Month Sequence Numbers from July 2007 to June 2008 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2005 to June 2006 Base Period = 30.5*

*Intertoll Dial Circuit Growth Ratio*

$$= \frac{\text{Intertoll Dial Circuits Modeled Avg. Month of 7/07 - 6/08}}{\text{Intertoll Dial Circuits Modeled Avg. Month of 7/05 - 6/06}}$$

$$= \frac{\text{32,886 Intertoll Dial Circuits}}{\text{29,843 Intertoll Dial Circuits}}$$

$$= 1.1020$$

Next, NECA calculated a monthly average base period Intertoll Dial Circuit value for each sample average schedule study area, using data reported to the NECA pool for the period from July 2004 through June 2005, including all adjustments through September 2005 and applying the data methodology as described in Section V.E.1. NECA forecasted Intertoll Dial Circuits to the test period by multiplying each sample study area's base period value by the Intertoll Dial Circuit Growth Ratio.

## I. Special Access Revenue Forecasting

NECA has data to support projection of average schedule company costs at the total account level, but not at the access category level. Total account growth ratios have been historically stable in the six percent to ten percent range. In contrast, demand for Special Access services, as measured by the revenues reported monthly to NECA for settlements, has grown at rates as high as thirty percent annually in recent years. Since the 2000 Study, the use of Special Access revenue data from more recent time periods than the periods of underlying accounts would have produced forecasts that were

substantially incompatible with forecasts of cost data.

To avoid a misalignment of the cost and demand data, in the 2000 Study NECA introduced a Special Access revenue forecast method that was directly compatible with the cost forecast by: (1) using base period Special Access revenues from the same months as the accounting data; and (2) projecting revenue growth in parallel with cost growth. This method is continued in this Study.

In this study, NECA used Special Access revenue data reported to settlements from January 2003 to December 2004, as described in Section III.E, as the base period data. To express these historical special access revenues in terms of the current special access rates, revenue adjustment factors were developed relative to rates as of December 2006. For example, to express the special access revenues for December 2004 in terms of December 2006 rates, the revenue reported for December 2004 is multiplied by 0.8795[13].

[13] The value of 0.8795 is derived using a series of Tariff Rate Index (TRI), which measures the average price change since the December of prior year. For December 2004, revenue adjustment factor = 0.967659 / (0.994642 x 1.143137 x 0.967659), where 0.967659 is the TRI of 200412, 0.994642 is TRI of 200612, 1.143137 is TRI of 200512. TRI less than 1 means the rates are higher than the rates from prior December.

The Special Access Revenue Adjustment Factors are shown in Exhibit 5.6.

| EXHIBIT 5.6<br>SPECIAL ACCESS REVENUE<br>ADJUSTMENT FACTOR | |
|---|---|
| **Date** | **Special Access Revenue Adjustment Factor** |
| 200301 | 0.9089 |
| 200302 | 0.9089 |
| 200303 | 0.9089 |
| 200304 | 0.9089 |
| 200305 | 0.9089 |
| 200306 | 0.9089 |
| 200307 | 0.9089 |
| 200308 | 0.9089 |
| 200309 | 0.9089 |
| 200310 | 0.9089 |
| 200311 | 0.9089 |
| 200312 | 0.9089 |
| 200401 | 0.9089 |
| 200402 | 0.9089 |
| 200403 | 0.9089 |
| 200404 | 0.9127 |
| 200405 | 0.9127 |
| 200406 | 0.9127 |
| 200407 | 0.8795 |
| 200408 | 0.8795 |
| 200409 | 0.8795 |
| 200410 | 0.8795 |
| 200411 | 0.8795 |
| 200412 | 0.8795 |

NECA projected Special Access revenues to test period values using annual revenue requirement growth ratios by stratum (displayed on Exhibit 5.2). These ratios were converted into Multi-year Growth Ratios by multiplying annual growth ratios by either 3.5 or 4.5 to capture the elapsed time between the 2004 and 2003 accounting periods and the test period, as described in Section V.B.8.

The forecasted test period average Special Access revenues for each sample study area were computed as follows:

*Sample Study Area Test Period Special Access Revenues*

= *Sample Study Area Base Period Special Access Revenues*

*x Special Access Revenue Adjustment Factor*

*x Multi-year Stratum Revenue Requirement Growth Ratio*

This method of forecasting Special Access revenues reduces the annual variation in estimated demand growth, while improving the accuracy of the Special Access settlement formula by assuring alignment of underlying cost and demand data.

# VI. AVERAGE SCHEDULE COMPANY PART 36 AND PART 69 COSTS

## A. Introduction

Section VI describes the calculation of separated (Part 36) and allocated (Part 69) accounts for each sample average schedule study area, as well as the allocation of transport cost to subcategories of Line Haul and Intertoll Dial switching. Allocated accounts were used to develop the Part 69 access category revenue requirements on which test period settlement formulas are based, as explained in Section VII. In order to complete these calculations, NECA used the separations and allocation factor models developed in Section IV, test period demand, and the test period unseparated accounts and demand forecasts, described in Section V.

This section also describes the calculation of a special set of modeled central office revenue requirements for high traffic volume study areas. For this effort NECA used the High Traffic Volume Period unseparated cost data collected from these study areas as described in Section III.F.

## B. Separation of Part 32 Accounts

NECA first computed the interstate portion of each test period Part 32 account for each sample average schedule company, using the separations models developed from sample cost company data, displayed in Exhibit 4.3. These models are designed to simultaneously assign some costs in an account to a separations category, and to determine the interstate component of the costs within the category. Because the portion of an account belonging to a category changes as new facilities are deployed in response to demand changes, NECA uses projected test period demand of sample average schedule companies to evaluate these models.

Each separations model was used to calculate a fraction for each sample average schedule study area, which is the ratio of the interstate cost in an account, category or subaccount to the

corresponding total unseparated, uncategorized cost. The fraction was multiplied by the sample study area's test period account value to calculate the interstate value of the account or category during the test period. One of the three methods, described in the following subsections, was used to compute the interstate percentage of each account or category.

1. Direct Separations Calculations - Average Separations Fraction

An average separations fraction was used for each account or category for which Exhibit 4.3 shows an average ratio model. Exhibit 6.1 shows an example using the Category 1 Central Office Equipment (COE) separations model.

**EXHIBIT 6.1**

**DIRECT SEPARATION OF AVERAGE SCHEDULE ACCOUNTS BY AN AVERAGE FRACTION**

**EXAMPLE: SEPARATION OF COE CATEGORY 1**

| | | |
|---|---|---|
| A. | Average Schedule COE Account Balance | $100,000 |
| B. | Average Separations Fraction (from Exhibit 4.3) | 0.000275 |
| C. | Interstate Category 1 COE (Line A x Line B) | $28 |

2. Direct Separations Calculations - Regression Model Separations Fraction

A regression model was used for each account or category for which Exhibit 4.3 shows a regression model calculation of interstate amounts based on regression models, was completed in three steps.

- First, a separations fraction was developed for each sample study area, by evaluating the separations model with the study area's specific values of independent variables. Exhibit 6.2 shows an example using the Cable & Wire Facilities (C&WF) Category 1.2 separations model.

- Second, a range limit was imposed on the calculated separations fraction. Separations fractions were compared to the related minimum and maximum fraction values (shown in Exhibit 4.3) obtained from the sample cost companies. If the fraction was outside the range, the fraction was set equal to the range limit minimum or maximum. This step ensures that the interstate allocations of the average schedule sample do not exceed the interstate cost allocations of the sample cost companies. If the separations fraction based on a model is within the range limit, no limit adjustment is imposed.
- Finally, each study area's interstate cost was computed using its separations fraction (Exhibit 6.2, Step D).

**EXHIBIT 6.2**

**DIRECT SEPARATION OF AVERAGE SCHEDULE ACCOUNTS BY A REGRESSION MODEL**
**EXAMPLE: SEPARATION OF C&WF CATEGORY 1.2**

| | | |
|---|---|---|
| A. | Study Area C&WF Account Balance | $100,000 |
| B. | Adjusted Special Access Revenues/ Access Lines | 1.171929 |
| C. | Interstate Percentage (Using Formula from Exhibit 4.3) (0.004019 + 0.000641 x Line B) | 0.004770 |
| D. | Interstate Category 1.2 C&WF Investment (Line A x Line C) | $477 |

3. Indirect Separations Calculations

For some of the accounts and categories shown in Exhibit 4.3, a separations fraction was developed using the interstate fraction of another account as the independent variable. In these cases, the independent variable fraction was first calculated for each study area, and then used in the model to determine the separation fraction of the dependent account.

Exhibit 6.3 shows an example of this method for separating Cable and Wire Facilities (C&WF) Expense.

**EXHIBIT 6.3**

**INDIRECT SEPARATION OF AVERAGE SCHEDULE ACCOUNTS**
**ILLUSTRATIVE EXAMPLE: SEPARATION OF C&WF EXPENSE**

| | | |
|---|---|---|
| A. | Average Schedule C&WF Expense Account Balance | $100,000 |
| B. | C&WF Investment Separations Fraction<br>(Composite of all C&WF investment results for this study area) | 0.282940 |
| C. | C&WF Expense Separations Fraction<br>(Line B) | 0.282940 |
| D. | Interstate C&WF Expense (Line A x Line C) | $28,294 |

Exhibit 6.4 summarizes the separated and unseparated accounts of sample average schedule study areas. All amounts are weighted sums of costs in accounts and categories using sample weights, which were explained in Section II.H. Individual study area accounts separated by these methods were next allocated to access categories as described in Section VI.C.

**EXHIBIT 6.4**

**WEIGHTED CATEGORIZATION AND INTERSTATE SEPARATIONS RESULT**

| Account | Weighted Total Cost | Average Interstate Proportion | Weighted Separated Cost |
|---|---|---|---|
| Telecommunications Plant In Service | $6,479,468,543 | 35.2358% | $2,283,094,880 |
| General Support Facilities | $866,539,451 | 35.2998% | $305,886,534 |
| Central Office Equipment | $2,432,933,246 | 45.3667% | $1,103,741,964 |
| - - COE Cat 1 | | 0.0024% | $58,951 |
| - - COE Cat 2 | | 0.9518% | $23,156,844 |
| - - COE Cat 3 | | 20.9101% | $508,729,669 |
| - - COE Cat 4.11 + 4.12 | | 6.2876% | $152,973,003 |
| - - COE Cat 4.13 | | 8.7081% | $211,863,014 |
| - - COE Cat 4.2 | | 6.8528% | $166,724,409 |
| - - COE Cat 4.3 | | 1.6538% | $40,236,075 |
| Cable & Wire Facilities | $3,148,501,138 | 27.3596% | $861,416,201 |
| - - C&WF Cat 1.2 | | 0.5311% | $16,720,705 |
| - - C&WF Cat 1.3 | | 20.7399% | $652,995,135 |
| - - C&WF Cat 2 | | 1.2342% | $38,860,089 |
| - - C&WF Cat 3 | | 4.0514% | $127,558,039 |
| - - C&WF Cat 4 | | 0.8030% | $25,282,234 |
| Tangibles | $7,503,025 | 40.2673% | $3,021,265 |
| Intangibles | $23,991,683 | 37.6335% | $9,028,915 |
| Materials And Supplies | $27,068,141 | 27.5287% | $7,451,508 |
| Other Telecommunications Plant | $127,621,213 | 35.4656% | $45,261,571 |
| Other Non-Current Assets | $974,741 | 34.7286% | $338,514 |
| Cash Working Capital | $35,065,438 | 35.3237% | $12,386,424 |
| Accumulated Depreciation | $4,355,045,102 | 35.8557% | $1,561,530,906 |
| Accumulated Amortization | $34,963,446 | 34.9914% | $12,234,185 |
| Net Deferred Operating FIT | $196,897,584 | 35.9075% | $70,700,913 |
| Network Support Expense | $4,652,824 | 35.2040% | $1,637,981 |
| General Support Expense | $50,581,369 | 35.6763% | $18,045,561 |
| COE Expense | $82,233,970 | 46.8421% | $38,520,130 |
| C&WF Expense | $120,478,938 | 27.3678% | $32,972,415 |
| Other Property & Plant Expense | $3,153,504 | 36.0959% | $1,138,285 |
| Network Operations Expense | $88,418,610 | 35.2318% | $31,151,488 |
| Depreciation & Amortization Expense | $379,012,921 | 37.7873% | $143,218,700 |
| Marketing Expense | $25,364,998 | 31.4791% | $7,984,663 |
| Services Expense | $140,389,793 | 32.0698% | $45,022,697 |
| Executive & Planning Expense | $74,074,473 | 34.0590% | $25,229,054 |
| General & Administration Expense | $169,863,359 | 38.6472% | $65,647,511 |
| Charitable Contributions | $1,332,022 | 40.2388% | $535,989 |
| Interest & Related Items | $33,011,202 | 34.4857% | $11,384,135 |
| Interest On Customer Deposits | $217,772 | 35.5067% | $77,323 |
| Other Long Term Liabilities | $87,716,252 | 33.1796% | $29,103,937 |
| Federal Income Taxes | $45,645,379 | 33.2146% | $15,160,929 |
| Other Operating Taxes | $56,962,859 | 37.1941% | $21,186,842 |
| Allowance For Funds Used During Construction | $2,244,233 | 34.4765% | $773,733 |
| Expenses & Other Taxes | $1,196,737,411 | 36.1289% | $432,368,640 |
| Average Net Investment | $1,996,510,177 | 34.1162% | $681,133,772 |
| Revenue Requirement | $1,464,745,952 | 35.7320% | $523,383,385 |

C. Allocation of Interstate Costs to Access Categories

In order to determine each sample study area's revenue requirements, NECA allocated its interstate costs to the access categories defined in Part 69 of the Commission's rules. The computation of access category allocation factors relied on:

- Cost company allocation factor models described in Exhibits 4.5, 4.6 and 4.7
- Study area demand variables forecasted to the test period
- Direct and indirect allocation methods, as per Part 69 of the Commission's rules.

Access category allocations for each account or category were then completed using one of the three methods described below.

- Method 1 - Selected categories of investment were directly assigned to access categories. These assignments are summarized in Exhibit 6.5.

**EXHIBIT 6.5**

**INTERSTATE INVESTMENT DIRECTLY ASSIGNED TO ACCESS CATEGORIES**

| Investment Category | Access Category |
|---|---|
| COE Category 3 | Central Office |
| COE Category 4.3 | Transport |
| C&WF Category 1.2 | Special Access |
| C&WF Category 1.3 | Common Line |

- Method 2 - Access category assignments for certain categories of expense and investment were calculated using allocation factor models that do not depend on assignment of other accounts. This computation was performed on Net Deferred Income Taxes, COE Category 1, COE Category 2, combined COE Categories 4.11 & 4.12, COE Category 4.13 and COE

Category 4.2 and for C&WF Categories 2, 3 and 4. Models used in these calculations are displayed in Exhibits 4.5, 4.6 and 4.7.

- Method 3 - Proportionate assignments of some accounts were made depending on the assignment of other accounts, as displayed in Exhibit 6.6.

**EXHIBIT 6.6**

**PROPORTIONATE ALLOCATION OF ACCOUNTS TO ACCESS CATEGORIES**

| Account | Allocation Basis |
|---|---|
| General Support Facilities | Combined COE and C&WF Investment[1] |
| Tangibles | Combined COE and C&WF Investment |
| Intangibles | Combined COE and C&WF Investment |
| Materials and Supplies | Telecommunications Plant in Service |
| Other Telecommunications Plant | Telecommunications Plant in Service |
| Other Non-Current Assets | Big Three Expenses |
| Accumulated Depreciation | Telecommunications Plant in Service |
| Accumulated Amortization | Telecommunications Plant in Service |
| Network Support Expense | Telecommunications Plant in Service |
| General Support Expense | General Support Facilities |
| Combined Central Office Expense | Combined Central Office Investment |
| C&WF Expense | Cable & Wire Facilities |
| Other Property, Plant & Equipment Expense | General Support Facilities |
| Network Operations Expense | General Support Facilities |
| Depreciation and Amortization Expense | Telecommunications Plant in Service |
| Marketing Expense | General Support Facilities |
| Services Expense | Telecommunications Plant in Service |
| Executive & Planning Expense | Big Three Expenses |
| General & Administrative Expense | Big Three Expenses |
| Contributions | Big Three Expenses |
| Interest & Related Items | General Support Facilities |
| Interest on Customer Deposits | Net Telecommunications Plant |
| Other Long Term Liabilities | Big Three Expenses |
| Other Operating Taxes[2] | General Support Facilities |
| Allow. for Funds Used During Construction | Telecommunications Plant in Service |

1 *See* Section IV.B.2 for a description of the allocation of some General Support Facilities costs to the Billing and Collection Category.

2 Includes Operating Other Taxes + Operating State and Local Income Taxes.

The access allocation results are displayed in Exhibit 6.7. Average allocation percentages corresponding to these results appear in Exhibit 6.8.

## D. Allocation of Transport Costs to Subcategories

In order to develop more accurate settlement formulas for the three transport elements (Line Haul Distance Sensitive, Line Haul Non-Distance Sensitive and Intertoll Dial Switching), a further allocation of transport costs was performed. The transport portions of account data were allocated to these elements using two methods:

1. Selected separated categories of transport COE and C&WF were directly assigned to transport elements. These assignments are displayed in Exhibit 6.9.

2. All other accounts were allocated to transport elements in proportion to accounts or groups of accounts designated by Part 69 rules. These allocation methods are displayed in Exhibit 6.10.

**EXHIBIT 6.7**
**WEIGHTED ACCESS CATEGORY ALLOCATION RESULTS**

| Account | Interstate | Common Line | Central Office | Transport | Special Access |
|---|---|---|---|---|---|
| Telecommunications Plant In Service | $2,283,094,880 | $996,469,788 | $593,998,058 | $326,263,773 | $366,326,958 |
| General Support Facilities | $305,886,534 | $132,475,248 | $81,704,764 | $43,503,170 | $48,200,423 |
| Central Office Equipment | $1,103,741,964 | $206,008,418 | $508,755,900 | $163,251,596 | $225,693,330 |
| - - COE Cat 1 | $58,951 | $0 | $26,231 | $0 | $0 |
| - - COE Cat 2 | $23,156,844 | $0 | $0 | $23,156,844 | $0 |
| - - COE Cat 3 | $508,729,669 | $0 | $508,729,669 | $0 | $0 |
| - - COE Cat 4.11 + 4.12 | $152,973,003 | $0 | $0 | $1,040,050 | $151,932,953 |
| - - COE Cat 4.13 | $211,863,014 | $206,008,418 | $0 | $0 | $5,854,596 |
| - - COE Cat 4.2 | $166,724,409 | $0 | $0 | $98,818,628 | $67,905,781 |
| - - COE Cat 4.3 | $40,236,075 | $0 | $0 | $40,236,075 | $0 |
| Cable & Wire Facilities | $861,416,201 | $652,995,135 | $0 | $118,268,438 | $90,152,629 |
| - - C&WF Cat 1.2 | $16,720,705 | $0 | $0 | $0 | $16,720,705 |
| - - C&WF Cat 1.3 | $652,995,135 | $652,995,135 | $0 | $0 | $0 |
| - - C&WF Cat 2 | $38,860,089 | $0 | $0 | $566,714 | $38,293,375 |
| - - C&WF Cat 3 | $127,558,039 | $0 | $0 | $92,419,490 | $35,138,549 |
| - - C&WF Cat 4 | $25,282,234 | $0 | $0 | $25,282,234 | $0 |
| Tangibles | $3,021,265 | $1,309,932 | $767,191 | $372,761 | $571,381 |
| Intangibles | $9,028,915 | $3,681,056 | $2,770,203 | $867,807 | $1,709,195 |
| Materials And Supplies | $7,451,508 | $3,346,822 | $1,854,569 | $1,016,265 | $1,233,775 |
| Other Telecommunications Plant | $45,261,571 | $20,085,568 | $11,910,123 | $6,812,241 | $6,453,501 |
| Other Non-Current Assets | $338,514 | $128,598 | $85,727 | $44,555 | $50,285 |
| Cash Working Capital | $12,386,424 | $4,773,050 | $3,155,300 | $1,638,441 | $1,693,552 |
| Accumulated Depreciation | $1,555,382,995 | $650,400,092 | $439,175,215 | $217,032,267 | $243,408,167 |
| Accumulated Amortization | $12,234,185 | $5,850,086 | $2,852,275 | $1,303,914 | $2,252,185 |
| Net Deferred Operating FIT | $70,700,913 | $33,229,712 | $20,337,754 | $3,274,945 | $10,965,525 |
| Network Support Expense | $1,637,981 | $719,554 | $460,673 | $210,072 | $247,680 |
| General Support Expense | $18,045,561 | $7,761,147 | $4,872,375 | $2,542,854 | $2,868,851 |
| COE Expense | $38,520,130 | $6,956,278 | $18,883,169 | $5,502,600 | $7,177,179 |
| C&WF Expense | $32,972,415 | $24,098,974 | $0 | $5,431,059 | $3,343,235 |
| Other Property & Plant Expense | $1,138,285 | $488,427 | $321,087 | $152,329 | $176,442 |
| Network Operations Expense | $31,151,488 | $13,922,755 | $7,774,210 | $4,166,936 | $5,286,941 |
| Depreciation & Amortization Expense | $143,218,700 | $52,464,211 | $47,051,803 | $20,163,910 | $23,115,822 |
| Marketing Expense | $7,984,663 | $3,454,899 | $2,123,962 | $1,024,332 | $1,381,274 |
| Services Expense | $45,022,697 | $9,691,963 | $10,283,636 | $3,907,691 | $4,179,833 |
| Executive & Planning Expense | $25,229,054 | $8,940,076 | $6,834,342 | $3,452,398 | $3,024,945 |
| General & Administration Expense | $65,647,511 | $25,555,311 | $16,135,068 | $8,530,489 | $8,597,745 |
| Charitable Contributions | $535,989 | $196,685 | $133,998 | $70,741 | $76,332 |
| Interest & Related Items | $11,384,135 | $4,920,369 | $3,236,940 | $1,787,365 | $1,439,460 |
| Interest On Customer Deposits | $77,323 | $38,351 | $16,157 | $14,297 | $10,574 |
| Other Long Term Liabilities | $29,103,937 | $11,293,394 | $6,379,798 | $3,992,762 | $4,007,646 |
| Federal Income Taxes | $15,160,929 | $7,795,738 | $2,757,075 | $2,475,146 | $2,808,031 |
| Other Operating Taxes | $21,186,842 | $9,227,098 | $5,615,191 | $3,013,131 | $3,331,123 |
| Allowance For Funds Used During Construct. | $773,733 | $327,812 | $196,904 | $119,483 | $129,529 |
| Expenses & Other Taxes | $432,368,640 | $163,477,378 | $120,489,514 | $58,168,542 | $62,807,400 |
| Average Net Investment | $681,133,772 | $324,368,840 | $142,653,344 | $108,962,777 | $115,168,990 |
| Revenue Requirement | $523,383,385 | $145,879,796 | $82,069,640 | $43,660,449 | $52,704,242 |

**EXHIBIT 6.8**
**WEIGHTED AVERAGE ACCESS CATEGORY ALLOCATION FACTORS**

| Account | Common Line | Central Office | Transport | Special Access |
|---|---|---|---|---|
| Telecommunications Plant In Service | 43.6456% | 26.0172% | 14.2904% | 16.0452% |
| General Support Facilities | 43.3086% | 26.7108% | 14.2220% | 15.7576% |
| Central Office Equipment | 18.6645% | 46.0937% | 14.7907% | 20.4480% |
| - - COE Cat 1 | 0.0000% | 44.4962% | 0.0000% | 0.0000% |
| - - COE Cat 2 | 0.0000% | 0.0000% | 100.0000% | 0.0000% |
| - - COE Cat 3 | 0.0000% | 100.0000% | 0.0000% | 0.0000% |
| - - COE Cat 4.11 + 4.12 | 0.0000% | 0.0000% | 0.6799% | 99.3201% |
| - - COE Cat 4.13 | 97.2366% | 0.0000% | 0.0000% | 2.7634% |
| - - COE Cat 4.2 | 0.0000% | 0.0000% | 59.2706% | 40.7294% |
| - - COE Cat 4.3 | 0.0000% | 0.0000% | 100.0000% | 0.0000% |
| Cable & Wire Facilities | 75.8048% | 0.0000% | 13.7295% | 10.4656% |
| - - C&WF Cat 1.2 | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| - - C&WF Cat 1.3 | 100.0000% | 0.0000% | 0.0000% | 0.0000% |
| - - C&WF Cat 2 | 0.0000% | 0.0000% | 1.4583% | 98.5417% |
| - - C&WF Cat 3 | 0.0000% | 0.0000% | 72.4529% | 27.5471% |
| - - C&WF Cat 4 | 0.0000% | 0.0000% | 100.0000% | 0.0000% |
| Tangibles | 43.3571% | 25.3930% | 12.3379% | 18.9120% |
| Intangibles | 40.7696% | 30.6815% | 9.6114% | 18.9302% |
| Materials And Supplies | 44.9147% | 24.8885% | 13.6384% | 16.5574% |
| Other Telecommunications Plant | 44.3766% | 26.3140% | 15.0508% | 14.2582% |
| Other Non-Current Assets | 37.9889% | 25.3246% | 13.1621% | 14.8547% |
| Cash Working Capital | 38.5345% | 25.4739% | 13.2277% | 13.6726% |
| Accumulated Depreciation | 41.8161% | 28.2358% | 13.9536% | 15.6494% |
| Accumulated Amortization | 47.8175% | 23.3140% | 10.6580% | 18.4090% |
| Net Deferred Operating FIT | 47.0004% | 28.7659% | 4.6321% | 15.5097% |
| Network Support Expense | 43.9294% | 28.1245% | 12.8251% | 15.1210% |
| General Support Expense | 43.0086% | 27.0004% | 14.0913% | 15.8978% |
| COE Expense | 18.0588% | 49.0216% | 14.2850% | 18.6323% |
| C&WF Expense | 73.0883% | 0.0000% | 16.4715% | 10.1395% |
| Other Property & Plant Expense | 42.9090% | 28.2080% | 13.3824% | 15.5006% |
| Network Operations Expense | 44.6937% | 24.9561% | 13.3764% | 16.9717% |
| Depreciation & Amortization Expense | 36.6322% | 32.8531% | 14.0791% | 16.1402% |
| Marketing Expense | 43.2692% | 26.6005% | 12.8287% | 17.2991% |
| Services Expense | 21.5268% | 22.8410% | 8.6794% | 9.2838% |
| Executive & Planning Expense | 35.4356% | 27.0892% | 13.6842% | 11.9899% |
| General & Administration Expense | 38.9281% | 24.5783% | 12.9944% | 13.0968% |
| Charitable Contributions | 36.6958% | 25.0002% | 13.1982% | 14.2413% |
| Interest & Related Items | 43.2213% | 28.4338% | 15.7005% | 12.6444% |
| Interest On Customer Deposits | 49.5977% | 20.8959% | 18.4898% | 13.6757% |
| Other Long Term Liabilities | 38.8037% | 21.9207% | 13.7190% | 13.7701% |
| Federal Income Taxes | 51.4199% | 18.1854% | 16.3258% | 18.5215% |
| Other Operating Taxes | 43.5511% | 26.5032% | 14.2217% | 15.7226% |
| Allowance For Funds Used During Construct. | 42.3676% | 25.4486% | 15.4424% | 16.7408% |
| Expenses & Other Taxes | 37.8097% | 27.8673% | 13.4535% | 14.5264% |
| Average Net Investment | 47.6219% | 20.9435% | 15.9973% | 16.9084% |
| Revenue Requirement | 39.6338% | 26.5767% | 13.9062% | 14.9876% |

**EXHIBIT 6.9**

**DIRECT ASSIGNMENT OF COE AND C&WF TO TRANSPORT ELEMENTS**

| Category | Transport Element |
|---|---|
| COE Category 2 | Intertoll Switching |
| COE Category 4.11 & 4.12 | Line Haul Non-Distance Sensitive |
| COE Category 4.2 | Line Haul Non-Distance Sensitive |
| COE Category 4.3 | Line Haul Non-Distance Sensitive |
| C&WF Category 2 | Line Haul Distance Sensitive |
| C&WF Category 3 | Line Haul Distance Sensitive |
| C&WF Category 4 | Line Haul Distance Sensitive |

E. Calculation of Cash Working Capital

Total company, interstate, access category and Transport element amounts of Cash Working Capital were calculated according to the simplified formula prescribed in a Commission Order.[3] This formula is displayed below. Amounts calculated by these methods are displayed in Exhibits 6.4 and 6.7.

*Cash Working Capital = 0.041096 x Total Amount for Allowances*

*Where, Total Amount for Allowances*

*= Total Operating Expenses + Operating Taxes + Interest & Related Items*
*+ Charitable Contributions + Interest on Customer Deposits*
*– Depreciation & Amortization Expense*

[3] *See* Amendment of Part 65 of the Commission's Rules to Prescribe Components of the Rate Base and Net Income of Dominant Carriers, CC Docket No. 86-497, *Report and Order*, 3 FCC Rcd 269 (1987), *Order on Reconsideration*, 4 FCC Rcd 1697 (1989).

**EXHIBIT 6.10**

**INDIRECT ALLOCATION OF ACCOUNTS TO TRANSPORT ELEMENTS**

| Account | Indirect Allocation Basis |
|---|---|
| General Support Facilities | COE + C&WF |
| Tangibles | COE + C&WF |
| Intangibles | COE + C&WF |
| Materials and Supplies | COE + C&WF |
| Other Telecommunications Plant | COE + C&WF |
| Other Non-Current Assets | COE + C&WF |
| Cash Working Capital | COE + C&WF |
| Accumulated Depreciation | COE + C&WF |
| Accumulated Amortization | COE + C&WF |
| Net Deferred Income Taxes | COE + C&WF |
| Network Support Expense | COE + C&WF |
| General Support Expense | COE + C&WF |
| Central Office Equipment Expense | COE |
| Cable & Wire Facilities Expense | C&WF |
| Other Property Plant & Equipment Expense | COE + C&WF |
| Network Operations Expense | COE + C&WF |
| Depreciation & Amortization Expense | COE + C&WF |
| Marketing Expense | COE + C&WF |
| Service Expense | COE + C&WF |
| Executive & Planning Expense | Big Three Expenses |
| General & Administrative Expense | Big Three Expenses |
| Contributions | Big Three Expenses |
| Interest & Related Items | COE + C&WF |
| Interest on Customer Deposits | COE + C&WF |
| Other Long Term Liabilities | COE + C&WF |
| Federal Income Tax | COE + C&WF |
| Other Operating Taxes | COE + C&WF |
| Allowance For Funds Used During Construction | Total Plant in Service |

F. Calculation of Interstate Access Category Revenue Requirements

Revenue requirements were computed for each access category and Transport element for sample study areas in accordance with the Commission's Part 65 rules. Study areas were excluded if were involved in merger with a cost company, invalid line haul data, or withdrew from NECA's traffic sensitive pool. Revenue requirements were calculated for each access category and for the Transport subcategories using the following formulas:

*Total Investment = Central Office Equipment + Cable and Wire Facilities*
*+ General Support Facilities + Other Telecommunication Plant + Tangibles*
*+ Intangibles + Materials and Supplies + Other Non-Current Assets*

*Average Net Investment = Total Investment + Cash Working Capital*
*- Accumulated Depreciation & Amortization*
*- Net Deferred Income Taxes – Other Long Term Liabilities*

*Return*[4] *= Average Net Investment x 0.1125*

*Net Plant*[5] *= Telecommunication Plant in Service + Other Telecommunication Plant*
*+ Material and Supplies – Accumulated Depreciation & Amortization*
*– Net Deferred Income Taxes + Other Non-Current Assets*
*– Other Long Term Liabilities*

*Net Federal Income Tax*[6] *= Average Effective Tax Rate x (Net Plant x 0.1125)*

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4 This method assures that average schedule formulas are calibrated to the rate of return authorized by the Commission.

5 Net Telephone Plant in each access category was limited to be greater than or equal to zero.

6 Federal Income Taxes are calculated only for non-tax exempt average schedule study areas, using the tax status reported to NECA. If the Federal Income Tax calculation for any study area resulted in a negative value, a zero value was used. Federal Income Tax is calculated using the Average Effective Tax Rate developed using sample cost study data, as described in Section IV.G.

*Total Expenses and Other Taxes = Network Support Expense*
*+ Central Office Equipment Expense + Cable & Wire Facilities Expense*
*+ General Support Facilities Expense + Other Property Plant & Equipment Expense*
*+ Network Operations Expense + Depreciation & Amortization Expense*
*+ Marketing Expense + Services Expense + Executive & Planning Expense*
*+ General & Administrative Expense + Charitable Contributions*
*+ Other Operating Taxes + Interest on Customer Deposits*

*Revenue Requirement = Total Expenses and Other Taxes + Return*
*+ Federal Income Tax - Allowance for Funds Used During Construction*

*Monthly Revenue Requirement = Revenue Requirement / 12*

Next, the following adjustments, described in Sections VI.G through VI.I were made to the revenue requirements:

- Carrier Access Billing System (CABS) Adjustment
- Signaling System 7 (SS7) Adjustment
- Leased Transport Facilities Adjustment

G. Carrier Access Billing System (CABS) Adjustment

NECA uses a special study of cost company data to add CABS costs to the Central Office Settlement formula, as described in Section VII.E.1. Consequently, to avoid double recovery of these costs, NECA removed CABS costs, already present in the average schedule revenue requirements.

The CABS costs, used in this study, were determined from the CABS formula filed in 2002[7]

[7] National Exchange Carrier Association, Inc., 2003 Proposed Modifications to the Interstate Average Schedule Formulas, Dec. 31, 2002 (December 2002 Filing).

(used for settlements in the first half of 2004) and the CABS formula developed in 2003[8] (used for settlements in the second half of 2004). The 2006 Study CABS costs were the average monthly payments calculated pursuant to these formulas, using test period access minutes, defined in Section V.C, and exchange counts, defined in Section III.E. The CABS Adjustment Factor was then computed as follows:

*CABS Adjustment Factor*

$$= 1 - \frac{\Sigma\,(\text{Sample Weight x 2004 Monthly CABS Costs})}{\Sigma\,(\text{Sample Weight x Total Monthly TS Revenue Requirements})}$$

$$= 1 - 0.082414$$

$$= 0.917586$$

The summations are over all average schedule study areas.

The Central Office, Transport and Special Access revenue requirements were adjusted by this fraction to produce the final revenue requirements used to derive the formulas described in Section VII.

## H. Signaling System 7 (SS7) Adjustment

NECA uses a special study of SS7 costs to determine a separate settlement formula for SS7. Therefore, NECA removed SS7 costs from Traffic Sensitive revenue requirements to avoid double recovery. Using 2004 settlement data, corresponding to 2004 accounts which are the basis of this study, NECA calculated the test period Traffic Sensitive revenue requirement adjustment ratio as:

[8] Ibid.

$$\text{SS7 Adjustment Factor} = 1 - \frac{\Sigma(\text{SS7 Settlements})}{\Sigma(\text{TS Settlements})}$$

$$= 1 - 0.025118$$

$$= 0.974882$$

The summations are over all average schedule study areas over all months of 2004. All Traffic Sensitive test period revenue requirement values for each average schedule sample study area were multiplied by this ratio to remove SS7 costs.

## I. Leased Transport Facilities Adjustment

In accordance with FCC rules, leased C&WF costs of line haul facilities are accounted for in the C&WF expense account, which in Part 69 is apportioned among the Common Line, Transport and Special Access categories. NECA's average schedule methods, however, calculate settlements for leased circuit miles using the Distance Sensitive Line Haul Formula. To correctly align the leased circuit miles with the lease expense costs in settlement formulas, NECA assigned all line haul C&WF lease expense to the distance sensitive Transport revenue requirement.

Using preliminary allocations of C&WF expense to the access elements, NECA first estimated the total long route revenue requirement and the amount in each access category. NECA then moved the proportionate amount of C&WF expense associated with long routes from the Common Line and Special Access categories to the transport element. This adjustment, which was applied only to study areas with long route circuit miles, resulted in a $26,576 shift of CWF expense from Common Line and Special Access to transport.

## J. Central Office Revenue Requirements for High Traffic Volume Study Areas

To support analyses of settlement rates for high traffic volumes, NECA separately calculated central office revenue requirements for high traffic volume study areas. These calculations were completed using the high traffic volume accounting and demand, described in Section III.F. These costs and demand were separated using methods described in Section VI.B and VI.C. Revenue requirement values developed in this section were used to support development of settlement formulas, including coefficients for high traffic volumes, as described in Section VII.

# VII. SETTLEMENT FORMULA DEVELOPMENT

## A. Introduction

This section describes 2006 Study development methods for the following average schedule settlement formulas:

- Common Line Access Line
- Universal Service Support Contribution Reimbursement
- Central Office
- Intertoll Dial Switching
- Line Haul Distance Sensitive
- Line Haul Non-Distance Sensitive
- Special Access
- Signaling System 7 (SS7)
- Rate of Return Factors
- Equal Access Implementation
- Line Port and TIC Allocations

Development of these settlement formulas is described in Sections VII.B through VII.M. Impacts of the proposed settlement formulas are described in Section VII.N. Transition considerations are discussed in Section VII.O. The proposed formulas are displayed in Section VIII, where they are contrasted with current formulas.

In addition, Section VII.E explains the development of Local Switching Support Fractions, which NECA will use to determine the portion of central office settlements that will be funded by universal service programs, rather than from NECA's tariff revenues. USAC will use these same fractions in its filing of the Average Schedule Local Switching Support Formula pursuant to FCC rules §54.301(f)(1), and in its calculation of support payments to average schedule companies in 2008.

Each year NECA analyzes and estimates relationships between access cost and access demand and proposes formula revisions, where necessary, to reflect changes in these relationships. Settlement formulas can be revised for several reasons, such as:

- FCC rule changes
- Cost and demand growth
- Technology changes
- Network structure changes
- Tariff changes

## B. Outlier Analysis

For each formula that uses sample data from average schedule study areas, outlier analysis was performed. Most settlement formulas are developed either by linear regression or ratio estimates, which use outlier accommodation methods described in Section IV.C. The Common Line Access Line formula is a non-linear model which requires an additional step to develop the *DFFITS*[1] statistic required by the outlier accommodation method.

## C. Common Line Access Line Formula

Common Line formulas include the Common Line Access Line formula (described here in Section VII.C), the Common Line Universal Service Contribution Reimbursement formula (Section VII.D), the Common Line Line Port and Common Line Transport formulas (Section VII.M), and the Common Line Rate of Return Factor formula (Section VII.K).

The Common Line Access Line formula has the same structure as in the last study. It is designed to compensate average schedule companies for interstate costs associated with subscriber access lines

[1] See Section IV.C for a discussion of outlier methods.

(*e.g.*, cable, drop, protector and circuit equipment). Relative costs of much of this equipment and associated expenses are usually higher in lower density exchange areas. To reflect this relationship, the formula relates the Common Line revenue requirement per access line (CPL) to access lines per exchange (LPE). The formula results in a set of connected lines and curves for a designated range of study areas with average access lines per exchange. Access lines used in the development of this formula were projected to the test period as described in Section V.D. Derivation of the Common Line revenue requirement is explained in Section VI.F.

Since larger study areas generally have a lower Common Line revenue requirement per access line, the formula has two parts; one for larger study areas, and the other for smaller study areas. Each part is a set of connected lines and curves used for a designated range of study areas. The part for larger study areas is parallel to but below the part for smaller study areas.

This model has the following parameters:

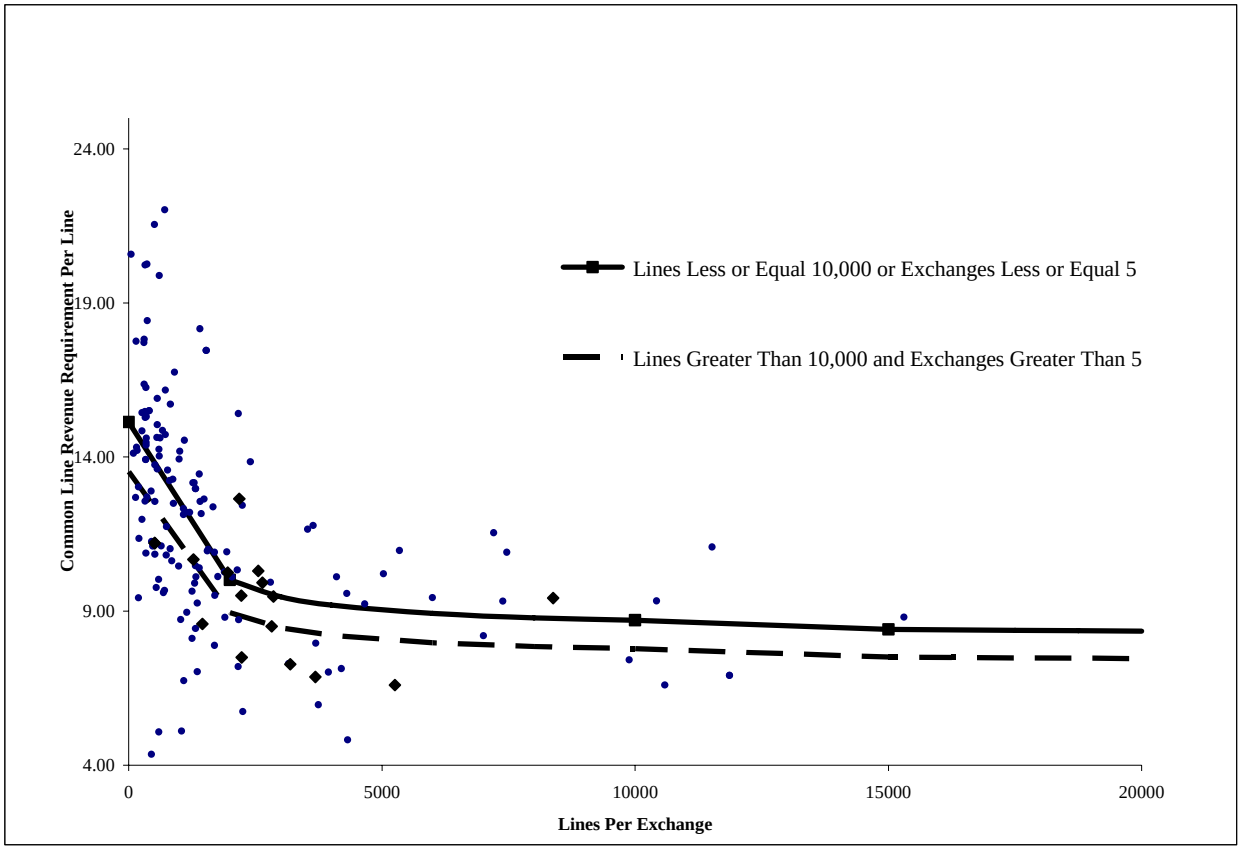
- Three lines per exchange breakpoints which delimit the groups of study areas with lower values of lines per exchange from those above ($K_1$), the midrange values of lines per exchange from those above ($K_2$), and the upper values of lines per exchange from those below ($K_3$). The latter two limits were determined by graphical analysis to be 10,000 and 15,000 respectively. The lower lines-per-exchange delimiter was resolved by regression methods.
- For the lower lines-per-exchange group, a slope ($b_1$) and intercept ($a_1$) of the formula are estimated by regression methods.
- For the midrange lines-per-exchange group, the slope ($b_2$) is estimated by regression methods, while the intercept ($a_2$) is resolved by a constraint that requires that the small company line meet the midrange curve at $K_1$.

- A High Lines per Exchange Multiplier (M) for the upper lines-per-exchange group, which is estimated by regression methods.
- For the formula component that transitions between the components for the mid-range and upper groups, the intercept and slope are resolved by constraints that the transitional line meet the midrange and large company curves at $K_2$ and $K_3$ respectively.
- For study areas with access lines greater than 10,000 and exchange counts greater than five, a CL Adjustment Multiplier is used to reduce the settlement rates calculated for these study areas relative to the settlement rates for other study areas.

Exhibit 7.1 shows how the proposed formula effectively targets common line settlements between the two groups of study areas. Data of the larger study areas are designated by black diamond shapes, while data of the smaller study areas are designated by small dots. The exhibit shows that the upper set of lines and curves passes above the cost per line data of nearly all of the black diamonds, while the lower set passes directly through the trend of these data.

**EXHIBIT 7.1**

**Common Line Formula Fit to Cost Per Line Data**




As in previous studies, NECA analyzed graphically the data of study areas with higher lines per exchange. Study areas with lines per exchange below 10,000 had relatively higher revenue requirements per line. Study areas with lines per exchange greater than 15,000 had relatively lower revenue requirements per line. There was no conclusive trend of revenue requirement per line for study areas between 10,000 and 15,000 lines per exchange. Therefore, NECA continues the use of 10,000 and 15,000 lines per exchange as the limits $K_2$ and $K_3$ respectively. The best fitting delimiter between the lower and mid-range lines-per-exchange components, $K_1$, was chosen to be 2,000 lines per exchange.

The formula component for the upper lines-per-exchange group is proportionately reduced from the

midrange curve using the High Lines-Per-Exchange Multiplier M. This multiplier accounts for the lower cost per line of the upper group, producing a better model fit.

The best-fitting combination of parameters $a_1$, $b_1$, $b_2$, M and CL Adjustment were estimated using a weighted non-linear regression model, derived as follows. For study areas with five or fewer exchanges, or with fewer than 10,000 access lines the following relationships were used.

For companies with LPE < 2,000,

$$CPL_i = a_1 + b_1 \times LPE_i$$

For companies with 2,000 <= LPE < 10,000,

$$CPL_i = a_2 + b_2 / LPE_i$$

For companies with 10,000 <= LPE < 15,000,

$$CPL_i = P_i \times (a_2 + b_2 / 10{,}000) + (1 - P_i) \times M \times (a_2 + b_2 / 15{,}000)$$

$$P_i = \frac{15{,}000 - LPE_i}{15{,}000 - 10{,}000}$$

For companies with 15,000 <= LPE,

$$CPL_i = M \times (a_2 + b_2 / LPE_i)$$

The following indicator variables are needed to program this model.

$\delta_{1i} = 1$ *if* $LPE_i < 2{,}000$; *otherwise* $\delta_{1i} = 0$.
$\delta_{2i} = 1$ *if* $2{,}000 <= LPE_i < 10{,}000$; *otherwise* $\delta_{2i} = 0$.
$\delta_{3i} = 1$ *if* $10{,}000 <= LPE_i < 15{,}000$; *otherwise* $\delta_{3i} = 0$.
$\delta_{4i} = 1$ *if* $15{,}000 <= LPE_i$ ; *otherwise* $\delta_{4i} = 0$.

Then the model is written as:

$$CPL_i = \delta_{1i} (a_1 + b_1 \times LPE_i) + \delta_{2i} (a_2 + b_2 / LPE_i)$$

$$+ \delta_{4i} \times M \times (a_2 + b_2 / LPE_i) + P_i \times \delta_{3i} \times (a_2 + b_2 / 10{,}000)$$

$$+ (1 - P_i) \times \delta_{3i} \times M \times (a_2 + b_2 / 15{,}000)$$

And for companies with access lines greater than 10,000 and more than five exchanges, the model is written as:

$$CPL_i = CL\ Adjustment \times \{\delta_{1i} (a_1 + b_1 \times LPE_i) + \delta_{2i} (a_2 + b_2 / LPE_i)$$

$$+ \delta_{4i} \times M \times (a_2 + b_2 / LPE_i) + P_i \times \delta_{3i} \times (a_2 + b_2 / 10{,}000)$$

$$+ (1 - P_i) \times \delta_{3i} \times M \times (a_2 + b_2 / 15{,}000)\}$$

The combined model has the linear constraint that:

$$a_1 + b_1 \times 2{,}000 = a_2 + b_2 / 2{,}000$$

Consequently,

$$a_2 = a_1 + (b_1 \times 2{,}000) - (b_2 / 2{,}000)$$

Therefore, regression model parameters are reduced to $a_1$, $b_1$, $b_2$, M and CL Adjustment.

Substituting the constraints in the model and rearranging its terms, the model is rewritten in the following form suitable for regression estimation.

$$CPL_i =$$
$$(1 - \gamma_i) \times \{a_1 \times (A1_i + M \times A2_i) + b_1 \times (B1_i + M \times B2_i) + b_2 \times (C1_i + M \times C2_i)\}$$
$$+ \gamma_i \times CL\ Adjustment \times$$
$$\{a_1 \times (A1_i + M \times A2_i) + b_1 \times (B1_i + M \times B2_i) + b_2 \times (C1_i + M \times C2_i)\}$$

Where,

$$A1_i = \delta_{1i} + \delta_{2i} + \delta_{3i} \times P_i$$
$$A2_i = \delta_{3i} \times (1 - P_i) + \delta_{4i}$$
$$B1_i = \delta_{1i} \times LPE_i + 2{,}000 \times (\delta_2 + \delta_{3i} \times P_i)$$
$$B2_i = 2{,}000 \times [\delta_{3i} \times (1 - P_i) + \delta_{4i}]$$
$$\gamma_i = 1 \text{ if } Lines_i > 10{,}000 \text{ and } Exchanges_i > 5, \text{ and } \gamma_i = 0 \text{ otherwise}$$

$$C1_i = \left(-\frac{1}{2{,}000}\right) \times (\delta_{2i} + \delta_{3i} \times P_i) + \frac{\delta_{2i}}{LPE_i} + \frac{P_i \times \delta_{3i}}{10{,}000}$$

$$C2_i = \left(-\frac{1}{2{,}000}\right) \times [\delta_{3i} \times (1 - P_i) + \delta_{4i}] + \frac{\delta_{3i} \times (1 - P_i)}{15{,}000} + \frac{\delta_{4i}}{LPE_i}$$

Using the variables $CPL_i$, $A1_i$, $A2_i$, $B1_i$, $B2_i$, $C1_i$, and $C2_i$, the program NLIN (NonLINear regression)[2] solves for parameters $a_1$, $b_1$, $b_2$, M and CL Adjustment that best fit the data.

The resulting line and curve model produces two stable, continuous parts of the settlement formula with an *R-Square* statistic of 0.3623, a *t-statistic* of 30.99 for $a_1$, a *t-statistic* of 5.59 for $b_1$, a *t-statistic* of 1.23 for $b_2$, a *t-statistic* of 4.86 for M, and a *t-statistic* of 12.14 for CL Adjustment. The proposed formula is shown in Section VIII.

[2] SAS Institute Inc., *SAS/STAT® User's Guide, Version 6*, 1,135 (4th ed. SAS Institute Inc., 1990).

D. Common Line Universal Service Contribution Reimbursement Formula

NECA proposes to continue the settlement method which became effective on January 1, 1998, to compensate average schedule companies for their interstate access costs of contributions to the universal service fund. Under section 54.706 of the Commission's rules, all telecommunications service providers, including average schedule companies, are required to contribute to the universal service funds.[3]

The Universal Service Order[4] directs carriers to assign all contributions to federal universal service programs to the interstate jurisdiction, and prescribes that the appropriate contribution costs (based on revenues from regulated services) borne by exchange carriers not subject to federal price caps be assigned to their common line revenue requirement. Accordingly, cost companies will assign these costs to the interstate jurisdiction in their cost separations studies, and will recover these costs from end user charges.[5]

In the December 1997 Filing,[6] NECA proposed that the same principles apply to average schedule companies and filed a common line universal service contribution settlement formula equal to the portion of the contribution paid that is associated with the regulated revenues of the average schedule company. This amount is assigned to the common line revenue requirement according to

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3 Under section 54.708 of the Commission's rules, there is an exemption for companies whose contribution would be *de minimus*.

4 Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Report and Order*, 12 FCC Rcd 8776 (1997).

5 MAG Order at ¶ 177.

6 National Exchange Carrier Association, Inc. Proposed Modifications to the 1998-99 Interstate Average Schedule Formulas, AAD 98-20, *Order*, 13 FCC Rcd 17351 (1998).

Commission rules. The Commission initially approved this method in a 1998 order,[7] and in all subsequent years.

The rules regarding Universal Service Contributions have changed from year to year. Consequently, historical demand or revenue data is not an accurate predictor of next year's contributions. Therefore, NECA proposes to continue the current structure, which compensates for actual universal service contributions made by carriers.

E. Central Office (CO) Formula

The Central Office (CO) formula is designed to compensate average schedule companies for the local switching costs of interstate access calls, and for the cost of interstate carrier access billing systems (CABS). The cost of providing these functions has been found to depend on total switched interstate access minutes, access lines, number of exchanges served, and relative access minutes per access line.

The proposed structure is identical to that of the current CO formula and includes a basic settlement per minute and per exchange, an access line factor, and a settlement per study area for the component of CABS billing cost which is independent of the count of access minutes. The basic formula consists of an exchange component, three per minute components corresponding to three tiers of minutes per line, and a high volume access line multiplier. The multiplier produces a better relationship between access line size and the cost of serving study areas with high volumes of minutes per line.

[7] *June 1998 Order.*

In previous studies, NECA analyzed detailed engineering data to determine switching equipment requirements to serve high traffic volumes. The proposed formula structure continues to reflect the findings of these analyses.

In addition, this section recognizes that average schedule companies will recover part of their local switching formula costs through access charges, and part through universal service support payments. To identify the split of funding between these sources, NECA develops a table of local switching support fractions.

The CO formula has the following parameters:

- A coefficient of the exchange variable (b) and of the normal volume minute variable ($a_1$)
- A breakpoint in the access line factor model ($K_1$) that connects two sloping lines – one for companies with small access line counts, the other for companies with medium access line counts; a second breakpoint ($K_2$) that connects the second sloping line for companies with medium access line counts with the horizontal line for study areas with larger access line counts. These breakpoints were chosen to be 1,250 and 20,000 respectively.
- The intercept of the large company access line factor line (w), which, by design, is equal to 1.0.
- Slope (v1) and intercept (u1) of the small company access line factor (ALF) component. The slope and the intercept are estimated by regression and are constrained to ensure that the small company ALF line and the medium company ALF line meet at K1.
- Slope (v2) and intercept (u2) of the medium company access line factor (ALF) component. The slope and the intercept are estimated by regression and are constrained to ensure that the medium company ALF line and the larger company ALF line meet at K2.
- The high volume access line multiplier (M), which was resolved iteratively, as the one

which fit the high volume data best.

- Coefficients of high volume minutes ($a_2$ and $a_3$) which were resolved iteratively.
- Coefficient (e) of normal volume access minutes and an intercept (c) of the CABS cost model. These coefficients were determined using cost company data.

1. Studies of Cost Company Data

a. A Model of Carrier Access Billing System (CABS) Costs

Each average schedule company incurs monthly costs to render access bills to interexchange carriers. The Carrier Access Billing System (CABS) cost components of the CO settlement formula are designed to compensate average schedule companies for the interstate portion of these costs. Development of the CABS formula consisted of calculating cost study CABS revenue requirements, followed by regression modeling. This analysis used sample cost company exchange counts and 2004 cost studies.

Average schedule companies do not separately account for CABS costs. Rather, according to Class B accounting practices, these costs are included with many other costs in Account 6620, Services Expenses. Consequently, a focused analysis of CABS costs incurred by average schedule companies would not be practical.

On the other hand, according to separations methods prescribed in section 36.381 of the Commission's rules, CABS cost data were reported explicitly in cost studies. These data provided a suitable basis for analysis of average schedule CABS costs.

Factors that determine CABS costs include the number of interexchange carriers billed, the number of exchanges served, the number of separate Special Access services and service orders billed, and the complexity of meet point arrangements. NECA's review of CABS documents supplied by sample average schedule and cost companies indicated similar distributions of these factors in the two groups. Consequently, NECA concluded that CABS costs from sample cost study areas would adequately represent average schedule CABS costs.

The CABS revenue requirement was calculated in two steps. First, 2004 sample cost study accounts were forecasted to the test period using the stratified composite account growth rates derived in Section V.B.6. These accounts are displayed in Appendix B1. Second, each sample cost study area's projected interstate CABS revenue requirement was determined using the method shown in Exhibit 7.2.

NECA developed a model using the number of normal volume switched access minutes and the number of exchanges as the independent variables.

*CABS Cost = 3,848.02 +208.72 x Exchanges +0.000745 x Normal Volume Minutes*

| | | | | |
|---|---|---|---|---|
| $R^2 = 0.1488$ | *t-statistic (Minutes)* | = | 2.06 | *F-statistic = 18.04* |
| | *t-statistic (Exchanges)* | = | *3.00* | |
| | *t-statistic (Intercept)* | = | *6.93* | |

**EXHIBIT 7.2**

**ILLUSTRATIVE CALCULATION OF CABS REVENUE REQUIREMENT**
USING WEIGHTED SUMMED AMOUNTS
FROM COST SEPARATIONS STUDIES (IN THOUSANDS)

| | | |
|---|---|---|
| | **Services Expense Category 2 (Revenue Accounting)** | |
| A. | Unseparated CABS Expense | $41,485 |
| B. | Interstate CABS Expense | $20,765 |
| | **Interstate Indirect Costs Calculation** | |
| | Depreciation & Amortization Expense | $320,277 |
| | Tax Expense | $44,129 |
| | General & Administrative Expense | $162,492 |
| | Executive & Planning Expense | $61,354 |
| C. | Total Interstate Indirect Costs | $588,252 |
| | **Unseparated Indirect Costs Calculation** | |
| | Depreciation & Amortization Expense | $848,678 |
| | Tax Expense | $121,942 |
| | General & Administrative Expense | $408,014 |
| | Executive & Planning Expense | $174,017 |
| D. | Total Unseparated Indirect Costs | $1,552,650 |
| E. | Total Unseparated Expenses | $2,846,202 |
| F. | Unseparated Expense Less Unseparated Indirect Costs (Line E - Line D) | $1,293,551 |
| G. | CABS Indirect Costs Fraction (Line A / Line F) | 0.032071 |
| H. | Interstate CABS Indirect Costs (Line G x Line C) | $18,866 |
| I. | Total Interstate CABS Cost (Line B + Line H) | $39,631 |

b. Local Switching Support Allocation Data from Cost Companies

To develop factors representing the average proportion of investment assigned to the local switching category, this study uses data from sample cost companies assigned to five groups.

Local switching investment is part of the investment included in the COE Switching account (Account 2210). The part of Account 2210 that is local switching investment (Category 3) is determined as part of a cost separations study.

From each sample cost company, NECA obtained the total amount of unseparated COE investment and the amount of unseparated COE investment that is local switching investment (COE Category 3). From these data, an average local switching fraction was calculated in each of five Support Groups shown in Exhibit 7.3, using the standard weighted ratio estimate.[8]

The five support groups displayed in Exhibit 7.3 were chosen to recognize that categorization and local switching support fractions vary with respect to DEM weight, which is determined by access line size group, and with respect to equipment that switches higher than average traffic volumes.[9] The cost companies were

8 The equation for this estimate is expressed as follows.

$$Ratio = \frac{\sum \left(Weight_i \times y_i\right)}{\sum \left(Weight_i \times x_i\right)}$$

9 Section 36.125 of the Commission's rules defines DEM weight groups that correspond to the access line groupings shown in Exhibit 7.2. The same section of the rules describes a cap of 0.85 to Weighted DEM. Weighted DEM generally reaches this cap when a study area has higher than average relative traffic volumes. In average schedule formulas, the comparable effect for average schedule companies is measured by the settlement level threshold of 350 monthly interstate access minutes per access line. *See* National Exchange Carrier Association, Inc., Proposed Modifications to the Interstate Average Schedule Formulas, AAD 96-2, *Memorandum Opinion and Order*, 11 FCC Rcd 7651(1996).

assigned to support groups based on current access line counts reported to NECA for settlements. All companies with more than 50,000 access lines were assigned to the support group with more than 50,000 access lines. All other companies with more than 330 monthly access minutes per line were assigned to the support group with more than 330 minutes per line. The remaining companies were assigned to bands based on their DEM weight.

**EXHIBIT 7.3**

**Local Switching Categorization Factors From Group C Cost Companies**

| (A) | (B) | (C) | (D) = (C) / (B) |
|---|---|---|---|
| Support Group | COE | Category 3 COE | Categorization Factor |
| Less Than 10,000 Lines | $1,416,363,934 | $595,527,789 | 0.420462 |
| 10,000 to 20,000 Lines | $894,193,404 | $351,456,989 | 0.393044 |
| 20,000 to 50,000 Lines | $439,582,416 | $173,857,531 | 0.395506 |
| More Than 50,000 Lines | $273,517,317 | $106,726,988 | 0.390202 |
| More than 330 Minutes of Use Per Line Per Month | $426,343,592 | $166,754,388 | 0.391127 |

Use of these categorization factors to categorize average schedule account data is described in Section VII.E.2.c below.

NECA also used cost study data to determine LSS factors for sample average schedule companies. NECA calculated weighted average ratios from these data in each of the five support groups. These values are shown in Exhibit 7.4.

**EXHIBIT 7.4**

**Local Switching Support Factors From Group C Cost Companies**

| | (A) | (B) | (C) = (A) - (B) |
|---|---|---|---|
| Support Group | Capped Weighted DEM | 1996 Relative DEM | LSS Factor |
| Less Than 10,000 Lines | 0.560404 | 0.186801 | 0.373449 |
| 10,000 to 20,000 Lines | 0.416135 | 0.166454 | 0.249661 |
| 20,000 to 50,000 Lines | 0.357014 | 0.178507 | 0.178507 |
| More Than 50,000 Lines | 0.158991 | 0.158991 | 0.000000 |
| More than 330 Minutes of Use Per Line Per Month | 0.766666 | 0.277649 | 0.488515 |

The LSS factors[10] from this table were used to develop average schedule support fractions, as described in Section VII.E.2.c.

Cost company support fractions were calculated as the ratio of local switching support amounts to interstate central office revenue requirements. NECA used cost study data to determine the relationship between the local switching support fractions for study areas with normal traffic volumes, and the support fractions of study areas with high traffic volumes. Study areas with high traffic volumes generally have a weighted DEM value capped at 0.85 according to Commission rules. As a result, these study areas tend to have support that is a lower fraction of unseparated revenue requirement than other study areas.

To determine the relationship between support fractions of these two groups, NECA summarized the following data:

10 This calculation is done for each study area. Data for study areas with capped weighted DEM cause this calculation not to be precise in aggregate.

- Support according to each study area's costs and local switching support factor.
- Imputed support that would be paid if each study area's support fraction were the same as the average of normal volume study areas in the same access line size band.

Both of these calculations are sums over the Group C cost company population with high traffic volumes. From these summations, NECA calculated the average adjustment from normal volume support fractions to high volume support fractions.

$$\text{High Volume Support Fraction Adjustment}$$

$$= \frac{\sum_{\text{High Volume ECs}} (\text{LS Support Based On Cost Study})}{\sum_{\text{High Volume ECs}} (\text{Imputed Support Based on Normal Volume Support Fraction})}$$

$$= 0.977623$$

Exhibit 7.9 shows the use of this adjustment ratio to develop support fractions for average schedule study areas with high traffic volumes.

2. <u>Studies of Average Schedule Company Data</u>

This section documents studies of average schedule company data to develop the local switching part of the central office formula, local switching support fractions for average schedule companies, and the combining of the local switching and CABS formulas into the central office settlement formula. These studies support the continued use of a rate per exchange, a rate for access minutes in the normal traffic volume range, lower rates for access

minutes in high traffic volume ranges, and an access line factor.

a. Preliminary Access Line Factor Formula

A baseline cost per minute was computed to equal the average monthly CO revenue requirement per minute among average schedule study areas having more than 20,000 access lines.

$$Baseline\ Cost\ Per\ Minute = \frac{\sum\ (Sample\ Weight\ x\ Monthly\ CO\ Revenue\ Requirement\ x\ Variance\ Weight)}{\sum\ (Sample\ Weight\ x\ Access\ Minutes\ x\ Variance\ Weight)}$$

where the summations are taken over sample study areas with more than 20,000 access lines. This calculation produced a baseline cost per minute equal to 0.016298. This baseline cost per minute was used to determine the access line factor ratio for each study area as described below.

For each sample study area, an access line factor ratio was computed as follows:

$$Access\ Line\ Factor\ Ratio_i = \frac{Central\ Office\ Revenue\ Requirement\ Per\ Minute_i}{Baseline\ Cost\ Per\ Minute}$$

where *i* corresponds to the *ith* sample average schedule study area.

NECA used standard constrained linear regression methods to develop a model that related the Access Line Factor Ratio to access lines. Outliers were identified and

accommodated as described in Section IV.C. This Preliminary Access Line Factor Model had the following structure:

For study areas with common line access lines less or equal to 1,250:

*Access Line Factor = 3.67838 – (0.0013979663 x Access Lines)*

For study areas with common line access lines between 1,251 and 20,000:

*Access Line Factor = 1.992984 – (0.0000496492 x Access Lines)*

For study areas with common line access lines greater than or equal to 20,000:

*Access Line Factor = 1.0*

An adjustment to the coefficients of this model is shown later in Section VII.E.2.d, to reflect the folding of CABS in the Central office formula.

b. Development of the Central Office Formula (Local Switching Only)

To determine the relationship between access minutes, exchange counts, and local switching costs, NECA next calculated a 'basic' central office cost for each sample study area, by removing the access line factor component of cost.

This analysis uses central office revenue requirements and demand data. Revenue requirements for sample study areas are developed in Section VI.F. Demand data for sample study areas are described in Section III.E. Revenue requirements for high traffic volume study areas are described in Section VI.J. Demand data for high traffic study areas are described in Section III.F. High traffic volume revenue requirements and corresponding demand were used for high traffic volume study

areas that were also in the sample. The constrained regression method and results are described in detail below.

Using the Preliminary Access Line Factor Model described above, NECA calculated a Model Access Line Factor value for each sample average schedule study area. Monthly central office revenue requirement was divided by the Preliminary Access Line Factor Model value for each study area.

To determine the correlation between central office costs and high traffic volumes, each study area is assigned to a traffic volume band. Study areas in Band 1 are those with normal traffic volumes only. Band 2 includes study areas with traffic volumes exceeding a first breakpoint, $K_1$, but less than a second breakpoint, $K_2$. Band 3 includes study areas with traffic volumes exceeding $K_2$.

A Basic Cost Per Minute was then calculated for each study area and each band.

$$Basic\ Cost_i = \frac{Monthly\ Central\ Office\ Revenue\ Requirement_i}{Model\ Access\ Line\ Factor_i}$$

$$Basic\ Cost\ per\ Minute_i = \frac{Basic\ Cost_i}{Access\ Minutes_i}$$

$$Band_j\ Basic\ Cost\ per\ Minute = \frac{\sum_j Basic\ Cost\ Per\ Minute_j}{\sum_j Access\ Minutes_j}$$

Where *i* corresponds to the *ith* study area and *j* corresponds to the *jth* band.

A High Volume Access Line Multiplier component of the formula helps produce settlements for high traffic volumes with equivalent accuracy across all access line

size ranges. NECA's tests show that without the High Volume Access Line Multiplier, average schedule study areas with high traffic volumes and low access line counts would tend to receive settlements below their modeled revenue requirements, while study areas with high traffic volumes and higher access line counts would tend to receive settlements above their revenue requirements. The High Volume Access Line Multiplier corrects this condition by causing the effective settlement rate to decrease as access lines increase. NECA continued to use the same structure for the High Volume Access Line Multiplier as it had in prior filings since 1995.

*If Access Minutes per line* $> K_1$ *then*

*High Volume Access Line Multiplier = M / (Access Lines)*

*Else High Volume Access Line Multiplier = 1.0*

The coefficient of the High Volume Access Line Multiplier was chosen by an iterative method described in the following section.

The iterative method repeats the calculation of model parameters once for each of many possible combinations of model parameter values. The accuracy of the model's fit to the data is evaluated for each of these iterations. The set of coefficients of all parameters tested that produced the most accurate model was chosen.

NECA defined the parameters for each iteration as follows. Trial values were chosen for each of the two high volume minutes per line thresholds, for the two ratios of settlement rates described in Step 5 of Exhibit 7.5, and for the numerator of the High Volume Access Line Multiplier (HVALM). This method assures that all settlement

rates are positive, assures that the high volume settlement rates relate logically to the normal volume settlement rate, and allows testing of alternatives to find the one that fits the data best.

For each iteration, NECA tested the fit of the resulting CO settlement formula to the CO revenue requirements of all high traffic volume study areas. The steps of this iterative process are detailed in Exhibit 7.5.

**EXHIBIT 7.5**
**ITERATIVE PROCESS FOR DETERMINING**
**INITIAL CENTRAL OFFICE FORMULA COEFFICIENTS**

1. Choose a numerator for the High Volume Access Line Multiplier, between 300 and 1000.

2. Choose a lower limit ($K_2$) for the highest high traffic volume tier (Band 3).

3. Choose a lower limit ($K_1$) for the middle high traffic volume tier (Band 2), between 280 and $K_2$.

4. For each study area, calculate:
   E = Minutes per line in Band $_1$
   F = Minutes per line in Band $_2$ x HV Access Line Multiplier
   G = Minutes per line in Band $_3$ x HV Access Line Multiplier
   Total Minutes Multiplied = E + F + G

   $M_1$ = E / Total Minutes Multiplied
   $M_2$ = F / Total Minutes Multiplied
   $M_3$ = G / Total Minutes Multiplied

   Exch = Exchange Count / Total Minutes Multiplied
   Y = Basic Cost / Total Minutes Multiplied

5. Select trial ratios of settlement rates:
   $R_2$ = Band $_2$ Rate / Band $_1$ Rate (e.g., 0.5)
   $R_3$ = Band $_3$ Rate / Band $_2$ Rate (e.g., 0.1)

6. Run constrained regression and validate results

   $Y = a_1 \times M_1 + a_2 \times M_2 + a_3 \times M_3 + b \times \text{Exchanges}$
   Constraint 1: $a_2 = R_2 \times a_1$
   Constraint 2: $a_3 = R_3 \times a_2$

The coefficients that simultaneously met all of these constraints and fit the data best are

$$a_1 = 0.018379 \qquad b = 220.64$$

Coefficients $a_2$ and $a_3$ were solved according to the constraints in Step 6 of Exhibit 7.5. All the coefficients are displayed in Exhibit 7.6.

This initial CO formula does not disadvantage or favor high traffic volume study areas. It produces settlements approximately equal to their Central Office revenue requirement in the aggregate. The initial CO formula has an overall *R-Square* statistic of 0.1894, a *t-statistic* for $a_{1,}$ and b of 27.33 and 4.24, respectively, and an *F-statistic* of 709.42. This set of coefficients did as well or better than any other in Mean Relative Absolute Deviation of high volume data, a measure developed by NECA for models that target a particular set of high variance data.

| **Exhibit 7.6**<br><br>**Central Office Formula – Local Switching Only** |
|---|
| Settlement = Basic Settlement x Access Line Factor |
| **<u>Central Office Formula (Local Switching Only)</u>**<br><br>For Study Areas with Minutes Per Line Less Than or Equal To 330:<br>Basic Settlement = ($0.018379 x Access Minutes) + ($220.64 x Exchanges)<br><br>For Study Areas with Minutes Per Line Greater Than 330, but Less Than or Equal To 850:<br>Basic Settlement = ($0.018379 x 330 x Access Lines)<br>+ $0.009189 x [Access Minutes - (330 x Access Lines)] x High Volume Access Line Multiplier + ($220.64 x Exchanges)<br><br>For Study Areas with Minutes Per Line Greater Than 850:<br>Basic Settlement = ($0.018379 x 330 x Access Lines)<br>+{$0.009189 x (850 – 330) x Access Lines<br>+ $0.000919 x [Access Minutes - (850 x Access Lines)]} x High Volume Access Line Multiplier + ($220.64 x Exchanges)<br><br>**Access Line Factor**<br><br>For study areas with common line access lines less or equal to 1,250:<br>Access Line Factor = 3.67838 – (0.0013979663 x Access Lines)<br>For study areas with common line access lines between 1,251 and 20,000:<br>Access Line Factor = 1.992984 – (0.0000496492 x Access Lines)<br>For study areas with common line access lines greater than or equal to 20,000:<br>Access Line Factor = 1.0<br><br>**High Volume Access Line Multiplier** = (550 / Access Lines) |

c. <u>Development of the Local Switching Support Fractions</u>

Local switching support fractions are used by NECA to determine the portion of average schedule local switching settlements that will be recovered by access

charges pursuant to NECA's tariff.[11] The methods used by NECA in developing the LSS formula in this filing are the same as those filed and approved by the Commission each year since 1997.[12]

Commission rules prescribe the calculation of the LSS amount as follows.

*Local Switching Support = Unseparated Local Switching Revenue Requirement*
*x Local Switching Support Factor*

*where Local Switching Support Factor =*
*Minimum of 0.85 or (Weighted DEM Factor – 1996 Relative DEM Factor)*
*Weighted DEM Factor = 1996 Relative DEM x DEM Weight*
*DEM Weight = Minimum of 1997 through 2006 DEM Weight*

For cost companies, the DEM Weight in this equation was based on the highest access line count occurring since January 1, 1997 per the *Separations Freeze Order*.[13]

NECA used accounting data, projected in Section V of this filing, to develop unseparated local switching revenue requirements for sample average schedule companies. These calculations made use of the cost company categorization factors from Exhibit 7.3 to assign COE investment to the Local Switching category. Other costs were assigned to the Local Switching category in proportions prescribed by Part 69 rules for calculation of access costs, as described in Exhibit 7.7. For

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11 NECA also expects that USAC will use these fractions, together with the Central Office Formula (Local Switching Only), to determine the average schedule Local Switching Support Formula for its filing scheduled for October 1, 2007.

12 *See*, for example, National Exchange Carrier Association, Inc. Proposed 2006 Modification of Average Schedule Formulas, WC Docket No. 04-437, *Order*, 20 FCC Rcd 10002 (2006).

13 Jurisdictional Separations and Referral to the Federal-State Joint Board, CC Docket No. 80-286, *Report and Order*, 16 FCC Rcd 11382 (2001).

example, COE expense was assigned to local switching in the same proportion as COE investment. As another example, General Support Facilities Investment was assigned in proportion to the combined amounts of COE, Cable and Wire Facilities investment, and Information Origination and Termination investment.

A "Local Switching Proportion" was calculated for each account for each study area. This proportion is the fraction of the study area's account that NECA allocated to the local switching category. Each fraction has a 'Basis', (i.e. a local switching proportion from another account or group of accounts). The basis for calculating the fraction of the account allocated to local switching is shown in Exhibit 7.7.

The entry 'Cost Studies' in the 'Basis' column means that the local switching proportion was chosen from the set of Categorization Factors in Exhibit 7.3. In most other cases, the "Basis" column shows one or more line numbers, corresponding to the row numbers in the leftmost column of Exhibit 7.7. When no basis is shown, the line was calculated using methods described later in this section.

Although a particular basis of allocation yields the same proportion for a study area on every line that uses it, lines in Exhibit 7.7 with a common basis may show somewhat differing proportions, because of the interaction between study area proportions and study area fractions of total sample accounts.

Cash Working Capital amounts were calculated from these allocated costs using the simplified formula described in Section VI.E of this filing.

Revenue requirements for each sample company were calculated using the formula described in Section VI.F. Monthly unseparated revenue requirements for each sample company were used to develop the LSS fractions described below.

Similarly, Interstate Central Office Revenue Requirement, calculated for each sample average schedule company, was developed as explained in Section VI of this filing. NECA developed average schedule support fractions first for study areas with normal traffic volumes, then developed adjusted support fractions for study areas with high traffic volumes.

**EXHIBIT 7.7**

**Unseparated Local Switching Revenue Requirements**

| | Account | Weighted Total | Local Switching Allocation | Local Switching Cost | Basis |
|---|---|---|---|---|---|
| 1 | Telecommunications Plant in Service | $6,479,468,543 | 0.176068 | $1,140,825,034 | |
| 2 | Central Office Equipment | $2,432,933,246 | 0.403319 | $981,247,636 | |
| 3 | COE Category 3 | $981,247,636 | 1.000000 | $981,247,636 | Cost Studies |
| 4 | All Other COE | $1,451,685,610 | 0.000000 | $0 | |
| 5 | Cable & Wire Facilities | $3,148,501,138 | 0.000000 | $0 | |
| 6 | Information Origination/Termination | $0 | 0.000000 | $0 | |
| 7 | General Support Facilities | $866,539,451 | 0.177201 | $153,552,088 | 2+5+6 |
| 8 | Amortizable Tangible Assets | $7,503,025 | 0.185114 | $1,388,916 | 2+5+6 |
| 9 | Intangibles | $23,991,683 | 0.193250 | $4,636,395 | 2+5+6 |
| 10 | General Support Expense | $50,581,369 | 0.178980 | $9,053,074 | 2+5+6 |
| 11 | Telecommunications Plant--Other | $127,621,213 | 0.144571 | $18,450,263 | 1 |
| 12 | Rural Telephone Bank (RTB) Stock | $0 | 0.000000 | $0 | 1 |
| 13 | Materials & Supplies | $27,068,141 | 0.150243 | $4,066,791 | 1 |
| 14 | Cash Working Capital | $35,108,804 | 0.151473 | $5,318,048 | 1 |
| 15 | Accumulated Amortization | $34,963,446 | 0.134962 | $4,718,736 | 1 |
| 16 | Net Deferred Income Taxes | $196,897,584 | 0.154954 | $30,509,999 | 1 |
| 17 | Network Support Expense | $4,652,824 | 0.155186 | $722,053 | 1 |
| 18 | Other Property Plant & Equipment Exp. | $3,153,504 | 0.151521 | $477,823 | 1 |
| 19 | Network Operations Expense | $88,418,610 | 0.151174 | $13,366,615 | 1 |
| 20 | Marketing Expense | $25,364,998 | 0.155848 | $3,953,094 | 1 |
| 21 | Services Expense | $140,389,793 | 0.152596 | $21,422,907 | 1 |
| 22 | Operating Taxes | $56,962,859 | 0.154341 | $8,791,693 | 1 |
| 23 | Federal Investment Tax Credits | $276,797 | 0.148900 | $41,215 | 1 |
| 24 | Provision for Def. Op. Income Taxes-Net | $4,300,088 | 0.195998 | $842,810 | 1 |
| 25 | Interest & Related Items | $33,011,202 | 0.147915 | $4,882,851 | 1 |
| 26 | Allow. for Funds Used Dur. Constr. | $2,244,233 | 0.150432 | $337,604 | 1 |
| 27 | Charitable Contributions | $1,332,022 | 0.154838 | $206,248 | 1 |
| 28 | Other Non Current Assets | $974,741 | 0.160330 | $156,280 | 1 |
| 29 | Customer Deposits | $217,772 | 0.147916 | $32,212 | 1 |
| 30 | Other Long Term Liabilities | $87,716,252 | 0.149870 | $13,146,053 | 1 |
| 31 | Accumulated Depreciation | $4,931,864,569 | 0.152346 | $751,347,795 | 1 |
| 32 | Depreciation and Amortization Expense | $429,636,163 | 0.152071 | $65,335,142 | 1 |
| 33 | COE Expense | $82,233,970 | 0.405968 | $33,384,368 | 2 |
| 34 | CWF Expense | $120,478,938 | 0.000000 | $0 | |
| 35 | IOT Expense | $0 | 0.000000 | $0 | |
| 36 | Executive & Planning Expense | $74,074,473 | 0.162753 | $12,055,830 | 19+20+21+33+34+35 |
| 37 | General & Administrative Expense | $169,863,359 | 0.153512 | $26,076,001 | 19+20+21+33+34+35 |
| 38 | Net Plant Investment | $1,995,619,058 | 0.184952 | $369,093,833 | |
| 39 | Return on Investment | $224,507,144 | 0.184952 | $41,523,056 | |
| 40 | FIT Taxable Income | $193,463,377 | 0.190923 | $36,936,594 | |
| 41 | Federal Income Taxes | $73,705,931 | 0.196634 | $14,493,078 | |
| 42 | Expenses & Other Taxes | $1,196,519,639 | 0.162843 | $194,844,848 | |
| 43 | Revenue Requirement | $1,492,488,482 | 0.167856 | $250,523,378 | |

The sample average schedule companies were assigned to a support group based on their forecasted access lines and access minutes. Support amounts in Exhibit 7.8 are the product of the Unseparated Local Switching Revenue Requirement and LSS Factors. The support fractions in Column F, compare sample company support amounts to their Interstate Central Office Revenue Requirement. Unique support fractions were developed for each support group.

**EXHIBIT 7.8**

**Local Switching Support Fractions For Study Areas with Normal Traffic Volumes**

| (A) | (B) | (C) | (D) | (E) = (C) x (D) | (F) = (E) / (B) |
|---|---|---|---|---|---|
| Support Group | Interstate Central Office Revenue Requirement | Unseparated Local Switching Revenue Requirement | Local Switching Support Factor | Support Amounts | Support Fraction |
| Less Than 10,000 Lines | $55,135,940 | $110,332,525 | 0.373449 | $41,203,571 | 0.747308 |
| 10,000 to 20,000 Lines | $19,811,894 | $38,448,529 | 0.249661 | $9,599,098 | 0.484511 |
| 20,000 to 50,000 Lines | $16,368,619 | $34,953,427 | 0.178507 | $6,239,431 | 0.381182 |
| More Than 50,000 Lines | $15,033,484 | $49,264,848 | 0.000000 | $0 | 0.000000 |

Next, NECA used the cost company High Volume Support Fraction Adjustment developed in Section VII.E.1.b to create a table of Support Fractions suitable to high volume average schedule study areas, as shown in Exhibit 7.9.

**EXHIBIT 7.9**

**Local Switching Support Fractions For Study Areas with High Traffic Volumes**

| (A) | (B) | (C) | (D) |
|---|---|---|---|
| Support Group | Normal Volume Support Fraction | High Volume Support Fraction Adjustment | High Volume Support Fraction |
| Less Than 10,000 Lines | 0.747308 | 0.977623 | 0.730586 |
| 10,000 to 20,000 Lines | 0.484511 | 0.977623 | 0.473669 |
| 20,000 to 50,000 Lines | 0.381182 | 0.977623 | 0.372653 |
| More Than 50,000 Lines | 0.000000 | 0.000000 | 0.000000 |

These Support Fractions, will be used by NECA to determine the portion of local switching support settlements that will be recovered by access charges, the balance of Interstate Central Office Revenue Requirements will be recovered from the universal service fund.

d. Folding CABS Cost into the Initial Central Office Formula

Coefficients of the Cost Company CABS cost formula, derived in Section VII.E.1, and the Initial CO formula were then combined. This task was performed algebraically, ensuring that the combined formula produced settlements equal to the sum of settlements from the separate formulas. The derivation of the combined formula follows.

*<u>Preliminary Access Line Factor Model:</u>*

*For study areas with access lines less or equal to 1,250:*

*Access Line Factor = a1 + b1 x Access Lines*

*For study areas with access lines between 1,251 and 20,000:*

*Access Line Factor = a2 + b2 x Access Lines*

*For study areas with access lines greater than or equal to 20,000:*

*Access Line Factor = 1.0*

The fold-in of CABS transforms coefficients of this formula as represented below.

*<u>Final Access Line Factor Model:</u>*

*For study areas with access lines less or equal to 1,250:*

*Access Line Factor =u1 +v1 x Access Lines*

*For study areas with access lines between 1,251 and 20,000:*

*Access Line Factor = u2 +v2 x Access Lines*

*For study areas with access lines greater than or equal to 20,000:*

*Access Line Factor = 1.0*

The Central Office formula with CABS folded in is given below.

*Final Central Office Formula (After Folding-in CABS)*

*= (Adjusted Initial CO Cost) x (Final Access Line Factor)*
*+ CABS Study Area Factor*
*= [(a + d) x Min +(b+e) x E)] x Final Access Line Factor + c*

The final access line factor coefficients ($u_1$, $v_1$, $u_2$, and $v_2$) are the algebraic solution

of the following equation and the conditions that the three line segments meet at the breakpoints and the access line factor equal 1 for study areas with more than 20,000 access lines.

$$\sum(\textit{Central Office Formula Prior to Folding in CABS} + \textit{CABS Cost Formula})$$
$$= \sum(\textit{Central Office Formula After Folding in CABS}),$$

where the summation is over the average schedule study areas in the Traffic Sensitive Pool with normal volume minutes only. Data for these study areas, together with study areas with high volume minutes, and study areas not in the Traffic Sensitive Pool, are shown in Appendix E.

Coefficients of the Preliminary CO formula and Final CO formula are given in Exhibit 7.10.

**EXHIBIT 7.10**

**CENTRAL OFFICE FORMULA COEFFICIENTS**

| | Preliminary (Before Combining CABS) | Final (After Combining CABS) |
|---|---|---|
| **Per Access Minute** | 0.018379 | 0.019124 |
| **Per Exchange** | 220.64 | 429.36 |
| **First Segment Access Line Factor Intercept** | 3.67838 | 3.5647795 |
| **First Segment Access Line Factor Slope** | -0.0013979663 | -0.00136954 |
| **Second Segment Access Line Factor Intercept** | 1.992984 | 1.90971608 |
| **Second Segment Access Line Factor Slope** | -0.000049649 | -0.00004549 |

The CO formula derived above provides an unbiased method of calculating settlements for the total population of average schedule study areas with normal traffic volumes. The resulting central office formula is shown in Section VIII.

F. Intertoll Dial Switching Formula

This formula compensates average schedule companies for the cost of tandem switching of interstate access calls. The cost of tandem switching depends primarily on the capacity required to handle interstate usage. The current and the proposed formulas have the same structure, and use the count of Intertoll Dial (ITD) circuits as a measure of tandem capacity. Costs used in this formula were the ITD

transport monthly revenue requirements developed in Section VI.D and VI.F. The intertoll circuit counts used in this formula were monthly intertoll circuits projected to the test period as described in Section V.H.

The proposed formula was derived as follows:

$$Cost\ per\ Intertoll\ Dial\ Circuit = \frac{\sum(Sample\ Weight\ x\ Intertoll\ Switching\ Cost\ x\ Outlier\ Weight)}{\sum(Sample\ Weight\ x\ Intertoll\ Dial\ Circuits\ x\ Outlier\ Weight)}$$

Outlier Weights were derived using the ratio outlier method described in Section IV.C.2. The resulting formula is displayed in Section VIII.

G. Line Haul Distance Sensitive Formula

Exchange carriers provide Cable & Wire Facilities that transport interstate calls from the exchange carrier's central office to the interexchange carrier's point of connection. The line haul distance sensitive formula is designed to compensate average schedule companies for the use of these facilities. Interstate costs of providing this function depend on the length of routes, the circuit count of cable facilities on the routes, and relative interstate usage of the routes.

This year NECA is proposing a new structure for the Line Haul Distance Sensitive formula. The need for a new structure arose from a recent sharply declining “goodness of fit” of the current model structure. NECA first identified this decline in fitness in its 2005 Study and the decline in fitness was fully confirmed as not being a single year anomaly when NECA reviewed the current NECA 2006 study data. The proposed model structure aligns settlements with current costs much better than the current formula. The new model can be expressed as

*Distance Sensitive Settlement =*

*[(Circuit Mile Rate x Circuit Miles)*

*+ (Access Minutes Rate x Normal Volume Access Minutes)]* $\times$ *Density Factor*

This model continues use of circuit miles and access minutes in settlement determination, but adds a circuit density factor for study areas with average route lengths of less than 350 miles. In addition, the proposed model expands the single-step "long route" cost efficiency component of the current formula to a graduated downward curve related to route length. Finally, the 2006 Study found that access minutes continue to correlate with distance sensitive costs, but only if the minutes per line are less than 330. The access minute variable reflects capacity required on the routes and relative interstate usage.

Access minutes, access lines, circuit miles and circuits were projected to the test period as described in Section V.C, V.E, and V.G. Line Haul Distance Sensitive Revenue Requirement was developed as described in Section VI.D and VI.F. The following variables were used in this model.

- $Cost\ per\ Circuit\ Mile = \dfrac{Distance\ Sensitive\ Revenue\ Requirement}{Interstate\ Circuit\ Miles}$
- $Route\ Length = \dfrac{Interstate\ Circuit\ Miles}{Interstate\ Circuits}$
- $Minutes\ per\ Circuit\ Mile = \dfrac{Access\ Minutes\ \ up\ to\ 330\ Minutes\ per\ Line}{Interstate\ Circuit\ Miles}$

The proposed formula was developed in two stages: a formula relating cost per circuit mile to average route length and minute per circuit mile, and a formula relating relative cost to circuit density.

The following describes development of the first formula. A constrained linear regression model was developed which relates Cost per Circuit Mile to Route Length. This model has three connected components: two straight lines and a reciprocal curve. The model also includes the Minutes per Circuit Mile variable. Two breakpoints were chosen with respect to Route Length, $BP_1$ being the intersection of the two straight lines, and $BP_2$ being the intersection of the second straight line and the curved line.

The Route Length regression model is expressed as

$$\begin{aligned} \textit{Cost Per Circuit Mile}_i = {} & \delta_{1i} \times (a_1 + b_1 \times \textit{Route Length}_i) \\ & + \delta_{2i} \times (a_2 + b_2 \times \textit{Route Length}_i) \\ & + \delta_{3i} \times (a_3 + b_3 / \textit{Route Length}_i) \\ & + c \times \textit{Minutes per Circuit Mile}_i \end{aligned}$$

Where,

- $\delta_{1i} = 1$ *if Route Length*$_i \leq BP_1$; $\delta_{1i} = 0$ *otherwise*.
- $\delta_{2i} = 1$ *if* $BP_1 <$ *Route Length*$_i \leq BP_2$; $\delta_{2i} = 0$ *otherwise*.
- $\delta_{3i} = 1$ *if* $BP_2 <$ *Route Length*$_i$; $\delta_{3i} = 0$ *otherwise*.

The following constraints ensure continuity with respect to Route Length.

$$a_1 + b_1 \times BP_1 = a_2 + b_2 \times BP_1$$

$$a_2 + b_2 \times BP_2 = a_3 + b_3 / BP_2$$

In addition, NECA assured that straight line components of the Route Length regression model would not be so steep as to cause any increase in circuit miles to produce a decrease in settlements. Calculus was used to limit the coefficients as follows.

$$a_1 + 2 \times b_1 \times BP_1 \geq 0$$

$$a_2 + 2 \times b_2 \times BP_2 \geq 0$$

The coefficient $a_3$ is a settlement rate for circuits provided mostly under lease contract with regional network companies. It was set equal to the average monthly lease rate paid by average schedule companies to the network companies. To determine this rate, NECA used cost data from these network companies. Lease data included the monthly amount paid by the average schedule company to the network provider, the number of circuits provided under contract, and route mile information. Circuit miles were calculated as the number of circuits acquired under contract, multiplied by the route miles associated with the routing of those circuits. The monthly cost per circuit mile for these facilities was the monthly amount paid to the network company divided by the total number of circuit miles. Monthly cost and circuit mile data for average schedule study areas that utilize these facilities are displayed in Appendix I.

NECA estimated the coefficients of the Route Length model using constrained linear regression methods and NECA's standard regression outlier weighting method. Resulting coefficients are shown in Section VIII.

Next, NECA analyzed the ratios of estimates from this model to the actual Cost per Circuit Mile values. Because the ratio has a strong, inversely monotonic relationship to the Circuit Density variable, it is clear that a density factor model was necessary to supplement the Route Length model. The density factor model consists of four connected line segments with three breakpoints: $K_1$ is the intersection of the first two sloping lines, $K_2$ is the intersection of the second and third sloping lines, and $K_3$ is the intersection of the third sloping line and the horizontal line. The density model was estimated for study areas with average route lengths less than 350. Since very long line haul routes are usually priced based on a standard contract rate, costs are not correlated with density, and the density factor for companies with average route lengths greater than 350 is accordingly set to 1.

For each sample study area with Route Length less than 350 (designated by *i*), the following variables were used.

- *Circuit Density = Interstate Circuits per Exchange*
- $$Density\ Factor_i = \frac{Actual\ Cost\ per\ Circuit\ Mile_i}{Route\ Length\ Model\ Cost\ per\ Circuit\ Mile_i}$$

The density factor function is expressed as

$$Density\ Factor_i$$

$$= \gamma_{1i}\ x\ (a_1 + b_1\ x\ Circuit\ Density_i) + \gamma_{2i}\ x\ (a_2 + b_2\ x\ Circuit\ Density_i)$$

$$+ \gamma_{3i}\ x\ (a_3 + b_3\ x\ Circuit\ Density_i) + \gamma_{4i}$$

Where,

- $\gamma_{1i} = 1$ *if Circuit Density*$_i \leq K_1$; $\gamma_{1i} = 0$ *otherwise.*
- $\gamma_{2i} = 1$ *if* $K_1 <$ *Circuit Density*$_i \leq K_2$; $\gamma_{2i} = 0$ *otherwise.*
- $\gamma_{3i} = 1$ *if* $K_2 <$ *Circuit Density*$_i \leq K_3$; $\gamma_{3i} = 0$ *otherwise.*
- $\gamma_{4i} = 1$ *if* $K_3 <$ *Circuit Density*$_i$; $\gamma_{4i} = 0$ *otherwise.*

With the following constraints to ensure continuity:

$$a_1 + b_1\ x\ K_1 = a_2 + b_2\ x\ K_1$$

$$a_2 + b_2\ x\ K_2 = a_3 + b_3\ x\ K_2$$

$$a_3 + b_3\ x\ K_3 = \gamma_{4i}.$$

In addition, NECA assured that straight line components of the formula would not be so steep as to cause any increase in circuits to produce a decrease in settlements. Calculus was used to limit the

coefficients as follows.

$$a_1 + 2 \times b_1 \times K_1 \geq 0$$

$$a_2 + 2 \times b_2 \times K_2 \geq 0$$

$$a_3 + 2 \times b_3 \times K_3 \geq 0$$

The overall *R-Square* statistic for the Distance Sensitive Settlement model is 75.5%. *T- Statistics* range between 1.98 and 15.67, in absolute value, and are significant at 95% confidence level or higher. The estimated coefficients are displayed in Section VIII.

## H. Line Haul Non-Distance Sensitive Formula

This formula compensates companies for interstate transport costs incurred to terminate switched access interexchange trunk facilities on end office switches and on tandem switches. These costs depend on the number of circuits provided and on the type of termination equipment used. The proposed formula has a structure identical to the current formula structure, which was first adopted in July 1997, and pays an amount per interstate switched circuit termination that depends on the study area ratio of circuit terminations per exchange. NECA proposes to continue this structure.

NECA analyzed Line Haul Non-Distance Sensitive revenue requirement per termination. Costs used in the proposed formula were the Non-Distance Sensitive (NDS) Transport monthly revenue requirements developed in Section VI.D and VI.F. Switched interstate circuit terminations were projected to the test period as described in Section V.F.

In prior years NECA filed a Non-Distance Sensitive Line Haul model that included a terminations per exchange breakpoint. There continues to be a significant difference between average relative

revenue requirement per termination for study areas with terminations per exchange greater than the breakpoint as compared to those with terminations per exchange less than the breakpoint. For this reason, NECA continues to propose a Non-Distance Sensitive Line Haul model that includes a terminations per exchange breakpoint.

NECA determined the best-fitting breakpoint through regression analysis. The best-fitting breakpoint occurred at 70 terminations per exchange. The breakpoint of 70 terminations per exchange also ensured settlements produced by this formula increase monotonically as circuit terminations increase.

A regression model of revenue requirement per termination was fit to the terminations per exchange data. This method computed a two-part formula: part one, a sloping line for relatively low terminations per exchange, and part two, a horizontal line for higher terminations per exchange. The parameters of the model were the intercept and slope of the line for study areas with terminations per exchange less than or equal to 70, and the intercept of the line for study areas with terminations per exchange greater than 70. The latter parameter was derived by the constraint that the two lines meet at 70 terminations per exchange. The resulting formula, shown in Section VIII, had an *R-Square* statistic of 0.1217, *F-statistic* of 386.69, *t-statistics* of 11.69 and -4.26 for the intercept and the slope coefficient of the of the first line segment, respectively.

## I. Special Access Formula

The Special Access formula compensates average schedule companies for the cost of providing dedicated Special Access facilities, including local channel electronics and mileage, service ordering costs and optional features and functions. As NECA's special access tariff includes a cost-based

charge for each of the elements, revenues billed according to the tariff are a good measure of special access costs of each company.

As in prior years, the proposed special access formula calculates a revenue retention ratio for each study area, based on its level of special access revenues per exchange. Consequently, NECA develops the settlement formula by relating costs of sample companies to their special access revenues per exchange. The proposed formula continues to use the same structure as introduced in 2005 Study that reflects economies of scale due to growing demand of special access services. Also, as in prior years, the proposed formula includes a Tariff Rate Index component, which keeps average schedule settlements at the proposed level, should NECA file changes to its special access tariff rates after the filing of this formula.

1. Development of the Retention Ratio Formula

By testing combinations of lines and curves joined together, NECA found that the data of sample companies could best be fit to a combination of three components: two connected straight lines are used for study areas with fewer than $500 per month in special access revenues per exchange, and a reciprocal curved line for study areas with higher revenues per exchange.

Following are the methods used to develop this formula. Two formula breakpoints were chosen, $BP_1$ being the intersection of the two straight lines, and $BP_2$ being the intersection of the second straight line and the curved line. For each sample study area (designated by *i*), the following variables are constructed.

$RPE_i$ = *study area i special access revenues per exchange*

$\delta_{1i} = 1$ *if* $RPE_i \leq BP_1$; $\delta_{1i} = 0$ *otherwise.*

$\delta_{2i} = 1$ *if* $BP_1 < RPE_i \leq BP_2$; $\delta_{2i} = 0$ *otherwise.*

$\delta_{3i} = 1$ *if* $BP_2 < RPE_i$; $\delta_{3i} = 0$ *otherwise.*

$RRQ_i$ = *Monthly Special Revenue Requirement for study area i*

$RR_i = RRQ_i$ / *Study Area i special access revenues*

Then the settlement formula is expressed as

$$RR_i = \delta_{1i} \times (a_1 + b_1 \times RPE_i) + \delta_{2i} \times (a_2 + b_2 \times RPE_i) + \delta_{3i} \times (a_3 + b_3 / RPE_i)$$

With constraints

$$a_1 + b_1 \times BP_1 = a_2 + b_2 \times BP_1$$

$$a_2 + b_2 \times BP_2 = a_3 + b_3 / BP_2$$

In addition, NECA assured that straight line components of the formula would not be so steep as to cause any increase in revenues to produce a decrease in settlements. Using Calculus to solve for such limits on coefficients produced the following constraints, also used in the regression.

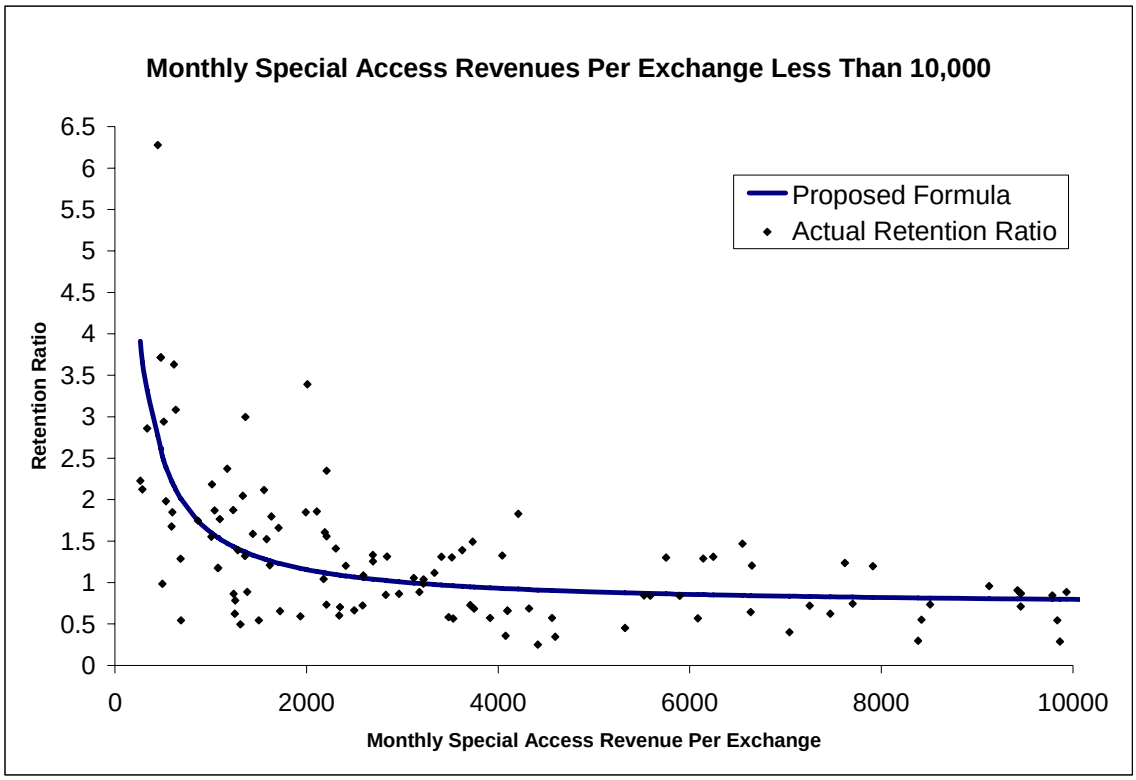
$$a_1 + 2 \times b_1 \times BP_1 \geq 0$$

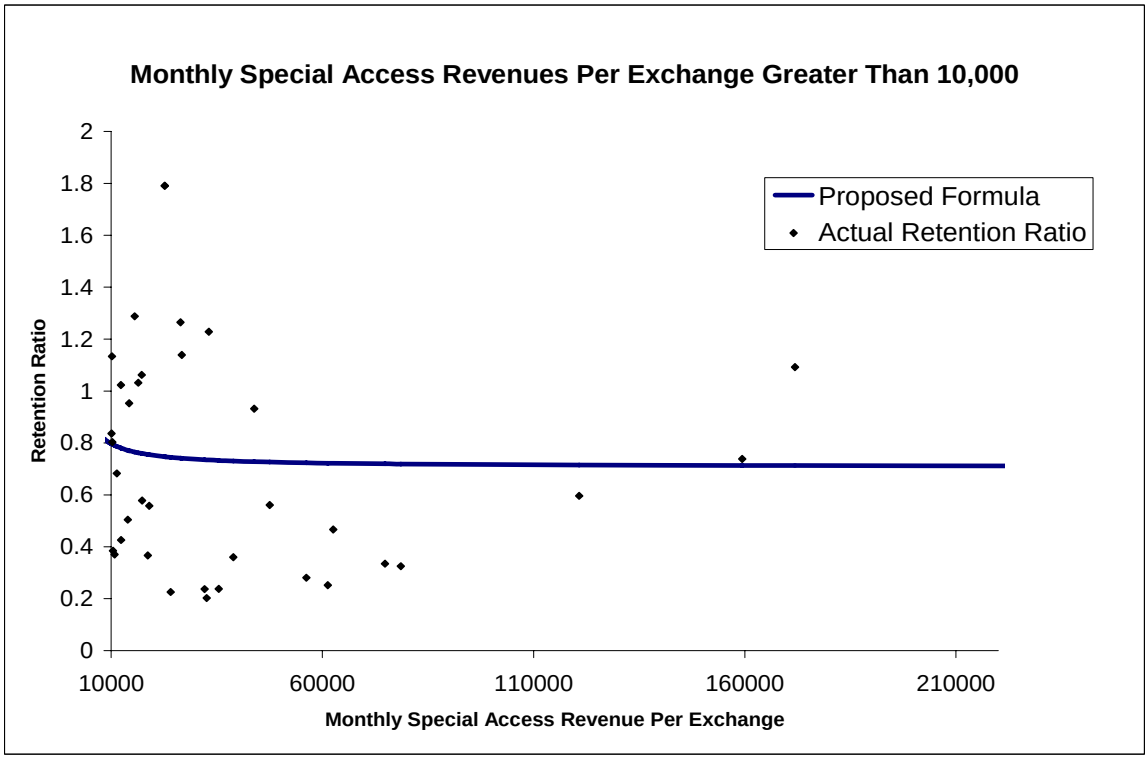
$$a_2 + 2 \times b_2 \times BP_2 \geq 0$$

NECA estimated the settlement formula using constrained linear regression methods and NECA's standard regression outlier weighting method. Resulting coefficients are shown in Section VIII. The estimated model has an *R-Square* statistic of .4417, with significant *t-statistics* ranging between 10.24 and 17.09 in absolute value. A good fit of this formula is also apparent from Exhibit 7.11.

**Exhibit 7.11**

**Fit Of Special Access Formula To Data**



2. Development of the Tariff Rate Index

Finally, the proposed special access formula continues to employ a Tariff Rate Index (TRI) to reflect current tariff rates. NECA analyzes effects of tariff rate changes on each study area to determine its relative Tariff rate change. Study area specific TRI is defined as follows.

$$Tariff\ \ Rate\ Index = \frac{1}{1 + Special\ \ Access\ Relative\ Tariff\ \ Rate\ Change\ Since\ 12/2006}$$

Study areas are then grouped in one-percent TRI ranges and each company within such group is assigned a TRI value corresponding to the middle of the range.

Exhibit 7.12 displays NECA's method for calculating the Tariff Rate Index.[14] Each time NECA files new Special Access tariff rates, it will use data from that filing along with additional data from the companies, if necessary, to assign each study area to a Tariff Rate Index band. The Index in each band will be calculated according to the method displayed in Exhibit 7.12.

The proposed formula is displayed in Section VIII.

[14] The Tariff Rate Index reflects all Special Access tariff rates offered in NECA's Access Service Tariff, F.C.C. Tariff No. 5 for the period. *See* National Exchange Carrier Association, Inc., Tariff F.C.C. No. 5, Transmittal No. 1030, filed June 16, 2006 (2006 Annual Access Tariff Filing). This includes rates for recurring charges, nonrecurring charges and optional features and functions.

**EXHIBIT 7.12**

**STUDY AREA SPECIFIC TARIFF RATE INDEX CALCULATION METHOD**[15]

| | | |
|---|---|---|
| A. | Illustrative Traffic Sensitive Test Period Special Access Revenues at December 31, 2006 Rates | $200.0 M |
| B. | Illustrative Traffic Sensitive Test Period Special Access Revenues Proposed in the NECA Tariff Filing | $206.7M |
| C. | Illustrative Study Area Specific, Special Access Tariff Rate Index Effective July 1, 2007 [Line A/ Line B] | 0.968 |

J. Signaling System 7 Formulas

The Common Channel Signaling (CCS) network is a packet switched network that allows call control signals and database queries to be transported on dedicated lines separate from the voice network. The Signaling System 7 (SS7) protocol is a set of rules that governs the transmission of signaling information over the CCS network. The network includes nodes named Service Switching Points (SSPs), Consolidation Points (CPs), and Signal Transfer Points (STPs).

The SS7 formula compensates companies for their costs based on counts of SSPs in service. One settlement rate applies for each SSP connected to the nationwide signaling network, and another rate applies for each SSP not yet connected to the nationwide signaling network. The proposed settlement formula has three components:

| | |
|---|---|
| Monthly investment cost: | The interstate return and loadings associated with the company's capital investment in SSPs and CPs. |

15 NECA will recalculate the Tariff Rate Index using data from its tariff filing coincident with the effective date of any special access tariff rate change.

| | |
|---|---|
| Monthly CP data link cost: | the interstate portion of the cost of SS7 signaling links between the SSP and the CP. |
| Monthly A-link cost: | The interstate portion of charges for SS7 signal transport and access to STPs in the nationwide SS7 network. |

Development of these components is described in the following three sections. The formula calculation incorporating these components is described in Section VII.J.4. Supporting data are displayed in Appendix G.

1. Development of Monthly Investment Costs

This section uses investment data described in Section III.H. Depreciation expense and reserves were determined using the normal eight-year depreciation life for digital switching equipment. NECA developed the average depreciation reserve ratio as follows.

$$\begin{aligned} Depreciation\ reserve\ ratio &= \frac{Total\ \ Accumulated\ \ Depreciation}{Total\ \ Capital\ \ Investment} \\ &= 0.\ 66969 \end{aligned}$$

Each study area's SS7 equipment accumulated depreciation is the product of its initial investment and the Depreciation Reserve Ratio.

The Monthly Investment Cost (displayed as Column D in Appendix G) is the product of the study area's capital investment cost and the SS7 investment charge factor. The SS7 investment charge factor is calculated in Exhibit 7.13. The monthly Investment Cost was summed for all companies and divided by the number of SSPs to calculate the average SSP cost.

| EXHIBIT 7.13<br><br>Development of Monthly Investment Charge Factor | | |
|---|---|---|
| A | Illustrative SS7 Capital Investment | $100,000 |
| B | Average Interstate Investment (Line A x 0.5752) | $57,524 |
| C | Average Interstate Depreciation Reserve (Line B x 0.67037) | $38,523 |
| D | Average Net Interstate Investment (Line B – Line C) | $19,001 |
| E | Return On Average Net Interstate Investment (Line D x 0.1125) | $2,138 |
| F | State & Local Income Tax @ 7.8% (Line E x 0.084599) | $181 |
| G | Federal Income Tax @ 32.77% [(Line E – Line F) x 0.480577] | $940 |
| H | Interstate Depreciation Expense (Line B/8) | $7,190 |
| I | Interstate Maintenance Expense (Line B x 0.08374) | $4,817 |
| J | Interstate Corporate Operations Expense (Line B x 0.061263) | $3,524 |
| K | Total Annual Interstate Cost (Lines E + F + G + H + I + J) | $18,790 |
| L | Total Monthly Interstate Cost (Line K/12) | $1,566 |
| M | Monthly Investment Charge Factor (Line L/Line A) | 0.015659 |

$$Average\ \ Monthly\ \ Investment\ \ Cost\ \ per\ \ SSP = \frac{\sum_{All\ SSPs} Monthly\ \ Investment\ \ Cost}{Total\ \ Number\ of\ \ SSPs}$$

$$= \frac{\$225{,}382.54}{433}$$

$$= \$520.51$$

## 2. Development of Monthly A-Link Costs

Carriers deploy A-Links by connecting digital data links from their SSPs to meet points with A-Link providers. These carriers pay the A-Link providers for their facilities based on monthly charges which generally apply to terminations at the meet point and STP, mileage connecting the two, a port charge at the STP, and sometimes a monthly maintenance charge.

For each A-link provider, NECA collected the following data: miles of data links to the A-Link meet point, number of termination charges, port charges, and maintenance charges. In addition, NECA collected data for each carrier's internal costs of A-link connections, including length of data link between SSPs and CPs, and number of link terminations.

Exhibit 7.14 reflects the costs of connecting to each provider. Using V&H coordinates of average schedule SSPs and the STPs they connect to, NECA estimates that the average length of links between SSPs and STPs is 80.74 miles. To meet providers L and N, carriers deploy data links all the way to the provider's STP. To meet provider I, carriers deploy data links for an average of 56.6 miles. All other carriers normally deploy data links to the same meet point as is used for toll circuits. Using its Average Schedule Line Haul Database, NECA estimated the average distance from the SSP to the meet point to be 64.12 miles, based on average route miles of line haul routes carrying toll traffic.

Consequently, the average length of links from the meet point to the STP is 16.62 miles, the difference between the total distance of 80.74 miles and the meet point distance of 64.12 miles.

Carriers generally pay the provider for two termination charges on each A-link.

Providers L and N charge for two termination charges at each end of each A-Link.

Carriers incur only a port charge to connect to providers K, O and S.

**EXHIBIT 7.14**

**Development Of SS7 Monthly Interstate A-Link Rates (Per Pair)**

| Provider | A Meet Point To STP Fixed Charge | B Meet Point to STP Per Mile Charge | C Termination Rate at Meet Point (Per Link) | D Port Cost Per Pair | E Monthly A-Link Rate (Per Pair) | F Monthly Interstate A-Link Cost (E x 0.5752) |
|---|---|---|---|---|---|---|
| A | $0.00 | $3.50 | $0.00 | $1,800.00 | $2,466.55 | $1,418.85 |
| B | $0.00 | $0.00 | $155.00 | $674.10 | $1,534.31 | $882.59 |
| C | $0.00 | $1.11 | $14.27 | $760.00 | $1,375.65 | $791.32 |
| D | $25.60 | $0.26 | $0.00 | $930.00 | $1,540.05 | $885.90 |
| E | $29.50 | $0.44 | $66.50 | $778.00 | $1,534.84 | $882.89 |
| F | $33.00 | $0.15 | $50.00 | $858.10 | $1,579.30 | $908.47 |
| G | $25.20 | $0.90 | $64.40 | $748.00 | $1,507.33 | $867.07 |
| H | $100.13 | $0.91 | $0.00 | $1,000.00 | $1,780.72 | $1,024.34 |
| I | N/A | N/A | N/A | $1,200.00 | $1,694.41 | $974.69 |
| J | $93.32 | $2.48 | $0.00 | $324.84 | $1,144.13 | $658.14 |
| K | N/A | N/A | N/A | $1,788.00 | $1,788.00 | $1,028.52 |
| L | N/A | N/A | N/A | $800.00 | $1,547.97 | $890.45 |
| M | $93.72 | $1.82 | $0.00 | $1,598.00 | $2,396.15 | $1,378.35 |
| N | N/A | N/A | N/A | $2,088.14 | $2,836.11 | $1,631.43 |
| O | N/A | N/A | N/A | $1,373.08 | $1,373.08 | $789.85 |
| P | $0.00 | $2.17 | $140.47 | $1,440.00 | $2,343.28 | $1,347.94 |
| Q | $30.12 | $1.98 | $71.48 | $900.00 | $1,719.23 | $988.96 |
| R | $123.69 | $2.80 | $0.00 | $450.00 | $1,340.66 | $771.20 |
| S | N/A | N/A | N/A | $1,663.00 | $1,663.00 | $956.62 |

Using this data for all average schedule SSPs that are fully connected to the signaling network, NECA calculated the average monthly A-Link cost per SSP as follows.

$$Average\ Monthly\ A-Link\ Cost\ per\ SSP = \frac{\sum_{All\ SSPs} Monthly\ A-Link\ Costs}{Total\ Number\ of\ Fully\ Connected\ SSPs}$$
$$= \frac{295{,}181.61}{433}$$
$$= \$681.71$$

3. Development of Monthly CP Data Link Costs

Consolidation points are used to connect a group of SSPs to a single pair of A-Links. A consolidation point is connected to an SSP by CP data links. The monthly average cost per CP data link is developed in Exhibit 7.15. This calculation uses NECA's Tariff rates for digital data channel miles and terminations. Average length of haul of 47.47 miles was calculated using the vertical and horizontal coordinates of average schedule SSP and CP locations. Resulting CP Data Link Costs are shown in Column I of Appendix G (SS7 Costs with Full Connectivity).

**EXHIBIT 7.15**

**Development of Monthly CP Data Link Cost**

| | | |
|---|---|---|
| A. | 47.47 Miles x $3.71 Per 56 Kbps CMF | $176.11 |
| B. | 2 Terminations x $37.22 Per 56 Kbps CMT | $74.44 |
| C. | Total (Line A + Line B) | $250.55 |
| D. | Average COE Factor (see Exhibit 4.8) | 0.5752 |
| E. | Monthly Average Cost Per CP Data Link (Line C x Line D) | $144.12 |
| F. | Number of CP Data Links | 256 |
| G. | Total CP Data Link Cost (Line E x Line F) | $36,894.33 |
| H. | Number of Fully Connected SSPs | 433 |
| I. | CP Data Link Cost per SSP (Line G / Line H) | $85.21 |

4. Settlement Formula Calculation

While the proposed fully connected settlement rate includes all three SS7 cost components, the partially connected rate includes only the investment cost component, because these SSPs do not have A-Link connections, and because none in this year's study have CP data links.

*Fully Connected Settlement Rate = Investment Cost + A-Link Cost + CP Data Link Cost*

*= 520.51 +681.71 + 85.21*

*= 1,287.44*

*Partially Connected Settlement Rate = Investment Cost*

*= 520.51*

K. Rate of Return Factor Formulas

Rate of Return Factor formulas are used by NECA each month to adjust settlements to average schedule companies to conform to the rates of return achieved by the NECA pools. Without these adjustments, average schedule settlements would correspond to the authorized rate of return, currently 11.25%. The Rate of Return Factor measures the relative effect on revenue requirement caused by changes in the pool's achieved rate of return. Current and proposed formulas have identical structures.

These formulas, therefore, derive their structure from the revenue requirement calculation method, which has an expense component that is not sensitive to rate of return, and Return and Federal Income Tax Components that are sensitive to rate of return. The intercepts of the formulas correspond to the expense component, while the slopes correspond to the Return and Federal Income

Tax components.

The development of the Rate of Return Factor adjustment formulas involved three steps. First, total sample revenue requirements were computed corresponding to each of several test rates of return. In each case, the methods described in Section VI.F were used to calculate revenue requirements. Second, a revenue requirement ratio was computed corresponding to each of these rates of return. Third, a regression model was developed relating the revenue requirement ratio to the rate of return. The revenue requirement ratio equals the quotient of revenue requirement at a test rate of return divided by the revenue requirement at the authorized rate of return.

The final step in the derivation of these formulas computed straight line regression models relating the revenue requirement ratios to the test rates of return. The revenue requirement models were constrained to equal 1.0 at the Rate of Return coordinate of 0.1125. The following models fit the data perfectly with an *R-Square* statistic of 1:

*Common Line Factor = 0.786502 +1.897760 x ROR*

*Traffic Sensitive Factor = 0.830184+ 1.509476 x ROR*

Exhibit 7.16 displays the ratios underlying the regression models. The data in the exhibit are interpreted as follows: if the Common Line Pool achieves a rate of return of 10.5 percent, then the revenues will be 98.58 percent of the revenue requirement at the authorized rate of 11.25 percent. Similarly, an achieved rate of 12.5 percent corresponds to revenues that are 102.37 percent of the revenue requirement at 11.25 percent.

**EXHIBIT 7.16**

**REVENUE REQUIREMENT RATIOS UNDERLYING ROR FORMULAS**

| Test Rate Of Return | Common Line Ratio | Traffic Sensitive Ratio |
|---|---|---|
| 0.0700 | 0.9193 | 0.9358 |
| 0.0725 | 0.9241 | 0.9396 |
| 0.0750 | 0.9288 | 0.9434 |
| 0.0775 | 0.9336 | 0.9471 |
| 0.0800 | 0.9383 | 0.9509 |
| 0.0825 | 0.9431 | 0.9547 |
| 0.0850 | 0.9478 | 0.9584 |
| 0.0875 | 0.9526 | 0.9622 |
| 0.0900 | 0.9573 | 0.9660 |
| 0.0925 | 0.9620 | 0.9698 |
| 0.0950 | 0.9668 | 0.9735 |
| 0.0975 | 0.9715 | 0.9773 |
| 0.1000 | 0.9763 | 0.9811 |
| 0.1025 | 0.9810 | 0.9849 |
| 0.1050 | 0.9858 | 0.9886 |
| 0.1075 | 0.9905 | 0.9924 |
| 0.1100 | 0.9953 | 0.9962 |
| 0.1125 | 1.0000 | 1.0000 |
| 0.1150 | 1.0047 | 1.0037 |
| 0.1175 | 1.0095 | 1.0075 |
| 0.1200 | 1.0142 | 1.0113 |
| 0.1225 | 1.0190 | 1.0151 |
| 0.1250 | 1.0237 | 1.0188 |
| 0.1275 | 1.0285 | 1.0226 |
| 0.1300 | 1.0332 | 1.0264 |
| 0.1325 | 1.0380 | 1.0301 |
| 0.1350 | 1.0427 | 1.0339 |
| 0.1375 | 1.0474 | 1.0377 |
| 0.1400 | 1.0522 | 1.0415 |
| 0.1425 | 1.0569 | 1.0452 |
| 0.1450 | 1.0617 | 1.0490 |
| 0.1475 | 1.0664 | 1.0528 |
| 0.1500 | 1.0712 | 1.0566 |

## L. Equal Access Settlements

Many average schedule companies incur costs for the provision of equal access to competing interexchange carriers. Part 36 rules include special methods of separating these costs to jurisdictions. These methods apply only in cases that meet the Part 36 prerequisites for equal access. Correspondingly, NECA provides an average schedule settlement formula that targets locations with equal access. The current and proposed formulas have identical structures. Equal access costs include initial expenses for customer presubscription balloting, education, some software expenses, and capitalized hardware and software costs.

Equal access costs are separated according to Part 36 rules on the basis of relative state and interstate equal access traffic. Settlements for interstate equal access costs are currently recovered by average schedule companies in two portions. The interstate portion of initial incremental equal access expenses are reported to the pool and recovered in the period incurred. The interstate portion of initial incremental investment is recovered using a monthly carrying charge factor of 0.0247, applied over an eight-year period.

Exhibit 7.17 displays the development of the monthly carrying charge factor (0.0247).

**EXHIBIT 7.17**

**CALCULATION OF THE EQUAL ACCESS INVESTMENT MONTHLY CARRYING CHARGE FACTOR**

| | | |
|---|---|---|
| A. | Illustrative Interstate Equal Access Investment | $10,000 |
| B. | Average Interstate Depreciation Reserve Over First Year (8 yr.) [(Line A / 8) / 2] | $625 |
| C. | Average Net Interstate Investment (Line A - Line B) | $9,375 |
| D. | Interstate Authorized Rate of Return | 11.25% |
| E. | Return on Average Net Interstate Investment (Line C x Line D) | $1,055 |
| F. | Federal Income Tax @ 35% (Line E x 0.538462) | $568 |
| G. | State Income Tax @ 7.8% (Line E x 0.084599) | $89 |
| H. | Interstate Depreciation Expense (8 yr.) (Line A / 8) | $1,250 |
| I. | Total Interstate Return, Taxes and Depreciation (Lines E + F + G + H) | $2,962 |
| J. | Monthly Interstate Return, Taxes and Depreciation (Line I / 12) | $247 |
| K. | Monthly Interstate Carrying Charge Factor (Line J / Line A) | 0.0247 |

M. Development of MAG Shift Factors

NECA further adjusted the formulas described in Sections VII.B through VII.L to account for allocation rules described in the MAG Order. NECA made adjustments to account for two changes: (1) Reallocation of Switching Line Port costs from the Central Office to the Common Line access category; and (2) Reallocation of Transport Interconnection Charge costs from Transport to Common Line.

NECA developed "shift factors" to move amounts from one access category to another. The description of the development and use of each shift factor is described in the following sections.

1. Switching Line Ports

The MAG Order specifies that costs associated with Switching Line Ports be allocated to Common Line rather than to CO.[16] The MAG Order allows companies to use 30% as the amount of Local Switching revenue requirements, excluding local switching support amounts, to be reallocated.

a. Development of Line Port Shift Factor

Using the population of average schedule study areas, NECA used total central office settlements from the 2006 Annual Access Tariff Filing. The line port component of settlements was calculated according to Commission rules as 30% of the difference between CO settlements and local switching support amounts. The Line Port Shift Factor was calculated as the line port component of settlements, divided by total central office settlements.

$$\textit{Line Port Shift Factor} = \frac{\textit{Line Port Component}}{\textit{Total Central Office Settlements}}$$

$$= \frac{\$29{,}671{,}562}{\$174{,}617{,}212}$$

$$= 0.169923$$

[16] MAG Order at ¶ 90.

b. Application of Line Port Shift Factor

Each month, NECA will calculate the line port component of settlements for each average schedule study area by multiplying the Line Port Shift Factor by each study area's total central office settlements. This study area line port component will now be recovered through the common line pool. While this change did not impact Common Line Access Line or CO formula coefficients displayed in Section VIII of this Filing, Section VIII includes a Common Line Line Port Formula based on the central office formula. Similarly, Section VIII also includes a residual Traffic Sensitive Central Office Formula.

To calculate the settlement effects of proposed formulas (See Section VII.N), current Common Line Line Port settlements were calculated using the current Line Port Shift Factor of 0.162807, as documented in the 2005 Filing. Proposed Common Line Line Port settlements were calculated using the proposed factor of 0.169923. The Common Line Line Port settlement is included in the total common line settlement and the Traffic Sensitive CO settlement is included in the total traffic sensitive settlement for the development of Appendix E and exhibits 7.18, 7.19 and 7.20. For the average schedule population, this reallocation assigned $2,358,851 of the proposed central office settlement to the common line pool.

2. Transport Interconnection Charge

As prescribed by the MAG Order, the Transport Interconnection Charge (TIC) was eliminated and the costs that were recovered through this rate element were reapportioned to all the other access elements.[17] For average schedule tariff revenue requirements parts of the transport settlement formulas are shifted to other access categories. For monthly settlements, the shift from the transport category to the common line category is determined by the Common Line TIC shift factor because this represents a shift from one pool to the other.

a. Development of Common Line TIC Shift Factors

From the 2006 Annual Access Tariff Filing, NECA used TIC revenues and total Transport settlements for each study area. Total Transport settlements include settlements produced by the Line Haul Distance Sensitive, Line Haul Non-Distance Sensitive, and Intertoll Switching formulas.

NECA allocated TIC revenues to the Common Line access category in proportion to the fraction of total settlements derived from Common Line. For this purpose, Common Line settlements excluded Universal Service Contribution (USC) amounts, and traffic sensitive settlements excluded local switching support and TIC revenues. The fraction of total settlements derived from the Common Line formula was multiplied by TIC revenues to produce Common Line TIC revenues. Finally, the sum of Common Line TIC revenues was divided by the sum of total Transport

[17] MAG Order at ¶ 98.

settlements for the population to produce the Common Line (CL) TIC Shift Factor.

$$\text{CL TIC Revenues} = \frac{\text{(CL Settlements Excluding USC)} \times \text{TIC Revenues}}{\text{Total Settlements (Excluding LSS and TIC Revenues)}}$$

$$\text{CL TIC Shift Factor} = \frac{\Sigma\text{CL TIC Revenues}}{\Sigma\text{Transport Settlements}}$$

$$= \frac{\$23{,}539{,}803}{\$105{,}003{,}755}$$

$$= 0.224181$$

b. Application of TIC Shift Factors

Each month, NECA will calculate the amount of transport settlements to be allocated to Common Line using the CL TIC Shift Factor. For each study area, the total transport settlement will be multiplied by the CL TIC Shift Factor to produce the amount to now be recovered from the Common Line Pool. While this change does not impact Common Line or Transport formula coefficients displayed in Section VIII of this Filing, Section VIII includes a Common Line Transport Formula based on the transport formulas. Similarly, Section VIII also includes a residual Traffic Sensitive Transport Formula.

To calculate the settlement effects of proposed formulas (See Section VII.N below), current Common Line Transport settlements were calculated using the current CL TIC Shift Factor of 0.242818, as documented in the 2005 Filing. Proposed Common Line Transport settlements were calculated using the proposed factor of 0.224181. In developing Appendix E and exhibits 7.18, 7.19 and 7.20, the Common Line Transport settlement is included in the total common line settlement, and the Traffic

Sensitive Transport settlement is included in the total Traffic Sensitive settlement. For the average schedule population, this reallocation assigned $1,260,353 of proposed transport settlements to the common line pool.[18]

## N. Impact of Proposed Formulas

This section analyzes settlement effects of the proposed formulas . These effects take into account settlements based on formulas presented in sections VII.B through VII.L, along with the shift factors described in section VII.M. Beginning July 2007, carriers can expect, on average, an overall settlement decrease of 7.27 percent as a result of the new formulas, or a loss of $1.89 per line. This estimate is based on a comparison of settlements to become effective July 1, 2007 and those that became effective July 1, 2006, with demand held constant at the July 2006 level.

Changes in the formula levels are a result of the effects of reductions in cost and demand changes as well as the restructure of the Distance Sensitive Line Haul formula. The proposed formulas are expected to produce settlements during the test period that will match test period revenue requirements. Exhibit 7.18 summarizes the average change to each formula calculated by applying proposed and current formulas to constant demand, along with formula fractions of total settlements. Exhibit 7.19 summarizes the effects of these changes for average schedule companies by access line grouping. Exhibit 7.20 summarizes proposed settlements by formula based on demand levels taken from the September 2006 view of the July 2006 settlement month. Settlement effects for individual study areas are shown in Appendix E.

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20 From average schedule study areas not in NECA's Traffic Sensitive Pool, NECA used line port and TIC shifts to common line according to the December 2001 view of their tariff data. These amounts are included in their common line settlements in Appendix E.

Impacts of these formula changes on individual average schedule companies will vary, depending on each company's size and demand characteristics. Overall, NECA projects that the majority of companies' settlements will decrease between five and fifteen percent. This decrease generally reflects new overall reduced cost levels and decreases due to Line Haul Distance Sensitive formula structure changes. Less than 15% of the study areas are expected to see an increase in their settlement rates.

**EXHIBIT 7.18**

**SUMMARY OF PROPOSED FORMULA AVERAGE CHANGES**

| | Proposed Average Formula Change | Formula Percent of Total |
|---|---|---|
| Common Line Basic | -3.48% | 40.75% |
| CL Universal Service Contribution | 0.00% | 3.63% |
| Central Office | -2.15% | 26.45% |
| CL Central Office | | 4.87% |
| TS Central Office | | 21.58% |
| Distance Sensitive | -45.93% | 4.87% |
| Non-Distance Sensitive | -5.14% | 5.78% |
| Intertoll Switching | -4.86% | 0.86% |
| Total Transport | | 11.83% |
| CL Transport | | 2.68% |
| TS Transport | | 9.15% |
| Special Access | -7.02% | 15.81% |
| Signaling System 7 | -3.19% | 1.42% |
| Equal Access | 0.00% | 0.01% |
| Overall CL Average | -3.21% | 52.03% |
| Overall TS Average | -10.33% | 47.97% |
| Overall Average | -7.27% | 100.00% |

**EXHIBIT 7.19**

**SETTLEMENT EFFECTS OF PROPOSED AVERAGE SCHEDULES**

| Access Line Size Group | Number of ECs | % Change Common Line | % Change Traffic Sensitive | % Change Total | Per Line Change Total |
|---|---|---|---|---|---|
| 0 - 500 | 63 | -0.73% | -2.68% | -2.27% | -$1.59 |
| 501 - 1000 | 95 | -0.82% | -6.06% | -4.42% | -$1.95 |
| 1001 - 2500 | 152 | -1.04% | -14.83% | -9.92% | -$3.74 |
| 2501 - 5000 | 68 | -2.36% | -13.13% | -8.70% | -$2.70 |
| 5001 - 10000 | 53 | -3.13% | -11.46% | -7.77% | -$2.14 |
| 10001 - 20000 | 19 | -4.02% | -7.44% | -5.82% | -$1.31 |
| > 20000 | 19 | -4.35% | -8.26% | -6.37% | -$1.29 |
| Total | 469 | -3.21% | -10.33% | -7.27% | -$1.89 |

**EXHIBIT 7.20**

**SETTLEMENTS BY MAJOR SETTLEMENT ELEMENT**

| | | |
|---|---|---|
| Common Line Basic | | $21,787,360 |
| CL Universal Service | | $1,938,753 |
| Central Office | | $14,109,782 |
| Central Office Line Port Shifts | | |
| - CL Central Office | $2,356,689 | |
| - CL Central Office Not In TS Pool | $240,661 | |
| - TS Central Office | $11,512,432 | |
| Distance Sensitive Transport | | $2,596,993 |
| Non-Distance Sensitive Transport | | $3,084,820 |
| Intertoll Dial Transport | | $460,747 |
| Total Transport | | $6,311,897 |
| TIC Reallocation Shifts | | |
| - CL Transport | $1,260,345 | |
| - CL Transport Not in TS Pool | $169,336 | |
| - TS Transport | $5,051,551 | |
| Special Access | | $8,430,454 |
| Signaling System 7 | | $755,500 |
| Equal Access | | $2,527 |
| Overall CL Total | | $27,753,144 |
| Overall TS Total | | $25,583,128 |
| Overall Total | | $53,336,272 |

## O. Transition Considerations

In this filing, NECA proposes general updates to most settlement formulas, based on its study of costs, demand, and cost allocation data. In addition, NECA proposes certain changes to the way that settlements are calculated for the distance sensitive line haul function pursuant to NECA's analysis of ways to more accurately target settlements from this formula to groups of study areas.

Given the magnitude of these settlement changes, some of the affected companies have raised concerns regarding the impact on their business operations. Examples of such effects, as detailed by members in the Industry Average Schedule Task Group, are as follows: the delay of broadband service deployment plans, or difficulty meeting a 2008 broadband deployment deadline mandated by one state, restrictions on future business plans if impacts on a company's cash flow causes a lender to modify terms of a loan according to an existing loan covenant, and the possible inability of a carrier to meet existing loan commitments.

NECA recommends that the Commission consider the need for a transition plan that could mitigate hardships caused by potentially abrupt revenue losses.[19] In this section, NECA provides an analysis of these impacts and a method of calculating transitional amounts. Such transitional support would give affected carriers a measured plan that provides a reasonably balanced glide path to significantly lowered revenues, allowing them time to absorb the effects of the proposed settlement reductions and incorporate these significant changes in revenues into their business planning. This would help avoid adverse affect on their ability to raise capital and also allow them to continue offering service

[19] The Commission has approved average schedule transition plans in the past, most recently in response to NECA's 2006 Modification of Average Schedules, responding to effects of restructure of the common line and special access formulas. Also in response to NECA's 1989 Modification of Average Schedules the Commission approved a plan that responded to a general revision of settlement formulas to conform the formulas to a series of significant Commission rule changes.

including new advanced broadband services to their end user customers with no lessening in service quality.

NECA's plan bases transitional support for each study area on its expected reduction in overall settlements. In order to spread the impact equally over two years, NECA calculated a benchmark reduction equal to 2.942% of current settlements, which each study area would take in the first month of application of the new formulas. To complete transition, companies would take equal steps toward the new formulas over the subsequent months of the two-year transition period. Using this method, average schedule companies complete half of the transition toward the restructured formula in the first year, and the remaining half in the second year.[20]

For example, if a company's settlements were reduced from $20,000 per month to $15,000, the company would take $588.40 of this loss in the first month, and an additional $183.82 reduction in each of the 23 subsequent months.

To calculate transition amounts, NECA used the September 2006 view of data reported by companies for the month of July 2006. First-year average monthly transition amounts for each affected study area are shown in Appendix E. If this method is approved by the Commission, NECA calculates that affected companies would receive $24.89 million in transition payments in the year beginning July 2007, and an additional $8.74 million in the following year, based on data reported for the month of July 2006. NECA will update these calculations for each study area based on data reported to NECA for the months of July through September of 2006, including any adjustments reported in subsequent months.

[20] Using this method, average schedule companies will complete 3.634% of the transition to the new settlement formulas in the first year, and the remaining 3.634% in the second year, achieving the total proposed reduction of 7.268% over two years.

# VIII. CURRENT AND PROPOSED AVERAGE SCHEDULE SETTLEMENT FORMULAS

## A. COMMON LINE FORMULAS

## COMMON LINE FORMULA

### Current Formula:

*Settlement = Common Line Access Lines x Settlement Per Common Line Access Line x CL Adjustment*

If Lines Per Exchange less than 2000 then,
*Settlement per Line* = $15.229006 – ($0.002531 x Lines Per Exchange)

If Lines Per Exchange greater than or equal to 2000 but less than 10,000 then,
*Settlement per Line* = $9.843542 + ($646.927782 / Lines Per Exchange)

If Lines Per Exchange greater than or equal to 10,000 but less than 15,000 then,
*Settlement per Line* = $13.767619 – ($0.000386 x Lines Per Exchange)

If Lines Per Exchange greater than or equal to 15,000 then,
*Settlement per Line* = 0.8070 x {$9.843542 + ($646.927782 / Lines Per Exchange)}

*CL Adjustment*

If Lines greater than 10,000 and Exchanges greater than 5 then,
*CL Adjustment* = 0.8911
Else *CL Adjustment* = 1

### Proposed Formula:

*Settlement = Common Line Access Lines x Settlement Per Common Line Access Line x CL Adjustment*

If Lines Per Exchange less than 2000 then,
*Settlement per Line* = $15.133745 – ($0.002561 x Lines Per Exchange)

If Lines Per Exchange greater than or equal to 2000 but less than 10,000 then,
*Settlement per Line* = $8.379614 + ($3,264.2626 / Lines Per Exchange)

If Lines Per Exchange greater than or equal to 10,000, but less than 15,000, then,
*Settlement per Line* = $9.305374 – ($0.000060 x Lines Per Exchange)

If Lines Per Exchange greater than or equal to 15,000, then,
*Settlement per Line* = 0.9778 x {$8.379614 + ($3,264.2626 / Lines Per Exchange)}

*CL Adjustment*

If Lines greater than 10,000 and Exchanges greater than 5 then,
*CL Adjustment* = 0.8996
Else *CL Adjustment* = 1

## COMMON LINE RATE OF RETURN FORMULA

Monthly Common Line settlements are adjusted to reflect the Rate of Return (ROR) achieved by the total NECA Common Line pool.

**Current Formula:**

Common Line Factor = 0.748034 + (2.239698 x ROR)

**Proposed Formula:**

Common Line Factor = 0.786502 + (1.897760 x ROR)

## UNIVERSAL SERVICE SUPPORT CONTRIBUTION FORMULA

**Current Formula:**

Average Schedule Companies will receive a common line settlement reimbursement equal to the Average Schedule Company's contribution to the Federal Universal Service program assigned to the interstate common line access element according to Commission rules.

**Proposed Formula:**

Average Schedule Companies will receive a common line settlement reimbursement equal to the Average Schedule Company's contribution to the Federal Universal Service program assigned to the interstate common line access element according to Commission rules.

## COMMON LINE LINE PORT FORMULA

**Current Formula:**

Common Line Line Port Formula = 0.162807 x Central Office Formula

**Proposed Formula:**

Common Line Line Port Formula = 0.169923 x Central Office Formula

## COMMON LINE TRANSPORT FORMULAS

**Current Formula:**

Common Line Transport Formula = 0.242818 x
{Line Haul Distance Sensitive Formula
+ Line Haul Non-Distance Sensitive Formula
+ Intertoll Switching Formula}

**Proposed Formula:**

Common Line Transport Formula = 0.224181 x
{Line Haul Distance Sensitive Formula
+ Line Haul Non-Distance Sensitive Formula
+ Intertoll Switching Formula}

## B. TRAFFIC SENSITIVE FORMULAS

### CENTRAL OFFICE FORMULA

**Current Formula:**

Settlement = (Basic Settlement x Access Line Factor) + $4,156.80

For Study Areas with Minutes Per Line Less Than or Equal to 350:
Basic Settlement = ($0.019913 x Access Minutes) + ($286.50 x Exchanges)

For Study Areas with Minutes Per Line Greater Than 350 but Less Than or Equal to 850:
Basic Settlement = ($0.019913 x 350 x Access Lines)
+ {$0.009419 x [Access Minutes – (350 x Access Lines)]}
x High Volume Access Line Multiplier + ($286.50 x Exchanges)

For Study Areas with Minutes Per Line Greater Than 850:
Basic Settlement = ($0.019913 x 350 x Access Lines)
+ {$0.009419 x (850 – 350) x Access Lines
+ $0.000942 x [Access Minutes – (850 x Access Lines)]} x High Volume Access Line Multiplier
+ ($286.50 x Exchanges)

Access Line Factor:

For study areas with common line access lines less than 15,000:
Access Line Factor = 2.161501 – (0.000077433 x Common Line Access Lines)

For study areas with common line access lines greater than or equal to 15,000:
Access Line Factor = 1.0

High Volume Access Line Multiplier = (450 / Common Line Access Lines)

**Proposed Formula:**

Settlement = (Basic Settlement x Access Line Factor) + $3,848.02

For Study Areas with Minutes Per Line Less Than or Equal to 330:
Basic Settlement = ($0.019124 x Access Minutes) + ($429.36 x Exchanges)

For Study Areas with Minutes Per Line Greater Than 330 but Less Than or Equal to 850:
Basic Settlement = ($0.019124 x 330 x Access Lines)
+ {$0.009189 x [Access Minutes – (330 x Access Lines)]}
x High Volume Access Line Multiplier + ($429.36 x Exchanges)

For Study Areas with Minutes Per Line Greater Than 850:
Basic Settlement = ($0.019124 x 330 x Access Lines)
+ {$0.009189 x (850 – 330) x Access Lines
+ $0.000919 x [Access Minutes – (850 x Access Lines)]} x High Volume Access Line Multiplier
+ ($429.36 x Exchanges)

Access Line Factor:

For study areas with common line access lines less or equal to 1,250:
Access Line Factor = 3.564780 – (0.00136954 x Common Line Access Lines)

For study areas with common line access lines between 1,251 and 20,000:
Access Line Factor = 1.909716 – (0.000045 x Common Line Access Lines)

For study areas with common line access lines greater than or equal to 20,000:
Access Line Factor = 1.0

High Volume Access Line Multiplier = (550 / Common Line Access Lines)

## TRAFFIC SENSITIVE CENTRAL OFFICE FORMULA

**Current Formula:**

Traffic Sensitive Central Office = (1 – 0.162807) x Central Office Formula

**Proposed Formula:**

Traffic Sensitive Central Office = (1 – 0.169923) x Central Office Formula

## INTERTOLL DIAL SWITCHING FORMULA

**Current Formula:**

Settlement Per Intertoll Trunk = $12.96

**Proposed Formula:**

Settlement Per Intertoll Trunk = $12.33

## LINE HAUL DISTANCE SENSITIVE FORMULA

**Current Formula:**

For study areas with circuit miles greater than zero and circuit miles per circuit less than or equal to 100:

Settlement = ($0.516577 x Circuit Miles) + ($0.002357 x Access Minutes)

For study areas with circuit miles per circuit greater than 100:

Settlement = ($0.516577 x 100 x Circuits)
+ $0.038804 x (Circuit Miles – (100 x Circuits))
+ ($0.002357 x Access Minutes)

**Proposed Formula:**

Settlement = [(Circuit Mile Rate x Interstate Circuit Miles) + ($0.001472 x Access Minutes*)]
× Density Factor

* Access minutes up to but not exceeding 330 per line monthly

The Circuit Mile Rate is based on study area average Interstate Circuit Miles per Interstate Circuit (CM/C):

Circuit Mile Rate = 0.739513 – 0.012325 × CM/C, if CM/C less or equal to 30
= 0.435007 – 0.002175 × CM/C, if CM/C greater than 30 but less or equal to 100
= 0.03853 + 17.8974 / CM/C, if CM/C greater than 100

If CM/C is less than 350 then the Density Factor is based on study area average Interstate Circuits per Exchange (C/E):

Density Factor = 1.741710 – 0.007241 × C/E, if C/E less than 80
= 1.372205 – 0.002622 × C/E, if C/E greater or equal to 80 but less than 200
= 1.065843 – 0.001090 × C/E, if C/E greater or equal to 200 but less than 600
= 0.411869, if C/E greater or equal to 600

If CM/C is greater or equal to 350 then Density Factor = 1.0

## LINE HAUL NON-DISTANCE SENSITIVE FORMULA

### Current Formula:

For study areas with interstate circuit terminations per exchange less than 161:

Settlement Per Interstate Circuit Termination =
$30.94 – $0.075850 x Terminations Per Exchange

For study areas with interstate circuit terminations per exchange greater than or equal to 161:

Settlement Per Interstate Circuit Termination = $18.73

### Proposed Formula:

For study areas with interstate circuit terminations per exchange less than 70:

Settlement Per Interstate Circuit Termination =
$33.18 – $0.200894 x Terminations Per Exchange

For study areas with interstate circuit terminations per exchange greater than or equal to 70:

Settlement Per Interstate Circuit Termination = $19.12

## TRAFFIC SENSITIVE TRANSPORT FORMULAS

### Current Formula:

Traffic Sensitive Transport = (1 – 0.242818) x
{Line Haul Distance Sensitive Formula
+ Line Haul Non-Distance Sensitive Formula
+ Intertoll Switching Formula}

### Proposed Formula:

Traffic Sensitive Transport = (1 – 0.224181) x
{Line Haul Distance Sensitive Formula
+ Line Haul Non-Distance Sensitive Formula
+ Intertoll Switching Formula}

## SPECIAL ACCESS FORMULA

### Current Formula:

For study areas with Special Access Revenues per Exchange less than 300:
Settlement = [Special Access Revenues x
(10.09 – 0.016823 x Special Access Revenues per Exchange)] x Tariff Rate Index

For study areas with Special Access Revenues per Exchange between 300 and 500:
Settlement = [Special Access Revenues x
(7.21 – 0.007210 x Special Access Revenues per Exchange)] x Tariff Rate Index

For study areas with Special Access Revenues per Exchange greater than 500:
Settlement = [Special Access Revenues x
(0.698336 + 1453.27 / Special Access Revenues per Exchange)] x Tariff Rate Index

Tariff Rate Index = 1 / (1 + Tariff Special Access Relative Rate Change Since 12/05)

### Proposed Formula:

For study areas with Special Access Revenues per Exchange less than 300:
Settlement = [Special Access Revenues x
(7.01 – 0.011675 x Special Access Revenues per Exchange)] x Tariff Rate Index

For study areas with Special Access Revenues per Exchange between 300 and 500:
Settlement = [Special Access Revenues x
(5.00 – 0.005004 x Special Access Revenues per Exchange)] x Tariff Rate Index

For study areas with Special Access Revenues per Exchange greater than 500:
Settlement = [Special Access Revenues x
(0.707430 + 897.18 / Special Access Revenues per Exchange)] x Tariff Rate Index

Tariff Rate Index = 1 / (1 + Tariff Special Access Relative Rate Change Since 12/06)

## TRAFFIC SENSITIVE RATE OF RETURN FORMULA:

Monthly Traffic Sensitive settlements are adjusted to reflect the Rate of Return (ROR) achieved by the total NECA Traffic Sensitive pool.

### Current Formula:

Traffic Sensitive Factor = 0.794887 + (1.823227 x ROR)

### Proposed Formula:

Traffic Sensitive Factor = 0.830184 + (1.509476 x ROR)

## EQUAL ACCESS IMPLEMENTATION FORMULA

### Current Formula:

The interstate portion of initial incremental equal access expenses paid in the month in which they are incurred and 0.0247 x (the interstate portion of initial incremental equal access investment) per month for 96 months.

### Proposed Formula:

The interstate portion of initial incremental equal access expenses paid in the month in which they are incurred and 0.0247 x (the interstate portion of initial incremental equal access investment) per month for 96 months.

## SIGNALING SYSTEM 7 FORMULAS

### Current Formula:

| | |
|---|---|
| Settlement = $1,328 | For each end office with SP or SSP equipment in service with full connectivity to the nationwide Signaling network. |
| Settlement = $695 | For each end office with SP or SSP equipment in service not yet having full connectivity to the nationwide Signaling network. |

### Proposed Formula:

| | |
|---|---|
| Settlement = $1,287 | For each end office with SP or SSP equipment in service with full connectivity to the nationwide Signaling network. |
| Settlement = $521 | For each end office with SP or SSP equipment in service not yet having full connectivity to the nationwide signaling network. |

## NETWORK ADMINISTRATION FORMULA

### Current Formula:

The incremental interstate costs of inter-company charges for network administration, as approved by the Commission for recovery by cost companies.

### Proposed Formula:

The incremental interstate costs of inter-company charges for network administration, as approved by the Commission for recovery by cost companies.

# 2007 Modification of Average Schedules
## Glossary

| Term | Definition |
|---|---|
| Access Line | An end of period count of all working communication facilities extending from an end user's premises terminating in an end office (Class 5) that are or may be used for local exchange service. For multiparty service, the number of access lines equals the number of loops terminating on the mainframe of the central office. If two party lines are bridged in the field, they are counted together as an access line. The reported lines include public and semi-public pay telephone lines, access lines used for Customer Owned Coin Operated Telephone Sets (COCOTS), and employee concession lines. Excluded are company official lines and special access lines (i.e., FX service at either the closed or open end, WATS/800 Service lines at closed end, etc.). Inclusion of public pay telephone is effective April 1997. Prior to April 1997, public pay telephones are excluded from access line counts. For average schedule settlements reporting, beginning July 1, 2002, each BRI ISDN line counts as one access line and each PRI ISDN line counts as five access lines. Beginning in July 2004, each DS1 channel service counts as 5 access lines. |
| Access Line Factor | The component of the Traffic Sensitive Central Office Formula that compensates for the higher Local Switching Revenue Requirement per Minute, including DEM weighting, incurred by study areas with less than 20,000 access lines. It ensures that smaller study areas receive relatively higher settlements per minute and per exchange than larger companies. (See Section VII.E.2.a, b and d for formula.) |
| Access Minute | Access minutes are the total of all premium and non-premium interstate traffic sensitive switched access minutes of use. Includes all Feature Group A, B, C, and D interstate access minutes of use that are switched in a Class 5 end office of an average schedule exchange carrier. |
| Access Link (A-link) Pair | A communications path that connects a Signaling System 7 (SS7) switching office or Consolidation Point (CP) to its home Signaling Transfer Point (STP). A-links are always installed in pairs from an SS7 switching office or CP, with one to each "mated" STP. |
| Allocation Models | Statistically derived formulas used in NECA's average schedule studies to determine the interstate portion of a statistical sample of average schedule accounts assigned to access elements, as mandated by Part 69 of the Commission's rules. |
| Average Effective Tax Rate | The weighted average effective Federal Income tax rate from 2004 Sample Cost studies. |
| Average Revenue Requirement Growth Ratio | The ratio of the sum of weighted 2004 unseparated revenue requirements to the sum of weighted 2003 unseparated revenue requirements using data from all average schedule study areas in the 2005 Sample. |

# 2007 Modification of Average Schedules
## Glossary

| Term | Definition |
|---|---|
| Average Schedule Company Settlement Statements (AS3000) | The reports created by NECA that display an average schedule company's monthly net settlement computation, using estimates or adjustments provided by the company. Net settlement is the difference between gross settlements calculated using average schedule settlement formulas, and earned revenues, which include Access Charge revenues. The report also show distributions from Interstate Common Line Support (ICLS) and Local Switching Support (LSS) funds. |
| Average Schedule USF Expense Adjustment | Amounts distributed to qualified average schedule companies pursuant to FCC rule Part 36.631 derived from the Universal Service Fund average schedule formula developed by NECA to estimate the loop costs of average schedule companies. Universal Service Administrative Company (USAC) transfers the Universal Service Support amounts by study area to NECA for distribution as part of the monthly settlement process. |
| Baseline Cost per Minute | The average monthly central office revenue requirement per minute among average schedule study areas having more than 20,000 access lines. This is used in developing the Access line Factor for each study area.<br><br>$$Baseline\ Cost\ per\ Minute = \frac{\sum_{i=1}^{n}\left(Sample\ Weight_i \quad x \quad Monthly\ Central\ Office\ Revenue\ Requirement_i\right)}{\sum_{i=1}^{n}\left(Sample\ Weight_i \quad x \quad Access\ Minutes_i\right)}$$<br><br>n = The number of average schedule study areas in the sample having more than 10,000 access lines. |
| Basic Cost per Minute | The Basic Cost per Minute for each minutes per line band (j) was used to develop the Initial Central Office formula.<br><br>For each band, the Basic Cost per Minute was calculated as:<br><br>$$Basic\ Cost\ per\ Minute_j = \frac{Central\ Office\ Revenue\ Requirement\ per\ Access\ Minute_j}{Model\ Access\ Line\ Factor_j}$$ |
| Carrier Access Billing System (CABS) Cost Model | The CABS model is developed by applying ordinary regression methods to the interstate CABS portion of service expenses reported in sample cost studies. Calculation for CABS Cost can be found in Section VII.E.1. |
| Central Office – Local Switching Only | The component of central office settlements that compensate for local switching costs (i.e., that exclude CABS costs). |

# 2007 Modification of Average Schedules
## Glossary

| Term | Definition |
|---|---|
| Common Line TIC Shift Factor | The fraction of transport settlements paid from the common line pool pursuant to the MAG Order. |
| Cost | A component of an exchange carrier's accounts, attributed to a particular service or jurisdiction. |
| Cost Company Settlement Statements (EC3050) | The reports created by NECA that display a cost company's current month's settlement computation using estimated current month data and the combined effects of prior period adjustments. In addition, these reports show distributions from Interstate Common Line Support and Local Switching Support Funds. |
| Cost Study Database | A database created by NECA that contains cost study account data separated to the interstate jurisdiction and allocated to access categories by NECA's Cost Study program for companies which settle with NECA based on individual cost. |
| Customer Database | A database, administered by NECA, that contains information related to NECA's revenue distribution agreements with individual companies (e.g. company name and address, contact persons, tax status indicator, number of exchanges, pool and tariff participation indicators, etc.). |
| Cutoff Point | A value used to distinguish an influential data point versus a non-influential data point to determine outliers. |
| Data Projections | The amounts calculated to represent a level of an account or demand variable of a sample study area, in a period usually the test period, later than the historical period from which the supporting data was taken. |
| DFFITS | A statistic that measures the influence each observation has on the predicted value for that observation. It measures the change in the predicted value calculated for the *ith* observation before/after deleting the *ith* observation. |
| Exchange | A unit generally smaller than a Local Access and Transport Area, established by the telephone company for the administration of communications services in a specified area which usually embraces a city, town, or village and its environs. It uses one or more central offices together with the associated facilities used in furnishing communications services within that area. |
| High Lines Per Exchange Multiplier | A factor used in the Common Line formula that accounts for the lower cost per line of the large lines per exchange study areas. |
| High Traffic Volume Period | A high traffic volume period is the most recent calendar year, either 2002 or 2003 for the 2004 data collection, or 2003 or 2004 for the 2005 data collection, when the minutes of use per line per month of a sample average schedule company exceed designated threshold. |

## 2007 Modification of Average Schedules
## Glossary

| Term | Definition |
|---|---|
| High Traffic Volume Threshold | A value of minutes per line which divides access minutes into groups for distinct settlement calculation methods. The High Volume Thresholds in the proposed Traffic Sensitive Central Office formula are at 330, and 850 minutes per line. |
| Initial Central Office Formula | The Traffic Sensitive Central Office Formula prior to the addition of CABS costs. |
| Interstate Circuits | One of the settlement variables in the distance sensitive line haul formula, obtained by a circuit count allocation method described in Section 7 of the Average Schedule Pool Administration Procedures. |
| Interstate Circuit Miles | The interstate allocation of the number of miles of circuits carrying interstate switched access traffic defined according to NECA's average schedule settlement procedures. |
| Interstate Conversation Minute Factor<br>Interstate Conversation Minute-Mile Factor | Factors developed as part of a cost separations study and used to determine the portion of some facility costs to be assigned to the interstate jurisdiction. |
| Interstate Switched Circuit Terminations | The interstate allocation of the number of terminations of circuits carrying interstate switched access traffic defined according to NECA's average schedule settlement procedures. |
| Line Haul Route | For Line Haul settlement purposes, a route is defined as the path that carries a switched line haul circuit from its origin switch to its destination switch or destination Point of Connection (POC). The origin and destination switch on a route must have switch ports assigned to circuits on the route. The destination POC must be the point of interconnection with an IC, with another EC. An office that only provides a cross connect function for the circuit without hand-off to another carrier can not be the origin or destination of a route. Carriers may choose to separately identify routes to operator services facility locations for operator handled traffic for Line Haul settlements reporting. Examples of Line Haul route identification are: End Office to End Office, End Office to Tandem or POC, Remote to Host, Host to Tandem or POC, Intermediate Tandem to Access Tandem, Access Tandem to IXC Tandem or POC, Tandem to Operator Services Location. |
| Line Port Shift Factor | The fraction of central office settlements paid from the common line pool pursuant to the FCC's MAG order of November 8, 2001. |
| Local Switching Support Fraction | A relative portion of settlements for Central Office – Local Switching Only that will be supported by universal service funding. NECA develops these fractions based on access line size groups and high access minutes per line status. USAC uses these fractions to calculate support. |

# 2007 Modification of Average Schedules
## Glossary

| Term | Definition |
|---|---|
| Local Switching Support Payment | The portion of the local switching settlement that is recovered through the universal service fund effective January 1, 1998. The balance of the settlement is recovered through NECA's local switching access charges. Prior to January 1, 1998, the support amount was determined under the FCC's DEM weighing rules and recovered through access charges. |
| Long Route Circuit Miles | The difference between Interstate Circuit Miles and Normal Route Circuit Miles. |
| Measure of Size | A calculation used to determine sample probabilities, equal to the square root of total access revenues used to calculate the stratum standard deviation of each study area in the stratum. |
| Minutes per Line | A ratio computed to develop and administer the Traffic Sensitive Central Office Formula. $$Minutes\ per\ Line = \frac{Monthly\ Access\ Minutes}{Access\ Lines}$$ |
| Month Sequence | A variable sequentially assigned to each month of a time series, and is used as an independent variable in modeling demand. |
| Normal Route Circuit Miles | The Interstate Circuit Miles used to carry interstate switched access traffic, up to but not exceeding 60 miles per Interstate Circuit. |
| Neyman Allocation | A method of allocating the sample size to each stratum that determines the size of the sample in each in proportion to strata standard deviation. |
| Outlier Accommodation | The method of diminishing the variance of estimates by reducing the impact of influential data that are included in a regression model or ratio estimate. |
| Outlier Growth Test Ratio | The ratio measuring the impact of each study area on the Average Revenue Requirement Growth Ratio and used to determine which study areas are outliers to be excluded from all 2005 Sample Annual Growth Ratio calculations. |
| Outlier Identification | The procedure of identifying data points that are considered to be non-representative or that have undue influence on estimated model parameters. |
| "Precision" or "Precision of Sample Estimates" | A measure of how close an estimate derived from sample data is expected to come to the value that would have been computed by examining the entire population of study areas. |

# 2007 Modification of Average Schedules
## Glossary

| Term | Definition |
|---|---|
| Probability Proportionate to Size (PPS) | The method for determining the probability that a particular study area is included in the multi-year sample. The method assigns a greater probability of selection to larger study areas. The PPS sample method is used because it is statistically efficient. It produces more precise estimates from a sample of specific size than do equal probability sampling methods. |
| Rate of Return Adjustment Factor | A monthly adjustment factor used to convert special access earned revenues from the achieved rate of return to the authorized rate of return. |
| Relative Interstate DEM | The ratio of a study area's unweighted Interstate Dial Equipment Minutes (DEM) to its unweighted Total DEM Minutes. |
| Revenue Requirement | The amount recoverable from interstate tariff charges, providing for expenses, taxes and a return on investment at the authorized rate of return. |
| Route Miles | The length of a line haul route owned or leased by an exchange carrier for the transport of interstate switched access traffic, measured from switching point to switching point, or from switching point to point of connection. |
| Sample Design Criteria | A set of nine characteristics of study areas designated to ensure that the selected sample efficiently and accurately represents cost and average schedule study areas. They are used to stratify both populations into sub-groups from which the sample companies are selected. |
| Sample Weight | The reciprocal of the probability of including a study area in the sample in any given year. The sum of sample weights equals the total count of population units. |
| Separation Models | The statistically derived formulas used in NECA's average schedule studies to determine the interstate portion of accounts, as mandated by Part 36 of the Commission's rules. |
| Settlement | The amount of pooled access revenue that each exchange carrier receives for providing interstate access service to interexchange carriers and other users. |
| Settlement Analysis Workpaper | A report prepared annually by NECA that compares a study area's current and proposed settlements, assuming constant demand. |
| Settlement Formula | One of a set of statistically derived formulas for use in calculating monthly settlements to average schedule companies, shown in Section VIII of this Filing. |
| Special Access Average Retention Ratio | An overall average special access retention ratio computed from average schedule sample data. |

# 2007 Modification of Average Schedules
## Glossary

| Term | Definition |
|---|---|
| Special Access Basic Retention Ratio | A component of the special access average retention ratio not attributed to the Revenue Size Factor Model. |
| Special Access Revenues | The amount charged for all Traffic Sensitive Interstate Special Access rate elements. |
| Special Access Revenue Size Factor Model | A statistically derived model that determines a relationship between special access relative cost and company size. |
| Stratified Account Growth Ratio | The estimate of annual account growth calculated based on year over year changes in accounts from all average schedule study areas in each of three strata of the 2005 Sample. |
| Stratified Composite Growth Ratio | An account's annual growth ratio calculated by combining growth ratios from consecutive annual samples. |
| Stratified Multi-year Growth Ratio | A multi-year growth ratio extrapolated from Stratified Composite Growth Ratios and used to forecast base period account values of study areas in each of three strata of the 2004 and 2005 Samples to the test period. |
| Test Period | A future time period when the average schedule formulas are proposed to be effective. The test period for the 2007 Modification of Average Schedules is July 1, 2007 through June 30, 2008. |
| TIC Shift Factor | The fraction of transport settlements paid from the common line pool pursuant to the FCC's MAG order of November 8, 2001. |
| Trend Change Indicator | A variable included in demand growth modeling to capture the impact of changes in historical data trends on future growth estimates. |
| Universal Service Contribution | The amount that telecommunications carriers, who provide interstate telecommunications services to others for a fee, contribute to the universal service support mechanisms based on their end-user telecommunication revenues as identified on the FCC's Form 499. |
| Universal Service Contribution Reimbursement | The portion of the universal service contribution amount reimbursed to average schedule companies. This amount is equal to the actual paid *regulated* end user telephone operations universal service contributions which are assigned to the common line access element. Calculated in accordance with instructions for Line 12 in Section 5.0 of the Average Schedule Pool Administration Procedures. |
| Universal Service Loop Cost Formula | A formula filed by NECA with the FCC each year as part of the annual Modification to the Average Schedules, used to calculate an unseparated loop cost for each average schedule company. An average schedule company receives USF compensation if its formula value exceeds 115% of the nationwide average cost per loop. The formula is included in NECA's October USF Data Submission. |
| Variance Weight | A multiplier, which is in inverse proportion to its contribution to total model variance, applied to influential points such that the impact of influential data on a regression model is minimized. |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 1 | 1 | 20,471 | 143.08 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 1 | 2 | 7,076 | 84.12 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 1 | 3 | 5,180 | 71.97 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 1 | 4 | 4,749 | 68.91 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 1 | 5 | 4,072 | 63.81 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 1 | 6 | 3,676 | 60.63 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 1 | 7 | 3,518 | 59.31 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 1 | 8 | 2,443 | 49.43 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 1 | 9 | 2,399 | 48.98 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 1 | 10 | 2,112 | 45.96 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 1 | 11 | 1,798 | 42.40 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 1 | 12 | 1,613 | 40.16 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 1 | 13 | 1,519 | 38.97 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 1 | 14 | 1,089 | 33.00 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 1 | 15 | 1,054 | 32.47 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 1 | 16 | 1,031 | 32.11 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 1 | 17 | 959 | 30.97 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 1 | 18 | 883 | 29.72 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 1 | 19 | 882 | 29.70 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 1 | 20 | 799 | 28.27 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 1 | 21 | 636 | 25.22 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 1 | 22 | 630 | 25.10 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 1 | 23 | 588 | 24.25 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 1 | 24 | 511 | 22.61 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 2 | 1 | 331,530 | 575.79 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 2 | 303,787 | 551.17 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 3 | 223,892 | 473.17 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 4 | 179,624 | 423.82 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 5 | 106,523 | 326.38 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 6 | 93,668 | 306.05 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 7 | 93,130 | 305.17 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 8 | 84,954 | 291.47 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 9 | 84,310 | 290.36 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 10 | 72,557 | 269.36 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 11 | 71,661 | 267.70 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 12 | 60,734 | 246.44 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 13 | 57,043 | 238.84 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 14 | 56,649 | 238.01 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 15 | 55,275 | 235.11 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 16 | 43,602 | 208.81 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 17 | 43,524 | 208.62 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 18 | 43,005 | 207.38 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 19 | 40,490 | 201.22 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 20 | 40,143 | 200.36 | 1 | 0.00 | 0.00 | 1 | 2 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 2 | 21 | 38,361 | 195.86 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 22 | 36,205 | 190.28 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 23 | 32,030 | 178.97 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 24 | 31,356 | 177.08 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 25 | 29,403 | 171.47 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 26 | 29,224 | 170.95 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 27 | 28,338 | 168.34 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 28 | 15,506 | 124.52 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 29 | 14,992 | 122.44 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 30 | 13,062 | 114.29 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 31 | 10,401 | 101.99 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 32 | 10,065 | 100.32 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 33 | 9,354 | 96.72 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 34 | 8,016 | 89.53 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 35 | 5,954 | 77.16 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 2 | 36 | 5,034 | 70.95 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 2 | 37 | 2,059 | 45.38 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 1 | 608,476 | 780.05 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 2 | 458,177 | 676.89 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 3 | 248,437 | 498.43 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 4 | 120,187 | 346.68 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 5 | 114,049 | 337.71 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 6 | 85,220 | 291.92 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 7 | 54,994 | 234.51 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 8 | 50,913 | 225.64 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 9 | 47,660 | 218.31 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 10 | 41,063 | 202.64 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 11 | 37,240 | 192.98 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 12 | 37,187 | 192.84 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 13 | 29,840 | 172.74 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 14 | 29,729 | 172.42 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 15 | 25,902 | 160.94 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 16 | 24,706 | 157.18 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 17 | 18,175 | 134.81 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 18 | 17,383 | 131.84 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 19 | 15,427 | 124.21 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 20 | 14,737 | 121.40 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 21 | 14,691 | 121.21 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 3 | 22 | 7,372 | 85.86 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 3 | 23 | 4,362 | 66.05 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 6 | 1 | 100,795 | 317.48 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 2 | 66,303 | 257.49 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 3 | 61,490 | 247.97 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 4 | 58,539 | 241.95 | 1 | 0.00 | 0.00 | 1 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 6 | 5 | 52,307 | 228.71 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 6 | 51,552 | 227.05 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 7 | 49,394 | 222.25 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 8 | 42,126 | 205.25 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 9 | 39,752 | 199.38 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 10 | 36,711 | 191.60 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 11 | 36,628 | 191.38 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 12 | 35,880 | 189.42 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 13 | 35,516 | 188.46 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 14 | 35,436 | 188.24 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 15 | 34,901 | 186.82 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 16 | 34,782 | 186.50 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 17 | 34,202 | 184.94 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 18 | 32,514 | 180.32 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 19 | 32,416 | 180.04 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 20 | 31,625 | 177.83 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 21 | 31,441 | 177.32 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 22 | 31,053 | 176.22 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 23 | 30,547 | 174.78 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 24 | 30,473 | 174.57 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 25 | 28,964 | 170.19 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 26 | 28,814 | 169.75 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 27 | 28,560 | 169.00 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 28 | 27,893 | 167.01 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 29 | 27,639 | 166.25 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 30 | 27,100 | 164.62 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 31 | 26,456 | 162.65 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 32 | 26,160 | 161.74 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 33 | 25,324 | 159.14 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 34 | 24,761 | 157.36 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 35 | 24,630 | 156.94 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 36 | 24,555 | 156.70 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 37 | 24,418 | 156.26 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 38 | 24,262 | 155.76 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 39 | 24,033 | 155.03 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 40 | 23,702 | 153.95 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 41 | 23,281 | 152.58 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 42 | 23,161 | 152.19 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 43 | 22,942 | 151.47 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 44 | 22,134 | 148.77 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 45 | 21,849 | 147.81 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 46 | 21,691 | 147.28 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 47 | 20,936 | 144.69 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 48 | 20,657 | 143.73 | 1 | 0.00 | 0.00 | 5 | 5 |

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2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 6 | 49 | 20,070 | 141.67 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 50 | 20,060 | 141.63 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 51 | 18,660 | 136.60 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 52 | 18,267 | 135.16 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 53 | 18,069 | 134.42 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 54 | 17,908 | 133.82 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 55 | 17,642 | 132.82 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 56 | 17,109 | 130.80 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 57 | 17,033 | 130.51 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 58 | 16,853 | 129.82 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 59 | 15,900 | 126.10 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 60 | 15,518 | 124.57 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 6 | 61 | 15,284 | 123.63 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 6 | 62 | 15,045 | 122.66 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 6 | 63 | 14,986 | 122.42 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 6 | 64 | 14,980 | 122.39 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 6 | 65 | 14,748 | 121.44 | 0 | 121.44 | 114.16 | 4 | 5 |
| AVG SCH 6 | 66 | 14,740 | 121.41 | 0 | 242.85 | 235.62 | 2 | 5 |
| AVG SCH 6 | 67 | 14,205 | 119.18 | 0 | 362.03 | 357.08 | 3 | 5 |
| AVG SCH 6 | 68 | 13,893 | 117.87 | 0 | 479.90 | 478.54 | 5 | 5 |
| AVG SCH 6 | 69 | 13,736 | 117.20 | 0 | 597.10 | 478.54 | 0 | 5 |
| AVG SCH 6 | 70 | 13,609 | 116.66 | 0 | 713.76 | 600.01 | 1 | 5 |
| AVG SCH 6 | 71 | 13,581 | 116.54 | 0 | 830.30 | 721.47 | 4 | 5 |
| AVG SCH 6 | 72 | 13,565 | 116.47 | 0 | 946.77 | 842.93 | 2 | 5 |
| AVG SCH 6 | 73 | 13,341 | 115.50 | 0 | 1062.27 | 964.39 | 3 | 5 |
| AVG SCH 6 | 74 | 13,301 | 115.33 | 0 | 1177.60 | 1085.85 | 5 | 5 |
| AVG SCH 6 | 75 | 13,121 | 114.55 | 0 | 1292.15 | 1207.32 | 1 | 5 |
| AVG SCH 6 | 76 | 13,061 | 114.28 | 0 | 1406.43 | 1328.78 | 4 | 5 |
| AVG SCH 6 | 77 | 13,043 | 114.21 | 0 | 1520.64 | 1450.24 | 2 | 5 |
| AVG SCH 6 | 78 | 12,994 | 113.99 | 0 | 1634.63 | 1571.70 | 3 | 5 |
| AVG SCH 6 | 79 | 12,840 | 113.31 | 0 | 1747.94 | 1693.16 | 5 | 5 |
| AVG SCH 6 | 80 | 12,771 | 113.01 | 0 | 1860.95 | 1814.63 | 1 | 5 |
| AVG SCH 6 | 81 | 12,466 | 111.65 | 0 | 1972.60 | 1936.09 | 4 | 5 |
| AVG SCH 6 | 82 | 12,254 | 110.70 | 0 | 2083.30 | 2057.55 | 2 | 5 |
| AVG SCH 6 | 83 | 11,771 | 108.49 | 0 | 2191.80 | 2179.01 | 3 | 5 |
| AVG SCH 6 | 84 | 11,441 | 106.96 | 0 | 2298.76 | 2179.01 | 0 | 5 |
| AVG SCH 6 | 85 | 11,236 | 106.00 | 0 | 2404.76 | 2300.47 | 5 | 5 |
| AVG SCH 6 | 86 | 11,122 | 105.46 | 0 | 2510.22 | 2421.94 | 1 | 5 |
| AVG SCH 6 | 87 | 11,003 | 104.90 | 0 | 2615.11 | 2543.40 | 4 | 5 |
| AVG SCH 6 | 88 | 10,946 | 104.62 | 0 | 2719.74 | 2664.86 | 2 | 5 |
| AVG SCH 6 | 89 | 10,839 | 104.11 | 0 | 2823.85 | 2786.32 | 3 | 5 |
| AVG SCH 6 | 90 | 10,825 | 104.04 | 0 | 2927.89 | 2907.79 | 5 | 5 |
| AVG SCH 6 | 91 | 10,607 | 102.99 | 0 | 3030.88 | 3029.25 | 1 | 5 |
| AVG SCH 6 | 92 | 10,478 | 102.36 | 0 | 3133.24 | 3029.25 | 0 | 5 |

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2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 6 | 93 | 10,233 | 101.16 | 0 | 3234.40 | 3150.71 | 4 | 5 |
| AVG SCH 6 | 94 | 10,120 | 100.60 | 0 | 3335.00 | 3272.17 | 2 | 5 |
| AVG SCH 6 | 95 | 10,056 | 100.28 | 0 | 3435.28 | 3393.63 | 3 | 5 |
| AVG SCH 6 | 96 | 10,054 | 100.27 | 0 | 3535.55 | 3515.10 | 5 | 5 |
| AVG SCH 6 | 97 | 10,044 | 100.22 | 0 | 3635.77 | 3515.10 | 0 | 5 |
| AVG SCH 6 | 98 | 9,874 | 99.37 | 0 | 3735.14 | 3636.56 | 1 | 5 |
| AVG SCH 6 | 99 | 9,841 | 99.20 | 0 | 3834.34 | 3758.02 | 4 | 5 |
| AVG SCH 6 | 100 | 9,632 | 98.14 | 0 | 3932.48 | 3879.48 | 2 | 5 |
| AVG SCH 6 | 101 | 9,614 | 98.05 | 0 | 4030.53 | 4000.94 | 3 | 5 |
| AVG SCH 6 | 102 | 9,533 | 97.64 | 0 | 4128.17 | 4122.41 | 5 | 5 |
| AVG SCH 6 | 103 | 9,532 | 97.63 | 0 | 4225.80 | 4122.41 | 0 | 5 |
| AVG SCH 6 | 104 | 9,525 | 97.60 | 0 | 4323.40 | 4243.87 | 1 | 5 |
| AVG SCH 6 | 105 | 9,487 | 97.40 | 0 | 4420.80 | 4365.33 | 4 | 5 |
| AVG SCH 6 | 106 | 9,278 | 96.32 | 0 | 4517.12 | 4486.79 | 2 | 5 |
| AVG SCH 6 | 107 | 9,246 | 96.16 | 0 | 4613.28 | 4608.25 | 3 | 5 |
| AVG SCH 6 | 108 | 9,193 | 95.88 | 0 | 4709.16 | 4608.25 | 0 | 5 |
| AVG SCH 6 | 109 | 9,086 | 95.32 | 0 | 4804.48 | 4729.72 | 5 | 5 |
| AVG SCH 6 | 110 | 8,971 | 94.72 | 0 | 4899.19 | 4851.18 | 1 | 5 |
| AVG SCH 6 | 111 | 8,936 | 94.53 | 0 | 4993.72 | 4972.64 | 4 | 5 |
| AVG SCH 6 | 112 | 8,910 | 94.39 | 0 | 5088.12 | 4972.64 | 0 | 5 |
| AVG SCH 6 | 113 | 8,906 | 94.37 | 0 | 5182.49 | 5094.10 | 2 | 5 |
| AVG SCH 6 | 114 | 8,831 | 93.97 | 0 | 5276.46 | 5215.56 | 3 | 5 |
| AVG SCH 6 | 115 | 8,795 | 93.78 | 0 | 5370.24 | 5337.03 | 5 | 5 |
| AVG SCH 6 | 116 | 8,767 | 93.63 | 0 | 5463.88 | 5458.49 | 1 | 5 |
| AVG SCH 6 | 117 | 8,650 | 93.01 | 0 | 5556.88 | 5458.49 | 0 | 5 |
| AVG SCH 6 | 118 | 8,620 | 92.84 | 0 | 5649.73 | 5579.95 | 4 | 5 |
| AVG SCH 6 | 119 | 8,493 | 92.16 | 0 | 5741.88 | 5701.41 | 2 | 5 |
| AVG SCH 6 | 120 | 8,491 | 92.15 | 0 | 5834.03 | 5822.87 | 3 | 5 |
| AVG SCH 6 | 121 | 8,469 | 92.03 | 0 | 5926.06 | 5822.87 | 0 | 5 |
| AVG SCH 6 | 122 | 8,380 | 91.54 | 0 | 6017.60 | 5944.34 | 5 | 5 |
| AVG SCH 6 | 123 | 8,107 | 90.04 | 0 | 6107.64 | 6065.80 | 1 | 5 |
| AVG SCH 6 | 124 | 8,003 | 89.46 | 0 | 6197.10 | 6187.26 | 4 | 5 |
| AVG SCH 6 | 125 | 7,920 | 88.99 | 0 | 6286.09 | 6187.26 | 0 | 5 |
| AVG SCH 6 | 126 | 7,910 | 88.94 | 0 | 6375.03 | 6308.72 | 2 | 5 |
| AVG SCH 6 | 127 | 7,826 | 88.46 | 0 | 6463.49 | 6430.19 | 3 | 5 |
| AVG SCH 6 | 128 | 7,790 | 88.26 | 0 | 6551.76 | 6551.65 | 5 | 5 |
| AVG SCH 6 | 129 | 7,746 | 88.01 | 0 | 6639.77 | 6551.65 | 0 | 5 |
| AVG SCH 6 | 130 | 7,438 | 86.24 | 0 | 6726.01 | 6673.11 | 1 | 5 |
| AVG SCH 6 | 131 | 7,211 | 84.92 | 0 | 6810.93 | 6794.57 | 4 | 5 |
| AVG SCH 6 | 132 | 7,205 | 84.88 | 0 | 6895.81 | 6794.57 | 0 | 5 |
| AVG SCH 6 | 133 | 7,143 | 84.52 | 0 | 6980.33 | 6916.03 | 2 | 5 |
| AVG SCH 6 | 134 | 7,137 | 84.48 | 0 | 7064.81 | 7037.50 | 3 | 5 |
| AVG SCH 6 | 135 | 7,060 | 84.02 | 0 | 7148.83 | 7037.50 | 0 | 5 |
| AVG SCH 6 | 136 | 6,996 | 83.64 | 0 | 7232.47 | 7158.96 | 5 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 6 | 137 | 6,679 | 81.73 | 0 | 7314.20 | 7280.42 | 1 | 5 |
| AVG SCH 6 | 138 | 6,301 | 79.38 | 0 | 7393.58 | 7280.42 | 0 | 5 |
| AVG SCH 6 | 139 | 6,134 | 78.32 | 0 | 7471.90 | 7401.88 | 4 | 5 |
| AVG SCH 6 | 140 | 6,120 | 78.23 | 0 | 7550.13 | 7523.34 | 2 | 5 |
| AVG SCH 6 | 141 | 5,742 | 75.78 | 0 | 7625.90 | 7523.34 | 0 | 5 |
| AVG SCH 6 | 142 | 5,584 | 74.73 | 0 | 7700.63 | 7644.81 | 3 | 5 |
| AVG SCH 6 | 143 | 5,467 | 73.94 | 0 | 7774.57 | 7766.27 | 5 | 5 |
| AVG SCH 6 | 144 | 5,321 | 72.95 | 0 | 7847.51 | 7766.27 | 0 | 5 |
| AVG SCH 6 | 145 | 4,989 | 70.63 | 0 | 7918.15 | 7887.73 | 1 | 5 |
| AVG SCH 6 | 146 | 4,843 | 69.59 | 0 | 7987.74 | 7887.73 | 0 | 5 |
| AVG SCH 6 | 147 | 4,756 | 68.96 | 0 | 8056.70 | 8009.19 | 4 | 5 |
| AVG SCH 6 | 148 | 4,662 | 68.28 | 0 | 8124.98 | 8009.19 | 0 | 5 |
| AVG SCH 6 | 149 | 4,555 | 67.49 | 0 | 8192.47 | 8130.65 | 2 | 5 |
| AVG SCH 6 | 150 | 4,178 | 64.64 | 0 | 8257.11 | 8252.12 | 3 | 5 |
| AVG SCH 6 | 151 | 4,005 | 63.29 | 0 | 8320.39 | 8252.12 | 0 | 5 |
| AVG SCH 6 | 152 | 3,769 | 61.39 | 0 | 8381.79 | 8373.58 | 5 | 5 |
| AVG SCH 6 | 153 | 3,517 | 59.30 | 0 | 8441.09 | 8373.58 | 0 | 5 |
| AVG SCH 6 | 154 | 3,244 | 56.96 | 0 | 8498.05 | 8495.04 | 1 | 5 |
| AVG SCH 6 | 155 | 3,045 | 55.18 | 0 | 8553.23 | 8495.04 | 0 | 5 |
| AVG SCH 6 | 156 | 2,606 | 51.05 | 0 | 8604.28 | 8495.04 | 0 | 5 |
| AVG SCH 6 | 157 | 2,598 | 50.97 | 0 | 8655.25 | 8616.50 | 4 | 5 |
| AVG SCH 6 | 158 | 2,053 | 45.31 | 0 | 8700.56 | 8616.50 | 0 | 5 |
| AVG SCH 6 | 159 | 1,999 | 44.71 | 0 | 8745.27 | 8737.96 | 2 | 5 |
| AVG SCH 7 | 1 | 50,598 | 224.94 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 7 | 2 | 38,761 | 196.88 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 7 | 3 | 20,296 | 142.46 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 7 | 4 | 17,041 | 130.54 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 7 | 5 | 16,330 | 127.79 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 7 | 6 | 14,877 | 121.97 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 7 | 7 | 13,399 | 115.75 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 7 | 8 | 13,389 | 115.71 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 7 | 9 | 11,055 | 105.14 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 7 | 10 | 10,695 | 103.42 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 7 | 11 | 10,504 | 102.49 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 7 | 12 | 9,008 | 94.91 | 0 | 94.91 | 15.38 | 3 | 5 |
| AVG SCH 7 | 13 | 7,705 | 87.78 | 0 | 182.69 | 111.37 | 1 | 5 |
| AVG SCH 7 | 14 | 6,142 | 78.37 | 0 | 261.06 | 207.36 | 5 | 5 |
| AVG SCH 7 | 15 | 5,184 | 72.00 | 0 | 333.06 | 303.35 | 2 | 5 |
| AVG SCH 7 | 16 | 5,034 | 70.95 | 0 | 404.01 | 399.35 | 4 | 5 |
| AVG SCH 7 | 17 | 4,619 | 67.96 | 0 | 471.97 | 399.35 | 0 | 5 |
| AVG SCH 7 | 18 | 4,586 | 67.72 | 0 | 539.69 | 495.34 | 3 | 5 |
| AVG SCH 7 | 19 | 3,683 | 60.69 | 0 | 600.38 | 591.33 | 1 | 5 |
| AVG SCH 7 | 20 | 3,615 | 60.12 | 0 | 660.51 | 591.33 | 0 | 5 |
| AVG SCH 7 | 21 | 3,570 | 59.75 | 0 | 720.26 | 687.32 | 5 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 7 | 22 | 2,738 | 52.33 | 0 | 772.58 | 687.32 | 0 | 5 |
| AVG SCH 7 | 23 | 2,103 | 45.86 | 0 | 818.44 | 783.31 | 2 | 5 |
| AVG SCH 7 | 24 | 2,068 | 45.48 | 0 | 863.92 | 783.31 | 0 | 5 |
| AVG SCH 4A | 1 | 99,667 | 315.70 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 4A | 2 | 98,207 | 313.38 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 4A | 3 | 94,416 | 307.27 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 4A | 4 | 90,852 | 301.42 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 4A | 5 | 90,151 | 300.25 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 4A | 6 | 85,601 | 292.58 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 4A | 7 | 79,587 | 282.11 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 4A | 8 | 76,804 | 277.14 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 4A | 9 | 76,570 | 276.71 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 4A | 10 | 70,039 | 264.65 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 4A | 11 | 58,684 | 242.25 | 0 | 242.25 | 237.55 | 2 | 5 |
| AVG SCH 4A | 12 | 58,589 | 242.05 | 0 | 484.30 | 237.55 | 0 | 5 |
| AVG SCH 4A | 13 | 55,667 | 235.94 | 0 | 720.24 | 493.60 | 3 | 5 |
| AVG SCH 4A | 14 | 54,146 | 232.69 | 0 | 952.93 | 749.65 | 5 | 5 |
| AVG SCH 4A | 15 | 37,101 | 192.62 | 0 | 1145.55 | 1005.71 | 1 | 5 |
| AVG SCH 4A | 16 | 18,148 | 134.71 | 0 | 1280.26 | 1261.76 | 4 | 5 |
| AVG SCH 4B | 1 | 3,633,122 | 1906.08 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 2 | 2,132,437 | 1460.29 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 3 | 1,730,020 | 1315.30 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 4 | 1,106,582 | 1051.94 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 5 | 958,671 | 979.12 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 6 | 615,602 | 784.60 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 7 | 479,198 | 692.24 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 8 | 442,393 | 665.13 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 9 | 395,738 | 629.08 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 10 | 329,508 | 574.03 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 11 | 306,774 | 553.87 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 12 | 252,988 | 502.98 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 13 | 217,378 | 466.24 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 14 | 191,976 | 438.15 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 15 | 180,236 | 424.54 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 16 | 169,108 | 411.23 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 17 | 154,833 | 393.49 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 18 | 143,414 | 378.70 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 19 | 137,943 | 371.41 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 20 | 130,352 | 361.04 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 21 | 126,315 | 355.41 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 22 | 121,981 | 349.26 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 23 | 114,441 | 338.29 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 4B | 24 | 111,238 | 333.52 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 4B | 25 | 103,221 | 321.28 | 1 | 0.00 | 0.00 | 1 | 2 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 5A | 1 | 19,410 | 139.32 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 5A | 2 | 18,873 | 137.38 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 5A | 3 | 18,005 | 134.18 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 5A | 4 | 17,826 | 133.51 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 5A | 5 | 16,369 | 127.94 | 0 | 127.94 | 21.74 | 5 | 5 |
| AVG SCH 5A | 6 | 14,698 | 121.24 | 0 | 249.18 | 150.25 | 1 | 5 |
| AVG SCH 5A | 7 | 13,300 | 115.33 | 0 | 364.50 | 278.75 | 3 | 5 |
| AVG SCH 5A | 8 | 13,213 | 114.95 | 0 | 479.45 | 407.26 | 2 | 5 |
| AVG SCH 5A | 9 | 12,637 | 112.41 | 0 | 591.86 | 535.77 | 4 | 5 |
| AVG SCH 5A | 10 | 12,143 | 110.20 | 0 | 702.06 | 664.28 | 5 | 5 |
| AVG SCH 5A | 11 | 10,731 | 103.59 | 0 | 805.65 | 792.78 | 1 | 5 |
| AVG SCH 5A | 12 | 10,154 | 100.77 | 0 | 906.42 | 792.78 | 0 | 5 |
| AVG SCH 5A | 13 | 9,759 | 98.79 | 0 | 1005.21 | 921.29 | 3 | 5 |
| AVG SCH 5A | 14 | 8,956 | 94.64 | 0 | 1099.84 | 1049.80 | 2 | 5 |
| AVG SCH 5A | 15 | 8,362 | 91.44 | 0 | 1191.29 | 1178.31 | 4 | 5 |
| AVG SCH 5A | 16 | 6,448 | 80.30 | 0 | 1271.58 | 1178.31 | 0 | 5 |
| AVG SCH 5A | 17 | 5,303 | 72.82 | 0 | 1344.41 | 1306.81 | 5 | 5 |
| AVG SCH 5A | 18 | 4,785 | 69.17 | 0 | 1413.58 | 1306.81 | 0 | 5 |
| AVG SCH 5B | 1 | 74,813 | 273.52 | 0 | 273.52 | 0.00 | 0 | 5 |
| AVG SCH 5B | 2 | 69,351 | 263.35 | 0 | 536.87 | 288.00 | 1 | 5 |
| AVG SCH 5B | 3 | 64,249 | 253.47 | 0 | 790.34 | 576.00 | 3 | 5 |
| AVG SCH 5B | 4 | 62,053 | 249.10 | 0 | 1039.44 | 864.00 | 5 | 5 |
| AVG SCH 5B | 5 | 57,008 | 238.76 | 0 | 1278.21 | 1152.00 | 4 | 5 |
| AVG SCH 5B | 6 | 56,070 | 236.79 | 0 | 1515.00 | 1440.00 | 2 | 5 |
| AVG SCH 5B | 7 | 55,953 | 236.54 | 0 | 1751.54 | 1728.00 | 1 | 5 |
| AVG SCH 5B | 8 | 55,596 | 235.79 | 0 | 1987.33 | 1728.00 | 0 | 5 |
| AVG SCH 5B | 9 | 47,468 | 217.87 | 0 | 2205.20 | 2016.01 | 3 | 5 |
| AVG SCH 5B | 10 | 46,067 | 214.63 | 0 | 2419.83 | 2304.01 | 5 | 5 |
| AVG SCH 5B | 11 | 41,995 | 204.93 | 0 | 2624.76 | 2592.01 | 4 | 5 |
| AVG SCH 5B | 12 | 40,618 | 201.54 | 0 | 2826.30 | 2592.01 | 0 | 5 |
| AVG SCH 5B | 13 | 40,195 | 200.49 | 0 | 3026.79 | 2880.01 | 2 | 5 |
| AVG SCH 5B | 14 | 39,453 | 198.63 | 0 | 3225.41 | 3168.01 | 1 | 5 |
| AVG SCH 5B | 15 | 39,254 | 198.13 | 0 | 3423.54 | 3168.01 | 0 | 5 |
| AVG SCH 5B | 16 | 33,377 | 182.69 | 0 | 3606.23 | 3456.01 | 3 | 5 |
| AVG SCH 5B | 17 | 33,225 | 182.28 | 0 | 3788.51 | 3744.01 | 5 | 5 |
| AVG SCH 5B | 18 | 31,758 | 178.21 | 0 | 3966.72 | 3744.01 | 0 | 5 |
| AVG SCH 5B | 19 | 28,613 | 169.15 | 0 | 4135.87 | 4032.01 | 4 | 5 |
| AVG SCH 5B | 20 | 27,170 | 164.83 | 0 | 4300.71 | 4032.01 | 0 | 5 |
| AVG SCH 5B | 21 | 23,731 | 154.05 | 0 | 4454.76 | 4320.01 | 2 | 5 |
| AVG SCH 5B | 22 | 22,316 | 149.39 | 0 | 4604.14 | 4320.01 | 0 | 5 |
| AVG SCH 5B | 23 | 21,735 | 147.43 | 0 | 4751.57 | 4608.01 | 1 | 5 |
| AVG SCH 5B | 24 | 20,864 | 144.44 | 0 | 4896.01 | 4608.01 | 0 | 5 |
| AVG SCH 5C | 1 | 324,853 | 569.96 | 1 | 0.00 | 0.00 | 1 | 3 |
| AVG SCH 5C | 2 | 314,364 | 560.68 | 1 | 0.00 | 0.00 | 3 | 3 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 5C | 3 | 202,610 | 450.12 | 1 | 0.00 | 0.00 | 2 | 3 |
| AVG SCH 5C | 4 | 164,601 | 405.71 | 1 | 0.00 | 0.00 | 1 | 3 |
| AVG SCH 5C | 5 | 146,267 | 382.45 | 1 | 0.00 | 0.00 | 3 | 3 |
| AVG SCH 5C | 6 | 114,111 | 337.80 | 1 | 0.00 | 0.00 | 2 | 3 |
| AVG SCH 5C | 7 | 112,481 | 335.38 | 1 | 0.00 | 0.00 | 1 | 3 |
| AVG SCH 5C | 8 | 102,752 | 320.55 | 1 | 0.00 | 0.00 | 3 | 3 |
| AVG SCH 5C | 9 | 100,934 | 317.70 | 1 | 0.00 | 0.00 | 2 | 3 |
| AVG SCH 5C | 10 | 96,511 | 310.66 | 1 | 0.00 | 0.00 | 1 | 3 |
| AVG SCH 5C | 11 | 85,106 | 291.73 | 1 | 0.00 | 0.00 | 3 | 3 |
| AVG SCH 8A | 1 | 47,859 | 218.77 | 1 | 0.00 | 0.00 | 5 | 5 |
| AVG SCH 8A | 2 | 45,805 | 214.02 | 1 | 0.00 | 0.00 | 2 | 5 |
| AVG SCH 8A | 3 | 45,471 | 213.24 | 1 | 0.00 | 0.00 | 3 | 5 |
| AVG SCH 8A | 4 | 45,300 | 212.84 | 1 | 0.00 | 0.00 | 1 | 5 |
| AVG SCH 8A | 5 | 45,225 | 212.66 | 1 | 0.00 | 0.00 | 4 | 5 |
| AVG SCH 8A | 6 | 44,705 | 211.44 | 0 | 211.44 | 197.19 | 5 | 5 |
| AVG SCH 8A | 7 | 43,227 | 207.91 | 0 | 419.35 | 408.81 | 2 | 5 |
| AVG SCH 8A | 8 | 42,816 | 206.92 | 0 | 626.27 | 620.42 | 3 | 5 |
| AVG SCH 8A | 9 | 42,642 | 206.50 | 0 | 832.77 | 832.03 | 1 | 5 |
| AVG SCH 8A | 10 | 42,395 | 205.90 | 0 | 1038.67 | 832.03 | 0 | 5 |
| AVG SCH 8A | 11 | 41,613 | 203.99 | 0 | 1242.66 | 1043.65 | 4 | 5 |
| AVG SCH 8A | 12 | 41,425 | 203.53 | 0 | 1446.19 | 1255.26 | 5 | 5 |
| AVG SCH 8A | 13 | 40,174 | 200.43 | 0 | 1646.63 | 1466.87 | 2 | 5 |
| AVG SCH 8A | 14 | 39,009 | 197.51 | 0 | 1844.13 | 1678.49 | 3 | 5 |
| AVG SCH 8A | 15 | 38,742 | 196.83 | 0 | 2040.96 | 1890.10 | 1 | 5 |
| AVG SCH 8A | 16 | 37,308 | 193.15 | 0 | 2234.11 | 2101.71 | 4 | 5 |
| AVG SCH 8A | 17 | 35,429 | 188.23 | 0 | 2422.34 | 2313.33 | 5 | 5 |
| AVG SCH 8A | 18 | 34,979 | 187.03 | 0 | 2609.37 | 2524.94 | 2 | 5 |
| AVG SCH 8A | 19 | 33,778 | 183.79 | 0 | 2793.16 | 2736.55 | 3 | 5 |
| AVG SCH 8A | 20 | 32,094 | 179.15 | 0 | 2972.30 | 2948.17 | 1 | 5 |
| AVG SCH 8A | 21 | 31,663 | 177.94 | 0 | 3150.24 | 2948.17 | 0 | 5 |
| AVG SCH 8A | 22 | 30,931 | 175.87 | 0 | 3326.12 | 3159.78 | 4 | 5 |
| AVG SCH 8A | 23 | 30,917 | 175.83 | 0 | 3501.95 | 3371.39 | 5 | 5 |
| AVG SCH 8A | 24 | 30,726 | 175.29 | 0 | 3677.24 | 3583.01 | 2 | 5 |
| AVG SCH 8A | 25 | 30,485 | 174.60 | 0 | 3851.84 | 3794.62 | 3 | 5 |
| AVG SCH 8A | 26 | 30,023 | 173.27 | 0 | 4025.11 | 4006.23 | 1 | 5 |
| AVG SCH 8A | 27 | 29,699 | 172.33 | 0 | 4197.44 | 4006.23 | 0 | 5 |
| AVG SCH 8A | 28 | 28,914 | 170.04 | 0 | 4367.48 | 4217.85 | 4 | 5 |
| AVG SCH 8A | 29 | 28,010 | 167.36 | 0 | 4534.85 | 4429.46 | 5 | 5 |
| AVG SCH 8A | 30 | 27,405 | 165.54 | 0 | 4700.39 | 4641.07 | 2 | 5 |
| AVG SCH 8A | 31 | 27,233 | 165.02 | 0 | 4865.41 | 4852.69 | 3 | 5 |
| AVG SCH 8A | 32 | 27,151 | 164.78 | 0 | 5030.19 | 4852.69 | 0 | 5 |
| AVG SCH 8A | 33 | 25,944 | 161.07 | 0 | 5191.26 | 5064.30 | 1 | 5 |
| AVG SCH 8A | 34 | 25,895 | 160.92 | 0 | 5352.18 | 5275.91 | 4 | 5 |
| AVG SCH 8A | 35 | 25,660 | 160.19 | 0 | 5512.37 | 5487.53 | 5 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 8A | 36 | 25,512 | 159.72 | 0 | 5672.09 | 5487.53 | 0 | 5 |
| AVG SCH 8A | 37 | 25,346 | 159.20 | 0 | 5831.30 | 5699.14 | 2 | 5 |
| AVG SCH 8A | 38 | 24,318 | 155.94 | 0 | 5987.24 | 5910.75 | 3 | 5 |
| AVG SCH 8A | 39 | 24,146 | 155.39 | 0 | 6142.63 | 6122.37 | 1 | 5 |
| AVG SCH 8A | 40 | 24,047 | 155.07 | 0 | 6297.70 | 6122.37 | 0 | 5 |
| AVG SCH 8A | 41 | 22,447 | 149.82 | 0 | 6447.52 | 6333.98 | 4 | 5 |
| AVG SCH 8A | 42 | 22,305 | 149.35 | 0 | 6596.87 | 6545.59 | 5 | 5 |
| AVG SCH 8A | 43 | 21,501 | 146.63 | 0 | 6743.50 | 6545.59 | 0 | 5 |
| AVG SCH 8A | 44 | 21,288 | 145.90 | 0 | 6889.41 | 6757.21 | 2 | 5 |
| AVG SCH 8A | 45 | 21,041 | 145.06 | 0 | 7034.46 | 6968.82 | 3 | 5 |
| AVG SCH 8A | 46 | 20,654 | 143.71 | 0 | 7178.18 | 6968.82 | 0 | 5 |
| AVG SCH 8A | 47 | 20,640 | 143.67 | 0 | 7321.84 | 7180.43 | 1 | 5 |
| AVG SCH 8A | 48 | 20,464 | 143.05 | 0 | 7464.90 | 7392.05 | 4 | 5 |
| AVG SCH 8A | 49 | 20,287 | 142.43 | 0 | 7607.33 | 7603.66 | 5 | 5 |
| AVG SCH 8A | 50 | 19,580 | 139.93 | 0 | 7747.26 | 7603.66 | 0 | 5 |
| AVG SCH 8A | 51 | 18,607 | 136.41 | 0 | 7883.67 | 7815.27 | 2 | 5 |
| AVG SCH 8A | 52 | 18,574 | 136.29 | 0 | 8019.95 | 7815.27 | 0 | 5 |
| AVG SCH 8A | 53 | 18,505 | 136.03 | 0 | 8155.98 | 8026.89 | 3 | 5 |
| AVG SCH 8A | 54 | 17,340 | 131.68 | 0 | 8287.67 | 8238.50 | 1 | 5 |
| AVG SCH 8A | 55 | 17,211 | 131.19 | 0 | 8418.86 | 8238.50 | 0 | 5 |
| AVG SCH 8A | 56 | 16,474 | 128.35 | 0 | 8547.21 | 8450.11 | 4 | 5 |
| AVG SCH 8A | 57 | 16,472 | 128.34 | 0 | 8675.55 | 8661.73 | 5 | 5 |
| AVG SCH 8A | 58 | 16,212 | 127.33 | 0 | 8802.88 | 8661.73 | 0 | 5 |
| AVG SCH 8A | 59 | 15,898 | 126.09 | 0 | 8928.96 | 8873.34 | 2 | 5 |
| AVG SCH 8A | 60 | 15,160 | 123.13 | 0 | 9052.09 | 8873.34 | 0 | 5 |
| AVG SCH 8A | 61 | 15,058 | 122.71 | 0 | 9174.80 | 9084.95 | 3 | 5 |
| AVG SCH 8A | 62 | 14,552 | 120.63 | 0 | 9295.43 | 9084.95 | 0 | 5 |
| AVG SCH 8A | 63 | 13,918 | 117.97 | 0 | 9413.41 | 9296.57 | 1 | 5 |
| AVG SCH 8A | 64 | 13,650 | 116.83 | 0 | 9530.24 | 9508.18 | 4 | 5 |
| AVG SCH 8A | 65 | 13,633 | 116.76 | 0 | 9647.00 | 9508.18 | 0 | 5 |
| AVG SCH 8A | 66 | 13,152 | 114.68 | 0 | 9761.68 | 9719.79 | 5 | 5 |
| AVG SCH 8A | 67 | 12,320 | 111.00 | 0 | 9872.68 | 9719.79 | 0 | 5 |
| AVG SCH 8A | 68 | 12,252 | 110.69 | 0 | 9983.37 | 9931.41 | 2 | 5 |
| AVG SCH 8A | 69 | 12,091 | 109.96 | 0 | 10093.33 | 9931.41 | 0 | 5 |
| AVG SCH 8A | 70 | 12,003 | 109.56 | 0 | 10202.89 | 10143.02 | 3 | 5 |
| AVG SCH 8A | 71 | 11,450 | 107.00 | 0 | 10309.89 | 10143.02 | 0 | 5 |
| AVG SCH 8A | 72 | 11,397 | 106.76 | 0 | 10416.65 | 10354.63 | 1 | 5 |
| AVG SCH 8A | 73 | 11,244 | 106.04 | 0 | 10522.68 | 10354.63 | 0 | 5 |
| AVG SCH 8A | 74 | 11,014 | 104.95 | 0 | 10627.63 | 10566.25 | 4 | 5 |
| AVG SCH 8A | 75 | 9,166 | 95.74 | 0 | 10723.37 | 10566.25 | 0 | 5 |
| AVG SCH 8A | 76 | 8,498 | 92.18 | 0 | 10815.56 | 10777.86 | 5 | 5 |
| AVG SCH 8A | 77 | 8,419 | 91.76 | 0 | 10907.31 | 10777.86 | 0 | 5 |
| AVG SCH 8A | 78 | 8,305 | 91.13 | 0 | 10998.44 | 10989.47 | 2 | 5 |
| AVG SCH 8A | 79 | 6,087 | 78.02 | 0 | 11076.46 | 10989.47 | 0 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 8A | 80 | 4,887 | 69.91 | 0 | 11146.37 | 10989.47 | 0 | 5 |
| AVG SCH 8A | 81 | 4,780 | 69.14 | 0 | 11215.51 | 11201.09 | 3 | 5 |
| AVG SCH 8B | 1 | 94,143 | 306.83 | 0 | 306.83 | 209.00 | 1 | 5 |
| AVG SCH 8B | 2 | 93,833 | 306.32 | 0 | 613.15 | 209.00 | 0 | 5 |
| AVG SCH 8B | 3 | 87,584 | 295.95 | 0 | 909.09 | 748.97 | 3 | 5 |
| AVG SCH 8B | 4 | 87,581 | 295.94 | 0 | 1205.04 | 748.97 | 0 | 5 |
| AVG SCH 8B | 5 | 86,593 | 294.27 | 0 | 1499.30 | 1288.94 | 5 | 5 |
| AVG SCH 8B | 6 | 86,522 | 294.15 | 0 | 1793.45 | 1288.94 | 0 | 5 |
| AVG SCH 8B | 7 | 85,231 | 291.94 | 0 | 2085.39 | 1828.91 | 4 | 5 |
| AVG SCH 8B | 8 | 83,708 | 289.32 | 0 | 2374.72 | 2368.88 | 2 | 5 |
| AVG SCH 8B | 9 | 83,589 | 289.12 | 0 | 2663.83 | 2368.88 | 0 | 5 |
| AVG SCH 8B | 10 | 80,660 | 284.01 | 0 | 2947.84 | 2908.85 | 1 | 5 |
| AVG SCH 8B | 11 | 79,808 | 282.50 | 0 | 3230.34 | 2908.85 | 0 | 5 |
| AVG SCH 8B | 12 | 79,738 | 282.38 | 0 | 3512.72 | 3448.82 | 3 | 5 |
| AVG SCH 8B | 13 | 79,662 | 282.24 | 0 | 3794.97 | 3448.82 | 0 | 5 |
| AVG SCH 8B | 14 | 77,260 | 277.96 | 0 | 4072.92 | 3988.79 | 5 | 5 |
| AVG SCH 8B | 15 | 73,338 | 270.81 | 0 | 4343.73 | 3988.79 | 0 | 5 |
| AVG SCH 8B | 16 | 72,547 | 269.35 | 0 | 4613.08 | 4528.76 | 4 | 5 |
| AVG SCH 8B | 17 | 71,166 | 266.77 | 0 | 4879.85 | 4528.76 | 0 | 5 |
| AVG SCH 8B | 18 | 70,988 | 266.44 | 0 | 5146.28 | 5068.73 | 2 | 5 |
| AVG SCH 8B | 19 | 69,863 | 264.32 | 0 | 5410.60 | 5068.73 | 0 | 5 |
| AVG SCH 8B | 20 | 69,682 | 263.97 | 0 | 5674.57 | 5608.71 | 1 | 5 |
| AVG SCH 8B | 21 | 68,654 | 262.02 | 0 | 5936.59 | 5608.71 | 0 | 5 |
| AVG SCH 8B | 22 | 67,431 | 259.67 | 0 | 6196.27 | 6148.68 | 3 | 5 |
| AVG SCH 8B | 23 | 66,024 | 256.95 | 0 | 6453.22 | 6148.68 | 0 | 5 |
| AVG SCH 8B | 24 | 65,045 | 255.04 | 0 | 6708.26 | 6688.65 | 5 | 5 |
| AVG SCH 8B | 25 | 61,630 | 248.25 | 0 | 6956.51 | 6688.65 | 0 | 5 |
| AVG SCH 8B | 26 | 59,240 | 243.39 | 0 | 7199.91 | 6688.65 | 0 | 5 |
| AVG SCH 8B | 27 | 59,098 | 243.10 | 0 | 7443.01 | 7228.62 | 4 | 5 |
| AVG SCH 8B | 28 | 55,185 | 234.91 | 0 | 7677.92 | 7228.62 | 0 | 5 |
| AVG SCH 8B | 29 | 53,044 | 230.31 | 0 | 7908.23 | 7768.59 | 2 | 5 |
| AVG SCH 8B | 30 | 52,689 | 229.54 | 0 | 8137.77 | 7768.59 | 0 | 5 |
| AVG SCH 8B | 31 | 52,590 | 229.33 | 0 | 8367.10 | 8308.56 | 1 | 5 |
| AVG SCH 8B | 32 | 51,850 | 227.71 | 0 | 8594.81 | 8308.56 | 0 | 5 |
| AVG SCH 8B | 33 | 51,588 | 227.13 | 0 | 8821.94 | 8308.56 | 0 | 5 |
| AVG SCH 8B | 34 | 50,622 | 224.99 | 0 | 9046.93 | 8848.53 | 3 | 5 |
| AVG SCH 8B | 35 | 50,467 | 224.65 | 0 | 9271.58 | 8848.53 | 0 | 5 |
| AVG SCH 8B | 36 | 50,186 | 224.02 | 0 | 9495.60 | 9388.50 | 5 | 5 |
| AVG SCH 8B | 37 | 50,120 | 223.87 | 0 | 9719.48 | 9388.50 | 0 | 5 |
| AVG SCH 8C | 1 | 198,596 | 445.64 | 0 | 445.64 | 153.95 | 4 | 5 |
| AVG SCH 8C | 2 | 195,666 | 442.34 | 0 | 887.98 | 607.49 | 1 | 5 |
| AVG SCH 8C | 3 | 177,260 | 421.02 | 0 | 1309.01 | 1061.03 | 3 | 5 |
| AVG SCH 8C | 4 | 171,908 | 414.62 | 0 | 1723.62 | 1514.57 | 2 | 5 |
| AVG SCH 8C | 5 | 171,696 | 414.36 | 0 | 2137.99 | 1968.11 | 5 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| AVG SCH 8C | 6 | 161,964 | 402.45 | 0 | 2540.43 | 2421.66 | 4 | 5 |
| AVG SCH 8C | 7 | 151,755 | 389.56 | 0 | 2929.99 | 2875.20 | 1 | 5 |
| AVG SCH 8C | 8 | 151,263 | 388.93 | 0 | 3318.92 | 2875.20 | 0 | 5 |
| AVG SCH 8C | 9 | 141,944 | 376.75 | 0 | 3695.67 | 3328.74 | 3 | 5 |
| AVG SCH 8C | 10 | 133,505 | 365.38 | 0 | 4061.05 | 3782.28 | 2 | 5 |
| AVG SCH 8C | 11 | 131,270 | 362.31 | 0 | 4423.37 | 4235.82 | 5 | 5 |
| AVG SCH 8C | 12 | 128,935 | 359.08 | 0 | 4782.44 | 4689.36 | 4 | 5 |
| AVG SCH 8C | 13 | 118,062 | 343.60 | 0 | 5126.04 | 4689.36 | 0 | 5 |
| AVG SCH 8C | 14 | 116,430 | 341.22 | 0 | 5467.26 | 5142.91 | 1 | 5 |
| AVG SCH 8C | 15 | 113,923 | 337.52 | 0 | 5804.79 | 5596.45 | 3 | 5 |
| AVG SCH 8C | 16 | 113,308 | 336.61 | 0 | 6141.40 | 6049.99 | 2 | 5 |
| AVG SCH 8C | 17 | 111,563 | 334.01 | 0 | 6475.41 | 6049.99 | 0 | 5 |
| AVG SCH 8C | 18 | 107,400 | 327.72 | 0 | 6803.13 | 6503.53 | 5 | 5 |
| AVG SCH 8D | 1 | 1,145,829 | 1070.43 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 8D | 2 | 625,988 | 791.19 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 8D | 3 | 481,357 | 693.80 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 8D | 4 | 410,254 | 640.51 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 8D | 5 | 356,947 | 597.45 | 1 | 0.00 | 0.00 | 2 | 2 |
| AVG SCH 8D | 6 | 352,062 | 593.35 | 1 | 0.00 | 0.00 | 1 | 2 |
| AVG SCH 8D | 7 | 258,474 | 508.40 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 1 | 497,201 | 705.12 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 2 | 413,810 | 643.28 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 3 | 409,875 | 640.21 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 4 | 383,391 | 619.19 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 5 | 351,521 | 592.89 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 6 | 305,164 | 552.42 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 7 | 245,910 | 495.89 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 8 | 229,369 | 478.92 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 9 | 205,208 | 453.00 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 10 | 203,069 | 450.63 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 11 | 199,175 | 446.29 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 12 | 195,783 | 442.47 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 13 | 187,902 | 433.48 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 14 | 154,012 | 392.44 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 15 | 152,395 | 390.38 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 16 | 133,518 | 365.40 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 17 | 131,253 | 362.29 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 18 | 122,410 | 349.87 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 19 | 121,128 | 348.03 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 20 | 97,488 | 312.23 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 21 | 96,658 | 310.90 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 22 | 93,931 | 306.48 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 23 | 90,447 | 300.74 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 24 | 84,018 | 289.86 | 1 | 0.00 | 0.00 | 2 | 2 |

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 2 | 25 | 81,284 | 285.10 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 26 | 72,508 | 269.27 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 27 | 69,536 | 263.70 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 28 | 68,651 | 262.01 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 29 | 66,207 | 257.31 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 30 | 55,458 | 235.50 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 31 | 51,681 | 227.33 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 32 | 51,129 | 226.12 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 33 | 47,909 | 218.88 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 34 | 43,085 | 207.57 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 35 | 42,565 | 206.31 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 36 | 41,053 | 202.62 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 37 | 39,326 | 198.31 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 38 | 36,189 | 190.23 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 39 | 35,554 | 188.56 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 40 | 29,991 | 173.18 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 41 | 25,384 | 159.32 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 42 | 24,018 | 154.98 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 43 | 23,110 | 152.02 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 44 | 20,924 | 144.65 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 45 | 20,206 | 142.15 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 46 | 19,540 | 139.79 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 47 | 18,038 | 134.31 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 48 | 13,207 | 114.92 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 49 | 12,346 | 111.11 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 50 | 10,754 | 103.70 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 51 | 8,911 | 94.40 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 52 | 6,386 | 79.91 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 53 | 6,239 | 78.99 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 54 | 4,408 | 66.39 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 55 | 4,076 | 63.84 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 2 | 56 | 3,970 | 63.01 | 1 | 0.00 | 0.00 | 2 | 2 |
| COST 2 | 57 | 1,846 | 42.97 | 1 | 0.00 | 0.00 | 1 | 2 |
| COST 5 | 1 | 79,056 | 281.17 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 5 | 2 | 69,529 | 263.68 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 5 | 3 | 56,260 | 237.19 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 5 | 4 | 39,275 | 198.18 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 5 | 5 | 29,036 | 170.40 | 0 | 170.40 | 131.53 | 5 | 5 |
| COST 5 | 6 | 27,147 | 164.76 | 0 | 335.16 | 314.37 | 4 | 5 |
| COST 5 | 7 | 22,598 | 150.33 | 0 | 485.49 | 314.37 | 0 | 5 |
| COST 5 | 8 | 21,154 | 145.44 | 0 | 630.93 | 497.21 | 2 | 5 |
| COST 5 | 9 | 20,640 | 143.67 | 0 | 774.60 | 680.05 | 3 | 5 |
| COST 5 | 10 | 20,462 | 143.05 | 0 | 917.65 | 862.89 | 1 | 5 |
| COST 5 | 11 | 18,030 | 134.28 | 0 | 1051.92 | 1045.73 | 5 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 5 | 12 | 16,594 | 128.82 | 0 | 1180.74 | 1045.73 | 0 | 5 |
| COST 5 | 13 | 13,640 | 116.79 | 0 | 1297.53 | 1228.57 | 4 | 5 |
| COST 5 | 14 | 12,939 | 113.75 | 0 | 1411.28 | 1228.57 | 0 | 5 |
| COST 5 | 15 | 12,709 | 112.73 | 0 | 1524.01 | 1411.41 | 2 | 5 |
| COST 5 | 16 | 12,321 | 111.00 | 0 | 1635.01 | 1594.25 | 3 | 5 |
| COST 5 | 17 | 12,157 | 110.26 | 0 | 1745.27 | 1594.25 | 0 | 5 |
| COST 5 | 18 | 9,716 | 98.57 | 0 | 1843.84 | 1777.09 | 1 | 5 |
| COST 5 | 19 | 7,664 | 87.54 | 0 | 1931.39 | 1777.09 | 0 | 5 |
| COST 5 | 20 | 6,375 | 79.84 | 0 | 2011.23 | 1959.92 | 5 | 5 |
| COST 7 | 1 | 160,992 | 401.24 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 7 | 2 | 111,233 | 333.52 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 7 | 3 | 85,233 | 291.95 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 7 | 4 | 66,689 | 258.24 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 7 | 5 | 62,111 | 249.22 | 0 | 249.22 | 65.91 | 5 | 5 |
| COST 7 | 6 | 53,466 | 231.23 | 0 | 480.45 | 318.27 | 1 | 5 |
| COST 7 | 7 | 44,083 | 209.96 | 0 | 690.41 | 570.64 | 3 | 5 |
| COST 7 | 8 | 43,842 | 209.38 | 0 | 899.79 | 823.00 | 2 | 5 |
| COST 7 | 9 | 42,022 | 204.99 | 0 | 1104.78 | 1075.36 | 4 | 5 |
| COST 7 | 10 | 40,094 | 200.23 | 0 | 1305.02 | 1075.36 | 0 | 5 |
| COST 7 | 11 | 40,054 | 200.13 | 0 | 1505.15 | 1327.72 | 5 | 5 |
| COST 7 | 12 | 39,518 | 198.79 | 0 | 1703.95 | 1580.09 | 1 | 5 |
| COST 7 | 13 | 39,160 | 197.89 | 0 | 1901.83 | 1832.45 | 3 | 5 |
| COST 7 | 14 | 33,844 | 183.97 | 0 | 2085.80 | 2084.81 | 2 | 5 |
| COST 7 | 15 | 30,182 | 173.73 | 0 | 2259.53 | 2084.81 | 0 | 5 |
| COST 7 | 16 | 29,756 | 172.50 | 0 | 2432.03 | 2337.17 | 4 | 5 |
| COST 7 | 17 | 29,387 | 171.43 | 0 | 2603.46 | 2589.54 | 5 | 5 |
| COST 7 | 18 | 29,165 | 170.78 | 0 | 2774.24 | 2589.54 | 0 | 5 |
| COST 7 | 19 | 24,960 | 157.99 | 0 | 2932.22 | 2841.90 | 1 | 5 |
| COST 7 | 20 | 24,486 | 156.48 | 0 | 3088.70 | 2841.90 | 0 | 5 |
| COST 7 | 21 | 24,160 | 155.43 | 0 | 3244.14 | 3094.26 | 3 | 5 |
| COST 7 | 22 | 23,092 | 151.96 | 0 | 3396.10 | 3346.62 | 2 | 5 |
| COST 7 | 23 | 22,596 | 150.32 | 0 | 3546.42 | 3346.62 | 0 | 5 |
| COST 7 | 24 | 22,241 | 149.13 | 0 | 3695.55 | 3598.99 | 4 | 5 |
| COST 7 | 25 | 22,177 | 148.92 | 0 | 3844.47 | 3598.99 | 0 | 5 |
| COST 7 | 26 | 21,978 | 148.25 | 0 | 3992.72 | 3851.35 | 5 | 5 |
| COST 7 | 27 | 21,975 | 148.24 | 0 | 4140.96 | 4103.71 | 1 | 5 |
| COST 7 | 28 | 21,946 | 148.14 | 0 | 4289.10 | 4103.71 | 0 | 5 |
| COST 7 | 29 | 21,720 | 147.38 | 0 | 4436.48 | 4356.07 | 3 | 5 |
| COST 7 | 30 | 20,751 | 144.05 | 0 | 4580.53 | 4356.07 | 0 | 5 |
| COST 7 | 31 | 20,391 | 142.80 | 0 | 4723.33 | 4608.44 | 2 | 5 |
| COST 7 | 32 | 19,950 | 141.24 | 0 | 4864.57 | 4860.80 | 4 | 5 |
| COST 7 | 33 | 19,029 | 137.95 | 0 | 5002.52 | 4860.80 | 0 | 5 |
| COST 7 | 34 | 18,762 | 136.97 | 0 | 5139.49 | 5113.16 | 5 | 5 |
| COST 7 | 35 | 17,436 | 132.05 | 0 | 5271.54 | 5113.16 | 0 | 5 |

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 7 | 36 | 16,523 | 128.54 | 0 | 5400.08 | 5365.52 | 1 | 5 |
| COST 7 | 37 | 16,323 | 127.76 | 0 | 5527.84 | 5365.52 | 0 | 5 |
| COST 7 | 38 | 16,079 | 126.80 | 0 | 5654.65 | 5617.89 | 3 | 5 |
| COST 7 | 39 | 15,982 | 126.42 | 0 | 5781.07 | 5617.89 | 0 | 5 |
| COST 7 | 40 | 15,834 | 125.83 | 0 | 5906.90 | 5870.25 | 2 | 5 |
| COST 7 | 41 | 15,326 | 123.80 | 0 | 6030.70 | 5870.25 | 0 | 5 |
| COST 7 | 42 | 15,271 | 123.58 | 0 | 6154.27 | 6122.61 | 4 | 5 |
| COST 7 | 43 | 15,020 | 122.56 | 0 | 6276.83 | 6122.61 | 0 | 5 |
| COST 7 | 44 | 14,833 | 121.79 | 0 | 6398.62 | 6374.97 | 5 | 5 |
| COST 7 | 45 | 13,847 | 117.67 | 0 | 6516.29 | 6374.97 | 0 | 5 |
| COST 7 | 46 | 13,542 | 116.37 | 0 | 6632.66 | 6627.34 | 1 | 5 |
| COST 7 | 47 | 13,459 | 116.01 | 0 | 6748.68 | 6627.34 | 0 | 5 |
| COST 7 | 48 | 12,733 | 112.84 | 0 | 6861.52 | 6627.34 | 0 | 5 |
| COST 7 | 49 | 12,632 | 112.39 | 0 | 6973.91 | 6879.70 | 3 | 5 |
| COST 7 | 50 | 11,720 | 108.26 | 0 | 7082.17 | 6879.70 | 0 | 5 |
| COST 7 | 51 | 11,359 | 106.58 | 0 | 7188.75 | 7132.06 | 2 | 5 |
| COST 7 | 52 | 11,110 | 105.40 | 0 | 7294.15 | 7132.06 | 0 | 5 |
| COST 7 | 53 | 10,930 | 104.55 | 0 | 7398.70 | 7384.42 | 4 | 5 |
| COST 7 | 54 | 10,591 | 102.91 | 0 | 7501.61 | 7384.42 | 0 | 5 |
| COST 7 | 55 | 10,489 | 102.42 | 0 | 7604.03 | 7384.42 | 0 | 5 |
| COST 7 | 56 | 10,291 | 101.44 | 0 | 7705.47 | 7636.79 | 5 | 5 |
| COST 7 | 57 | 10,105 | 100.52 | 0 | 7805.99 | 7636.79 | 0 | 5 |
| COST 7 | 58 | 9,484 | 97.39 | 0 | 7903.38 | 7889.15 | 1 | 5 |
| COST 7 | 59 | 9,377 | 96.83 | 0 | 8000.21 | 7889.15 | 0 | 5 |
| COST 7 | 60 | 9,230 | 96.07 | 0 | 8096.29 | 7889.15 | 0 | 5 |
| COST 7 | 61 | 8,906 | 94.37 | 0 | 8190.66 | 8141.51 | 3 | 5 |
| COST 7 | 62 | 8,604 | 92.76 | 0 | 8283.42 | 8141.51 | 0 | 5 |
| COST 7 | 63 | 7,600 | 87.18 | 0 | 8370.59 | 8141.51 | 0 | 5 |
| COST 7 | 64 | 7,221 | 84.98 | 0 | 8455.57 | 8393.87 | 2 | 5 |
| COST 7 | 65 | 6,833 | 82.66 | 0 | 8538.23 | 8393.87 | 0 | 5 |
| COST 7 | 66 | 6,813 | 82.54 | 0 | 8620.77 | 8393.87 | 0 | 5 |
| COST 7 | 67 | 6,476 | 80.47 | 0 | 8701.25 | 8646.24 | 4 | 5 |
| COST 7 | 68 | 5,942 | 77.08 | 0 | 8778.33 | 8646.24 | 0 | 5 |
| COST 7 | 69 | 5,856 | 76.52 | 0 | 8854.86 | 8646.24 | 0 | 5 |
| COST 7 | 70 | 5,474 | 73.99 | 0 | 8928.84 | 8898.60 | 5 | 5 |
| COST 7 | 71 | 4,933 | 70.24 | 0 | 8999.08 | 8898.60 | 0 | 5 |
| COST 7 | 72 | 4,246 | 65.16 | 0 | 9064.24 | 8898.60 | 0 | 5 |
| COST 7 | 73 | 4,098 | 64.02 | 0 | 9128.25 | 8898.60 | 0 | 5 |
| COST 7 | 74 | 4,018 | 63.39 | 0 | 9191.64 | 9150.96 | 1 | 5 |
| COST 7 | 75 | 3,516 | 59.30 | 0 | 9250.94 | 9150.96 | 0 | 5 |
| COST 7 | 76 | 3,447 | 58.71 | 0 | 9309.65 | 9150.96 | 0 | 5 |
| COST 7 | 77 | 2,947 | 54.29 | 0 | 9363.94 | 9150.96 | 0 | 5 |
| COST 7 | 78 | 2,596 | 50.95 | 0 | 9414.89 | 9403.32 | 3 | 5 |
| COST 7 | 79 | 2,502 | 50.02 | 0 | 9464.91 | 9403.32 | 0 | 5 |

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 7 | 80 | 2,451 | 49.51 | 0 | 9514.41 | 9403.32 | 0 | 5 |
| COST 7 | 81 | 2,386 | 48.85 | 0 | 9563.26 | 9403.32 | 0 | 5 |
| COST 7 | 82 | 703 | 26.51 | 0 | 9589.78 | 9403.32 | 0 | 5 |
| COST 8 | 1 | 497,976 | 705.67 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 2 | 373,888 | 611.46 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 3 | 270,453 | 520.05 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 4 | 245,987 | 495.97 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 5 | 226,728 | 476.16 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 6 | 220,807 | 469.90 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 7 | 211,188 | 459.55 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 8 | 168,365 | 410.32 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 9 | 163,330 | 404.14 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 10 | 160,324 | 400.40 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 11 | 147,335 | 383.84 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 12 | 133,315 | 365.12 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 13 | 125,615 | 354.42 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 14 | 120,018 | 346.44 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 15 | 119,458 | 345.63 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 16 | 117,340 | 342.55 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 17 | 90,958 | 301.59 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 18 | 81,070 | 284.73 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 19 | 79,957 | 282.77 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 20 | 79,756 | 282.41 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 21 | 77,143 | 277.75 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 22 | 74,612 | 273.15 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 23 | 74,413 | 272.79 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 24 | 72,007 | 268.34 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 25 | 68,415 | 261.56 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 26 | 67,544 | 259.89 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 27 | 67,029 | 258.90 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 28 | 66,838 | 258.53 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 29 | 63,594 | 252.18 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 30 | 63,355 | 251.70 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 31 | 61,696 | 248.39 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 32 | 59,797 | 244.53 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 33 | 58,414 | 241.69 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 34 | 58,058 | 240.95 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 35 | 53,639 | 231.60 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 36 | 50,962 | 225.75 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 37 | 47,248 | 217.37 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 38 | 46,241 | 215.04 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 39 | 38,835 | 197.07 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 40 | 37,565 | 193.82 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 41 | 36,858 | 191.98 | 1 | 0.00 | 0.00 | 3 | 5 |

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 8 | 42 | 35,265 | 187.79 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 43 | 34,554 | 185.89 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 44 | 33,224 | 182.27 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 45 | 32,281 | 179.67 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 46 | 30,488 | 174.61 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 47 | 30,367 | 174.26 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 48 | 29,893 | 172.90 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 49 | 28,674 | 169.33 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 50 | 23,479 | 153.23 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 51 | 22,586 | 150.29 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 52 | 22,227 | 149.09 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 53 | 21,864 | 147.86 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 54 | 19,303 | 138.94 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 55 | 17,776 | 133.33 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 56 | 15,775 | 125.60 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 57 | 14,916 | 122.13 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 58 | 14,573 | 120.72 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 59 | 14,388 | 119.95 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 60 | 12,812 | 113.19 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 61 | 12,700 | 112.69 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 62 | 11,083 | 105.28 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 63 | 10,529 | 102.61 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 64 | 10,302 | 101.50 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 65 | 9,873 | 99.36 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 66 | 9,315 | 96.51 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 67 | 8,815 | 93.89 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 68 | 5,827 | 76.33 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 69 | 5,641 | 75.11 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 70 | 5,192 | 72.06 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 71 | 4,617 | 67.95 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 8 | 72 | 4,616 | 67.94 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 8 | 73 | 4,540 | 67.38 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 8 | 74 | 4,206 | 64.85 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 8 | 75 | 3,834 | 61.92 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 8 | 76 | 3,268 | 57.17 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 1A | 1 | 48,467 | 220.15 | 0 | 220.15 | 191.13 | 5 | 5 |
| COST 1A | 2 | 44,341 | 210.57 | 0 | 430.73 | 191.13 | 0 | 5 |
| COST 1A | 3 | 43,026 | 207.43 | 0 | 638.15 | 473.66 | 2 | 5 |
| COST 1A | 4 | 39,777 | 199.44 | 0 | 837.59 | 756.20 | 3 | 5 |
| COST 1A | 5 | 35,996 | 189.73 | 0 | 1027.32 | 756.20 | 0 | 5 |
| COST 1A | 6 | 34,974 | 187.01 | 0 | 1214.33 | 1038.73 | 1 | 5 |
| COST 1A | 7 | 32,515 | 180.32 | 0 | 1394.65 | 1321.27 | 4 | 5 |
| COST 1A | 8 | 31,659 | 177.93 | 0 | 1572.58 | 1321.27 | 0 | 5 |
| COST 1A | 9 | 31,248 | 176.77 | 0 | 1749.35 | 1603.80 | 5 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 1A | 10 | 31,200 | 176.64 | 0 | 1925.99 | 1886.34 | 2 | 5 |
| COST 1A | 11 | 27,901 | 167.04 | 0 | 2093.02 | 1886.34 | 0 | 5 |
| COST 1A | 12 | 27,652 | 166.29 | 0 | 2259.31 | 2168.87 | 3 | 5 |
| COST 1A | 13 | 23,223 | 152.39 | 0 | 2411.70 | 2168.87 | 0 | 5 |
| COST 1A | 14 | 22,867 | 151.22 | 0 | 2562.92 | 2451.41 | 1 | 5 |
| COST 1A | 15 | 20,853 | 144.41 | 0 | 2707.33 | 2451.41 | 0 | 5 |
| COST 1A | 16 | 15,544 | 124.68 | 0 | 2832.00 | 2733.94 | 4 | 5 |
| COST 1A | 17 | 15,526 | 124.60 | 0 | 2956.61 | 2733.94 | 0 | 5 |
| COST 1A | 18 | 11,423 | 106.88 | 0 | 3063.49 | 3016.47 | 5 | 5 |
| COST 1A | 19 | 11,001 | 104.89 | 0 | 3168.37 | 3016.47 | 0 | 5 |
| COST 1A | 20 | 9,482 | 97.38 | 0 | 3265.75 | 3016.47 | 0 | 5 |
| COST 1A | 21 | 9,024 | 94.99 | 0 | 3360.74 | 3299.01 | 2 | 5 |
| COST 1A | 22 | 8,323 | 91.23 | 0 | 3451.97 | 3299.01 | 0 | 5 |
| COST 1A | 23 | 7,851 | 88.61 | 0 | 3540.58 | 3299.01 | 0 | 5 |
| COST 1A | 24 | 7,585 | 87.09 | 0 | 3627.67 | 3581.54 | 3 | 5 |
| COST 1A | 25 | 6,969 | 83.48 | 0 | 3711.15 | 3581.54 | 0 | 5 |
| COST 1A | 26 | 6,597 | 81.22 | 0 | 3792.37 | 3581.54 | 0 | 5 |
| COST 1A | 27 | 5,830 | 76.35 | 0 | 3868.73 | 3864.08 | 1 | 5 |
| COST 1A | 28 | 5,130 | 71.62 | 0 | 3940.35 | 3864.08 | 0 | 5 |
| COST 1A | 29 | 5,028 | 70.91 | 0 | 4011.26 | 3864.08 | 0 | 5 |
| COST 1A | 30 | 4,978 | 70.55 | 0 | 4081.81 | 3864.08 | 0 | 5 |
| COST 1A | 31 | 4,942 | 70.30 | 0 | 4152.11 | 4146.61 | 4 | 5 |
| COST 1A | 32 | 4,180 | 64.65 | 0 | 4216.77 | 4146.61 | 0 | 5 |
| COST 1A | 33 | 4,018 | 63.39 | 0 | 4280.15 | 4146.61 | 0 | 5 |
| COST 1A | 34 | 3,856 | 62.10 | 0 | 4342.25 | 4146.61 | 0 | 5 |
| COST 1A | 35 | 3,723 | 61.02 | 0 | 4403.27 | 4146.61 | 0 | 5 |
| COST 1A | 36 | 3,540 | 59.50 | 0 | 4462.77 | 4429.15 | 5 | 5 |
| COST 1A | 37 | 3,339 | 57.78 | 0 | 4520.55 | 4429.15 | 0 | 5 |
| COST 1B | 1 | 197,463 | 444.37 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 1B | 2 | 191,562 | 437.68 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 1B | 3 | 174,056 | 417.20 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 1B | 4 | 171,047 | 413.58 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 1B | 5 | 168,200 | 410.12 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 1B | 6 | 151,985 | 389.85 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 1B | 7 | 141,499 | 376.16 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 1B | 8 | 118,770 | 344.63 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 1B | 9 | 115,857 | 340.38 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 1B | 10 | 102,556 | 320.24 | 0 | 320.24 | 219.07 | 2 | 5 |
| COST 1B | 11 | 100,755 | 317.42 | 0 | 637.66 | 555.72 | 1 | 5 |
| COST 1B | 12 | 98,636 | 314.06 | 0 | 951.73 | 892.36 | 4 | 5 |
| COST 1B | 13 | 94,039 | 306.66 | 0 | 1258.38 | 1229.00 | 5 | 5 |
| COST 1B | 14 | 75,269 | 274.35 | 0 | 1532.74 | 1229.00 | 0 | 5 |
| COST 1B | 15 | 64,212 | 253.40 | 0 | 1786.14 | 1565.65 | 3 | 5 |
| COST 1B | 16 | 54,627 | 233.72 | 0 | 2019.86 | 1902.29 | 2 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 1C | 1 | 1,151,190 | 1072.94 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 1C | 2 | 1,042,188 | 1020.88 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 1C | 3 | 928,689 | 963.69 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 1C | 4 | 831,969 | 912.12 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 1C | 5 | 656,493 | 810.24 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 1C | 6 | 645,411 | 803.37 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 1C | 7 | 622,902 | 789.24 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 1C | 8 | 552,337 | 743.19 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 1C | 9 | 438,466 | 662.17 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 1C | 10 | 434,717 | 659.33 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 1C | 11 | 424,277 | 651.37 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 1C | 12 | 385,748 | 621.09 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 1C | 13 | 336,440 | 580.03 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 1C | 14 | 315,617 | 561.80 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 1C | 15 | 309,934 | 556.72 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 1C | 16 | 304,344 | 551.67 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 1C | 17 | 298,428 | 546.29 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 1C | 18 | 247,515 | 497.51 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 1C | 19 | 242,092 | 492.03 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 3A | 1 | 194,779 | 441.34 | 0 | 441.34 | 145.28 | 1 | 5 |
| COST 3A | 2 | 193,172 | 439.51 | 0 | 880.85 | 670.91 | 3 | 5 |
| COST 3A | 3 | 184,068 | 429.03 | 0 | 1309.88 | 1196.54 | 5 | 5 |
| COST 3A | 4 | 179,499 | 423.67 | 0 | 1733.56 | 1722.17 | 2 | 5 |
| COST 3A | 5 | 172,520 | 415.36 | 0 | 2148.91 | 1722.17 | 0 | 5 |
| COST 3A | 6 | 168,421 | 410.39 | 0 | 2559.30 | 2247.80 | 4 | 5 |
| COST 3A | 7 | 164,065 | 405.05 | 0 | 2964.35 | 2773.43 | 1 | 5 |
| COST 3A | 8 | 163,802 | 404.72 | 0 | 3369.08 | 3299.06 | 3 | 5 |
| COST 3A | 9 | 143,885 | 379.32 | 0 | 3748.40 | 3299.06 | 0 | 5 |
| COST 3A | 10 | 138,847 | 372.62 | 0 | 4121.02 | 3824.69 | 5 | 5 |
| COST 3A | 11 | 130,100 | 360.69 | 0 | 4481.71 | 4350.32 | 2 | 5 |
| COST 3A | 12 | 130,003 | 360.56 | 0 | 4842.27 | 4350.32 | 0 | 5 |
| COST 3A | 13 | 121,530 | 348.61 | 0 | 5190.88 | 4875.95 | 4 | 5 |
| COST 3A | 14 | 120,997 | 347.85 | 0 | 5538.73 | 5401.58 | 1 | 5 |
| COST 3A | 15 | 107,190 | 327.40 | 0 | 5866.13 | 5401.58 | 0 | 5 |
| COST 3A | 16 | 104,778 | 323.69 | 0 | 6189.82 | 5927.21 | 3 | 5 |
| COST 3A | 17 | 87,137 | 295.19 | 0 | 6485.01 | 6452.84 | 5 | 5 |
| COST 3A | 18 | 74,135 | 272.28 | 0 | 6757.29 | 6452.84 | 0 | 5 |
| COST 3A | 19 | 65,016 | 254.98 | 0 | 7012.27 | 6978.47 | 2 | 5 |
| COST 3A | 20 | 63,485 | 251.96 | 0 | 7264.24 | 6978.47 | 0 | 5 |
| COST 3A | 21 | 62,154 | 249.31 | 0 | 7513.54 | 7504.10 | 4 | 5 |
| COST 3A | 22 | 52,702 | 229.57 | 0 | 7743.11 | 7504.10 | 0 | 5 |
| COST 3A | 23 | 19,977 | 141.34 | 0 | 7884.45 | 7504.10 | 0 | 5 |
| COST 3B | 1 | 1,181,009 | 1086.74 | 1 | 0.00 | 0.00 | 3 | 3 |
| COST 3B | 2 | 1,026,119 | 1012.98 | 1 | 0.00 | 0.00 | 1 | 3 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 3B | 3 | 875,404 | 935.63 | 1 | 0.00 | 0.00 | 2 | 3 |
| COST 3B | 4 | 633,621 | 796.00 | 1 | 0.00 | 0.00 | 3 | 3 |
| COST 3B | 5 | 574,025 | 757.64 | 1 | 0.00 | 0.00 | 1 | 3 |
| COST 3B | 6 | 448,500 | 669.70 | 1 | 0.00 | 0.00 | 2 | 3 |
| COST 3B | 7 | 442,362 | 665.10 | 1 | 0.00 | 0.00 | 3 | 3 |
| COST 3B | 8 | 434,150 | 658.90 | 1 | 0.00 | 0.00 | 1 | 3 |
| COST 3B | 9 | 410,641 | 640.81 | 1 | 0.00 | 0.00 | 2 | 3 |
| COST 3B | 10 | 282,411 | 531.42 | 1 | 0.00 | 0.00 | 3 | 3 |
| COST 3B | 11 | 273,602 | 523.07 | 1 | 0.00 | 0.00 | 1 | 3 |
| COST 3B | 12 | 257,445 | 507.39 | 1 | 0.00 | 0.00 | 2 | 3 |
| COST 3B | 13 | 256,192 | 506.15 | 1 | 0.00 | 0.00 | 3 | 3 |
| COST 3B | 14 | 222,058 | 471.23 | 1 | 0.00 | 0.00 | 1 | 3 |
| COST 4A | 1 | 199,530 | 446.69 | 0 | 446.69 | 343.77 | 3 | 5 |
| COST 4A | 2 | 199,171 | 446.29 | 0 | 892.97 | 819.55 | 2 | 5 |
| COST 4A | 3 | 187,014 | 432.45 | 0 | 1325.42 | 1295.32 | 1 | 5 |
| COST 4A | 4 | 170,632 | 413.08 | 0 | 1738.50 | 1295.32 | 0 | 5 |
| COST 4A | 5 | 170,236 | 412.60 | 0 | 2151.10 | 1771.09 | 5 | 5 |
| COST 4A | 6 | 169,487 | 411.69 | 0 | 2562.79 | 2246.87 | 4 | 5 |
| COST 4A | 7 | 167,725 | 409.54 | 0 | 2972.33 | 2722.64 | 3 | 5 |
| COST 4A | 8 | 160,747 | 400.93 | 0 | 3373.26 | 3198.41 | 2 | 5 |
| COST 4A | 9 | 157,392 | 396.73 | 0 | 3769.99 | 3674.18 | 1 | 5 |
| COST 4A | 10 | 142,898 | 378.02 | 0 | 4148.01 | 3674.18 | 0 | 5 |
| COST 4A | 11 | 133,792 | 365.78 | 0 | 4513.78 | 4149.96 | 5 | 5 |
| COST 4A | 12 | 132,345 | 363.79 | 0 | 4877.57 | 4625.73 | 4 | 5 |
| COST 4A | 13 | 131,100 | 362.08 | 0 | 5239.65 | 5101.50 | 3 | 5 |
| COST 4A | 14 | 124,512 | 352.86 | 0 | 5592.51 | 5577.28 | 2 | 5 |
| COST 4A | 15 | 116,769 | 341.71 | 0 | 5934.23 | 5577.28 | 0 | 5 |
| COST 4A | 16 | 114,966 | 339.07 | 0 | 6273.30 | 6053.05 | 1 | 5 |
| COST 4A | 17 | 105,782 | 325.24 | 0 | 6598.54 | 6528.82 | 5 | 5 |
| COST 4A | 18 | 104,980 | 324.01 | 0 | 6922.54 | 6528.82 | 0 | 5 |
| COST 4A | 19 | 103,826 | 322.22 | 0 | 7244.76 | 7004.59 | 4 | 5 |
| COST 4A | 20 | 98,329 | 313.57 | 0 | 7558.34 | 7480.37 | 3 | 5 |
| COST 4A | 21 | 98,005 | 313.06 | 0 | 7871.40 | 7480.37 | 0 | 5 |
| COST 4A | 22 | 96,718 | 311.00 | 0 | 8182.39 | 7956.14 | 2 | 5 |
| COST 4A | 23 | 95,923 | 309.71 | 0 | 8492.11 | 8431.91 | 1 | 5 |
| COST 4A | 24 | 95,871 | 309.63 | 0 | 8801.74 | 8431.91 | 0 | 5 |
| COST 4A | 25 | 94,115 | 306.78 | 0 | 9108.52 | 8907.69 | 5 | 5 |
| COST 4A | 26 | 89,384 | 298.97 | 0 | 9407.49 | 9383.46 | 4 | 5 |
| COST 4A | 27 | 79,642 | 282.21 | 0 | 9689.70 | 9383.46 | 0 | 5 |
| COST 4A | 28 | 78,518 | 280.21 | 0 | 9969.91 | 9859.23 | 3 | 5 |
| COST 4A | 29 | 75,471 | 274.72 | 0 | 10244.63 | 9859.23 | 0 | 5 |
| COST 4A | 30 | 75,425 | 274.64 | 0 | 10519.26 | 10335.00 | 2 | 5 |
| COST 4A | 31 | 70,794 | 266.07 | 0 | 10785.34 | 10335.00 | 0 | 5 |
| COST 4A | 32 | 67,686 | 260.17 | 0 | 11045.50 | 10810.78 | 1 | 5 |

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 4A | 33 | 66,120 | 257.14 | 0 | 11302.64 | 11286.55 | 5 | 5 |
| COST 4A | 34 | 63,754 | 252.50 | 0 | 11555.13 | 11286.55 | 0 | 5 |
| COST 4A | 35 | 60,045 | 245.04 | 0 | 11800.18 | 11762.32 | 4 | 5 |
| COST 4A | 36 | 58,728 | 242.34 | 0 | 12042.51 | 11762.32 | 0 | 5 |
| COST 4A | 37 | 57,689 | 240.19 | 0 | 12282.70 | 12238.10 | 3 | 5 |
| COST 4A | 38 | 55,969 | 236.58 | 0 | 12519.28 | 12238.10 | 0 | 5 |
| COST 4A | 39 | 54,654 | 233.78 | 0 | 12753.06 | 12713.87 | 2 | 5 |
| COST 4A | 40 | 54,268 | 232.95 | 0 | 12986.01 | 12713.87 | 0 | 5 |
| COST 4A | 41 | 52,278 | 228.64 | 0 | 13214.66 | 13189.64 | 1 | 5 |
| COST 4A | 42 | 46,522 | 215.69 | 0 | 13430.35 | 13189.64 | 0 | 5 |
| COST 4A | 43 | 46,454 | 215.53 | 0 | 13645.88 | 13189.64 | 0 | 5 |
| COST 4A | 44 | 45,846 | 214.12 | 0 | 13860.00 | 13665.41 | 5 | 5 |
| COST 4A | 45 | 36,102 | 190.01 | 0 | 14050.00 | 13665.41 | 0 | 5 |
| COST 4A | 46 | 19,988 | 141.38 | 0 | 14191.38 | 14141.19 | 4 | 5 |
| COST 4A | 47 | 6,692 | 81.80 | 0 | 14273.19 | 14141.19 | 0 | 5 |
| COST 4B | 1 | 1,029,631 | 1014.71 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 4B | 2 | 627,370 | 792.07 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 4B | 3 | 598,847 | 773.85 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 4B | 4 | 513,461 | 716.56 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 4B | 5 | 501,434 | 708.12 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 4B | 6 | 451,016 | 671.58 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 4B | 7 | 424,714 | 651.70 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 4B | 8 | 417,582 | 646.21 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 4B | 9 | 320,872 | 566.46 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 4B | 10 | 312,466 | 558.99 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 4B | 11 | 268,479 | 518.15 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 4B | 12 | 254,958 | 504.93 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 4B | 13 | 243,002 | 492.95 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 4B | 14 | 222,475 | 471.67 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 4B | 15 | 221,814 | 470.97 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 4B | 16 | 217,931 | 466.83 | 1 | 0.00 | 0.00 | 3 | 4 |
| COST 4B | 17 | 213,836 | 462.42 | 1 | 0.00 | 0.00 | 2 | 4 |
| COST 4B | 18 | 209,903 | 458.15 | 1 | 0.00 | 0.00 | 4 | 4 |
| COST 4B | 19 | 206,963 | 454.93 | 1 | 0.00 | 0.00 | 1 | 4 |
| COST 6A | 1 | 195,939 | 442.65 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 6A | 2 | 184,342 | 429.35 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 6A | 3 | 181,656 | 426.21 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 6A | 4 | 180,662 | 425.04 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 6A | 5 | 170,357 | 412.74 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 6A | 6 | 169,650 | 411.89 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 6A | 7 | 166,271 | 407.76 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 6A | 8 | 157,649 | 397.05 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 6A | 9 | 156,853 | 396.05 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 6A | 10 | 153,146 | 391.34 | 1 | 0.00 | 0.00 | 4 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 6A | 11 | 147,101 | 383.54 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 6A | 12 | 145,324 | 381.21 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 6A | 13 | 140,075 | 374.27 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 6A | 14 | 139,522 | 373.53 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 6A | 15 | 138,303 | 371.89 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 6A | 16 | 135,019 | 367.45 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 6A | 17 | 132,240 | 363.65 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 6A | 18 | 132,149 | 363.52 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 6A | 19 | 128,028 | 357.81 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 6A | 20 | 126,773 | 356.05 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 6A | 21 | 122,979 | 350.68 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 6A | 22 | 120,597 | 347.27 | 0 | 347.27 | 173.28 | 3 | 5 |
| COST 6A | 23 | 119,649 | 345.90 | 0 | 693.17 | 520.75 | 2 | 5 |
| COST 6A | 24 | 117,586 | 342.91 | 0 | 1036.08 | 868.21 | 1 | 5 |
| COST 6A | 25 | 115,529 | 339.90 | 0 | 1375.98 | 1215.68 | 4 | 5 |
| COST 6A | 26 | 115,077 | 339.23 | 0 | 1715.21 | 1563.14 | 5 | 5 |
| COST 6A | 27 | 114,083 | 337.76 | 0 | 2052.97 | 1910.61 | 3 | 5 |
| COST 6A | 28 | 113,021 | 336.19 | 0 | 2389.16 | 2258.07 | 2 | 5 |
| COST 6A | 29 | 112,646 | 335.63 | 0 | 2724.78 | 2605.54 | 1 | 5 |
| COST 6A | 30 | 109,950 | 331.59 | 0 | 3056.37 | 2953.00 | 4 | 5 |
| COST 6A | 31 | 108,578 | 329.51 | 0 | 3385.88 | 3300.47 | 5 | 5 |
| COST 6A | 32 | 107,793 | 328.32 | 0 | 3714.20 | 3647.93 | 3 | 5 |
| COST 6A | 33 | 107,578 | 327.99 | 0 | 4042.19 | 3995.40 | 2 | 5 |
| COST 6A | 34 | 107,285 | 327.54 | 0 | 4369.74 | 4342.86 | 1 | 5 |
| COST 6A | 35 | 107,276 | 327.53 | 0 | 4697.27 | 4690.33 | 4 | 5 |
| COST 6A | 36 | 101,458 | 318.52 | 0 | 5015.79 | 4690.33 | 0 | 5 |
| COST 6A | 37 | 101,198 | 318.12 | 0 | 5333.91 | 5037.79 | 5 | 5 |
| COST 6A | 38 | 101,042 | 317.87 | 0 | 5651.78 | 5385.26 | 3 | 5 |
| COST 6A | 39 | 99,927 | 316.11 | 0 | 5967.89 | 5732.72 | 2 | 5 |
| COST 6A | 40 | 99,916 | 316.09 | 0 | 6283.98 | 6080.19 | 1 | 5 |
| COST 6A | 41 | 99,493 | 315.43 | 0 | 6599.41 | 6427.65 | 4 | 5 |
| COST 6A | 42 | 97,957 | 312.98 | 0 | 6912.39 | 6775.12 | 5 | 5 |
| COST 6A | 43 | 95,552 | 309.11 | 0 | 7221.51 | 7122.58 | 3 | 5 |
| COST 6A | 44 | 94,801 | 307.90 | 0 | 7529.40 | 7470.05 | 2 | 5 |
| COST 6A | 45 | 93,849 | 306.35 | 0 | 7835.75 | 7817.51 | 1 | 5 |
| COST 6A | 46 | 93,062 | 305.06 | 0 | 8140.81 | 7817.51 | 0 | 5 |
| COST 6A | 47 | 92,000 | 303.32 | 0 | 8444.13 | 8164.98 | 4 | 5 |
| COST 6A | 48 | 90,969 | 301.61 | 0 | 8745.74 | 8512.44 | 5 | 5 |
| COST 6A | 49 | 88,477 | 297.45 | 0 | 9043.19 | 8859.91 | 3 | 5 |
| COST 6A | 50 | 84,730 | 291.08 | 0 | 9334.27 | 9207.37 | 2 | 5 |
| COST 6A | 51 | 84,094 | 289.99 | 0 | 9624.26 | 9554.84 | 1 | 5 |
| COST 6A | 52 | 83,193 | 288.43 | 0 | 9912.69 | 9902.30 | 4 | 5 |
| COST 6A | 53 | 78,887 | 280.87 | 0 | 10193.56 | 9902.30 | 0 | 5 |
| COST 6A | 54 | 78,741 | 280.61 | 0 | 10474.17 | 10249.77 | 5 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 6A | 55 | 78,079 | 279.43 | 0 | 10753.60 | 10597.23 | 3 | 5 |
| COST 6A | 56 | 75,415 | 274.62 | 0 | 11028.21 | 10944.70 | 2 | 5 |
| COST 6A | 57 | 74,786 | 273.47 | 0 | 11301.69 | 11292.16 | 1 | 5 |
| COST 6A | 58 | 74,378 | 272.72 | 0 | 11574.41 | 11292.16 | 0 | 5 |
| COST 6A | 59 | 73,811 | 271.68 | 0 | 11846.09 | 11639.63 | 4 | 5 |
| COST 6A | 60 | 73,515 | 271.14 | 0 | 12117.23 | 11987.09 | 5 | 5 |
| COST 6A | 61 | 73,493 | 271.10 | 0 | 12388.32 | 12334.56 | 3 | 5 |
| COST 6A | 62 | 70,385 | 265.30 | 0 | 12653.62 | 12334.56 | 0 | 5 |
| COST 6A | 63 | 64,356 | 253.68 | 0 | 12907.31 | 12682.02 | 2 | 5 |
| COST 6A | 64 | 63,899 | 252.78 | 0 | 13160.09 | 13029.49 | 1 | 5 |
| COST 6A | 65 | 63,873 | 252.73 | 0 | 13412.82 | 13376.95 | 4 | 5 |
| COST 6A | 66 | 63,866 | 252.72 | 0 | 13665.54 | 13376.95 | 0 | 5 |
| COST 6A | 67 | 63,012 | 251.02 | 0 | 13916.56 | 13724.42 | 5 | 5 |
| COST 6A | 68 | 61,227 | 247.44 | 0 | 14164.00 | 14071.88 | 3 | 5 |
| COST 6A | 69 | 60,862 | 246.70 | 0 | 14410.70 | 14071.88 | 0 | 5 |
| COST 6A | 70 | 59,046 | 242.99 | 0 | 14653.70 | 14419.35 | 2 | 5 |
| COST 6A | 71 | 57,772 | 240.36 | 0 | 14894.06 | 14766.81 | 1 | 5 |
| COST 6A | 72 | 57,550 | 239.90 | 0 | 15133.95 | 15114.28 | 4 | 5 |
| COST 6A | 73 | 56,296 | 237.27 | 0 | 15371.22 | 15114.28 | 0 | 5 |
| COST 6A | 74 | 56,090 | 236.83 | 0 | 15608.05 | 15461.74 | 5 | 5 |
| COST 6A | 75 | 55,908 | 236.45 | 0 | 15844.50 | 15809.21 | 3 | 5 |
| COST 6A | 76 | 55,373 | 235.31 | 0 | 16079.82 | 15809.21 | 0 | 5 |
| COST 6A | 77 | 55,154 | 234.85 | 0 | 16314.67 | 16156.67 | 2 | 5 |
| COST 6A | 78 | 55,082 | 234.70 | 0 | 16549.36 | 16504.14 | 1 | 5 |
| COST 6A | 79 | 54,932 | 234.38 | 0 | 16783.74 | 16504.14 | 0 | 5 |
| COST 6A | 80 | 54,597 | 233.66 | 0 | 17017.40 | 16851.60 | 4 | 5 |
| COST 6A | 81 | 54,487 | 233.42 | 0 | 17250.82 | 17199.07 | 5 | 5 |
| COST 6A | 82 | 54,352 | 233.14 | 0 | 17483.96 | 17199.07 | 0 | 5 |
| COST 6A | 83 | 53,922 | 232.21 | 0 | 17716.17 | 17546.53 | 3 | 5 |
| COST 6A | 84 | 53,449 | 231.19 | 0 | 17947.36 | 17894.00 | 2 | 5 |
| COST 6A | 85 | 53,135 | 230.51 | 0 | 18177.87 | 17894.00 | 0 | 5 |
| COST 6A | 86 | 52,159 | 228.38 | 0 | 18406.25 | 18241.46 | 1 | 5 |
| COST 6A | 87 | 52,088 | 228.23 | 0 | 18634.48 | 18588.93 | 4 | 5 |
| COST 6A | 88 | 50,648 | 225.05 | 0 | 18859.53 | 18588.93 | 0 | 5 |
| COST 6A | 89 | 50,072 | 223.77 | 0 | 19083.30 | 18936.39 | 5 | 5 |
| COST 6A | 90 | 47,967 | 219.01 | 0 | 19302.31 | 19283.86 | 3 | 5 |
| COST 6A | 91 | 47,339 | 217.58 | 0 | 19519.89 | 19283.86 | 0 | 5 |
| COST 6A | 92 | 46,991 | 216.77 | 0 | 19736.66 | 19631.32 | 2 | 5 |
| COST 6A | 93 | 46,782 | 216.29 | 0 | 19952.95 | 19631.32 | 0 | 5 |
| COST 6A | 94 | 45,754 | 213.90 | 0 | 20166.86 | 19978.79 | 1 | 5 |
| COST 6A | 95 | 45,373 | 213.01 | 0 | 20379.86 | 20326.25 | 4 | 5 |
| COST 6A | 96 | 44,981 | 212.09 | 0 | 20591.95 | 20326.25 | 0 | 5 |
| COST 6A | 97 | 44,944 | 212.00 | 0 | 20803.95 | 20673.72 | 5 | 5 |
| COST 6A | 98 | 44,717 | 211.46 | 0 | 21015.42 | 20673.72 | 0 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 6A | 99 | 44,182 | 210.20 | 0 | 21225.61 | 21021.18 | 3 | 5 |
| COST 6A | 100 | 43,585 | 208.77 | 0 | 21434.38 | 21368.65 | 2 | 5 |
| COST 6A | 101 | 43,525 | 208.63 | 0 | 21643.01 | 21368.65 | 0 | 5 |
| COST 6A | 102 | 43,467 | 208.49 | 0 | 21851.50 | 21716.11 | 1 | 5 |
| COST 6A | 103 | 43,414 | 208.36 | 0 | 22059.86 | 21716.11 | 0 | 5 |
| COST 6A | 104 | 41,920 | 204.74 | 0 | 22264.60 | 22063.58 | 4 | 5 |
| COST 6A | 105 | 40,488 | 201.22 | 0 | 22465.82 | 22411.04 | 5 | 5 |
| COST 6A | 106 | 39,697 | 199.24 | 0 | 22665.06 | 22411.04 | 0 | 5 |
| COST 6A | 107 | 39,404 | 198.50 | 0 | 22863.56 | 22758.51 | 3 | 5 |
| COST 6A | 108 | 39,368 | 198.41 | 0 | 23061.97 | 22758.51 | 0 | 5 |
| COST 6A | 109 | 39,096 | 197.73 | 0 | 23259.70 | 23105.97 | 2 | 5 |
| COST 6A | 110 | 38,776 | 196.92 | 0 | 23456.62 | 23453.44 | 1 | 5 |
| COST 6A | 111 | 38,034 | 195.02 | 0 | 23651.64 | 23453.44 | 0 | 5 |
| COST 6A | 112 | 37,718 | 194.21 | 0 | 23845.85 | 23800.90 | 4 | 5 |
| COST 6A | 113 | 37,658 | 194.06 | 0 | 24039.91 | 23800.90 | 0 | 5 |
| COST 6A | 114 | 36,517 | 191.09 | 0 | 24231.00 | 24148.37 | 5 | 5 |
| COST 6A | 115 | 36,140 | 190.11 | 0 | 24421.11 | 24148.37 | 0 | 5 |
| COST 6A | 116 | 34,705 | 186.29 | 0 | 24607.40 | 24495.83 | 3 | 5 |
| COST 6A | 117 | 34,549 | 185.87 | 0 | 24793.27 | 24495.83 | 0 | 5 |
| COST 6A | 118 | 33,950 | 184.26 | 0 | 24977.53 | 24843.30 | 2 | 5 |
| COST 6A | 119 | 33,414 | 182.79 | 0 | 25160.33 | 24843.30 | 0 | 5 |
| COST 6A | 120 | 33,279 | 182.43 | 0 | 25342.75 | 25190.76 | 1 | 5 |
| COST 6A | 121 | 33,119 | 181.99 | 0 | 25524.74 | 25190.76 | 0 | 5 |
| COST 6A | 122 | 32,402 | 180.01 | 0 | 25704.74 | 25538.23 | 4 | 5 |
| COST 6A | 123 | 30,580 | 174.87 | 0 | 25879.61 | 25538.23 | 0 | 5 |
| COST 6A | 124 | 30,457 | 174.52 | 0 | 26054.13 | 25885.69 | 5 | 5 |
| COST 6A | 125 | 30,184 | 173.74 | 0 | 26227.87 | 25885.69 | 0 | 5 |
| COST 6A | 126 | 29,877 | 172.85 | 0 | 26400.72 | 26233.16 | 3 | 5 |
| COST 6A | 127 | 29,654 | 172.20 | 0 | 26572.92 | 26233.16 | 0 | 5 |
| COST 6A | 128 | 28,839 | 169.82 | 0 | 26742.74 | 26580.62 | 2 | 5 |
| COST 6A | 129 | 28,768 | 169.61 | 0 | 26912.35 | 26580.62 | 0 | 5 |
| COST 6A | 130 | 26,931 | 164.11 | 0 | 27076.46 | 26928.09 | 1 | 5 |
| COST 6A | 131 | 26,346 | 162.31 | 0 | 27238.77 | 26928.09 | 0 | 5 |
| COST 6A | 132 | 26,178 | 161.80 | 0 | 27400.57 | 27275.55 | 4 | 5 |
| COST 6A | 133 | 25,759 | 160.50 | 0 | 27561.07 | 27275.55 | 0 | 5 |
| COST 6A | 134 | 25,745 | 160.45 | 0 | 27721.52 | 27623.02 | 5 | 5 |
| COST 6A | 135 | 24,614 | 156.89 | 0 | 27878.41 | 27623.02 | 0 | 5 |
| COST 6A | 136 | 23,820 | 154.34 | 0 | 28032.74 | 27970.48 | 3 | 5 |
| COST 6A | 137 | 22,640 | 150.47 | 0 | 28183.21 | 27970.48 | 0 | 5 |
| COST 6A | 138 | 21,925 | 148.07 | 0 | 28331.28 | 28317.95 | 2 | 5 |
| COST 6A | 139 | 20,996 | 144.90 | 0 | 28476.18 | 28317.95 | 0 | 5 |
| COST 6A | 140 | 19,855 | 140.91 | 0 | 28617.09 | 28317.95 | 0 | 5 |
| COST 6A | 141 | 19,730 | 140.46 | 0 | 28757.55 | 28665.41 | 1 | 5 |
| COST 6A | 142 | 19,584 | 139.94 | 0 | 28897.50 | 28665.41 | 0 | 5 |

Appendix A1

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| COST 6A | 143 | 19,554 | 139.84 | 0 | 29037.33 | 29012.88 | 4 | 5 |
| COST 6A | 144 | 18,235 | 135.04 | 0 | 29172.37 | 29012.88 | 0 | 5 |
| COST 6A | 145 | 18,032 | 134.28 | 0 | 29306.65 | 29012.88 | 0 | 5 |
| COST 6A | 146 | 17,860 | 133.64 | 0 | 29440.29 | 29360.34 | 5 | 5 |
| COST 6A | 147 | 17,301 | 131.53 | 0 | 29571.83 | 29360.34 | 0 | 5 |
| COST 6A | 148 | 16,571 | 128.73 | 0 | 29700.55 | 29360.34 | 0 | 5 |
| COST 6A | 149 | 15,491 | 124.46 | 0 | 29825.02 | 29707.81 | 3 | 5 |
| COST 6A | 150 | 15,101 | 122.89 | 0 | 29947.90 | 29707.81 | 0 | 5 |
| COST 6A | 151 | 14,261 | 119.42 | 0 | 30067.32 | 30055.27 | 2 | 5 |
| COST 6A | 152 | 13,668 | 116.91 | 0 | 30184.23 | 30055.27 | 0 | 5 |
| COST 6A | 153 | 13,597 | 116.61 | 0 | 30300.84 | 30055.27 | 0 | 5 |
| COST 6A | 154 | 9,862 | 99.31 | 0 | 30400.15 | 30055.27 | 0 | 5 |
| COST 6A | 155 | 9,749 | 98.74 | 0 | 30498.88 | 30402.74 | 1 | 5 |
| COST 6A | 156 | 9,220 | 96.02 | 0 | 30594.91 | 30402.74 | 0 | 5 |
| COST 6A | 157 | 7,946 | 89.14 | 0 | 30684.05 | 30402.74 | 0 | 5 |
| COST 6A | 158 | 7,452 | 86.32 | 0 | 30770.37 | 30750.20 | 4 | 5 |
| COST 6A | 159 | 7,245 | 85.12 | 0 | 30855.49 | 30750.20 | 0 | 5 |
| COST 6A | 160 | 4,747 | 68.90 | 0 | 30924.39 | 30750.20 | 0 | 5 |
| COST 6B | 1 | 481,920 | 694.20 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 6B | 2 | 470,594 | 686.00 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 6B | 3 | 464,993 | 681.90 | 1 | 0.00 | 0.00 | 2 | 5 |
| COST 6B | 4 | 335,375 | 579.12 | 1 | 0.00 | 0.00 | 1 | 5 |
| COST 6B | 5 | 335,087 | 578.87 | 1 | 0.00 | 0.00 | 5 | 5 |
| COST 6B | 6 | 322,234 | 567.66 | 1 | 0.00 | 0.00 | 3 | 5 |
| COST 6B | 7 | 320,583 | 566.20 | 1 | 0.00 | 0.00 | 4 | 5 |
| COST 6B | 8 | 262,019 | 511.88 | 0 | 511.88 | 242.66 | 2 | 5 |
| COST 6B | 9 | 250,188 | 500.19 | 0 | 1012.07 | 779.04 | 1 | 5 |
| COST 6B | 10 | 232,764 | 482.46 | 0 | 1494.52 | 1315.42 | 5 | 5 |
| COST 6B | 11 | 229,618 | 479.18 | 0 | 1973.71 | 1851.80 | 3 | 5 |
| COST 6B | 12 | 227,201 | 476.66 | 0 | 2450.36 | 2388.17 | 4 | 5 |
| COST 6B | 13 | 217,621 | 466.50 | 0 | 2916.86 | 2388.17 | 0 | 5 |
| COST 6B | 14 | 216,919 | 465.75 | 0 | 3382.61 | 2924.55 | 2 | 5 |
| COST 6B | 15 | 207,764 | 455.81 | 0 | 3838.42 | 3460.93 | 1 | 5 |
| COST 6B | 16 | 204,848 | 452.60 | 0 | 4291.02 | 3997.31 | 5 | 5 |
| 13 OTHER STA | 1 | 479,198 | 692.24 | 1 | 0.00 | 0.61 | 3 | 6 |
| 13 OTHER STA | 2 | 114,441 | 338.29 | 1 | 0.00 | 1.61 | 2 | 6 |
| 13 OTHER STA | 3 | 67,431 | 259.67 | 1 | 0.00 | 2.61 | 1 | 6 |
| 13 OTHER STA | 4 | 50,622 | 224.99 | 1 | 0.00 | 3.61 | 6 | 6 |
| 13 OTHER STA | 5 | 32,030 | 178.97 | 1 | 0.00 | 4.61 | 4 | 6 |
| 13 OTHER STA | 6 | 30,917 | 175.83 | 1 | 0.00 | 5.61 | 2 | 6 |
| 13 OTHER STA | 7 | 29,729 | 172.42 | 1 | 0.00 | 6.61 | 2 | 6 |
| 13 OTHER STA | 8 | 28,964 | 170.19 | 1 | 0.00 | 7.61 | 1 | 6 |
| 13 OTHER STA | 9 | 24,706 | 157.18 | 1 | 0.00 | 8.61 | 3 | 6 |
| 13 OTHER STA | 10 | 21,691 | 147.28 | 1 | 0.00 | 9.61 | 6 | 6 |

2007 Modification of Average Schedules
Sample Selection - Individual Listing of Final Strata

| Stratum | Stratum Sequence Number | Total Revenue | Measure of Size | Select as Certainty | Cumulative Measure of Size | Systematic Interval | First Year Selected | Sampling term |
|---|---|---|---|---|---|---|---|---|
| 13 OTHER STA | 11 | 18,175 | 134.81 | 1 | 0.00 | 10.61 | 4 | 6 |
| 13 OTHER STA | 12 | 13,581 | 116.54 | 1 | 0.00 | 11.61 | 4 | 6 |
| 13 OTHER STA | 13 | 12,771 | 113.01 | 1 | 0.00 | 12.61 | 1 | 6 |
| 13 OTHER STA | 14 | 12,091 | 109.96 | 1 | 0.00 | 13.61 | 6 | 6 |
| 13 OTHER STA | 15 | 12,003 | 109.56 | 1 | 0.00 | 14.61 | 3 | 6 |
| 13 OTHER STA | 16 | 10,839 | 104.11 | 1 | 0.00 | 15.61 | 5 | 6 |
| 13 OTHER STA | 17 | 10,401 | 101.99 | 1 | 0.00 | 16.61 | 5 | 6 |
| 13 OTHER STA | 18 | 7,372 | 85.86 | 1 | 0.00 | 17.61 | 1 | 6 |
| 13 OTHER STA | 19 | 6,142 | 78.37 | 1 | 0.00 | 18.61 | 3 | 6 |
| 13 OTHER STA | 20 | 4,749 | 68.91 | 1 | 0.00 | 19.61 | 5 | 6 |
| 13 OTHER STA | 21 | 3,676 | 60.63 | 1 | 0.00 | 20.61 | 5 | 6 |
| 13 OTHER STA | 22 | 959 | 30.97 | 1 | 0.00 | 21.61 | 2 | 6 |
| 13 OTHER STA | 23 | 882 | 29.70 | 1 | 0.00 | 22.61 | 4 | 6 |
| 13 OTHER STA | 24 | 799 | 28.27 | 1 | 0.00 | 23.61 | 6 | 6 |
| NEBRASKA | 1 | 128,935 | 359.08 | 1 | 0.00 | 0.83 | 6 | 6 |
| NEBRASKA | 2 | 85,106 | 291.73 | 1 | 0.00 | 1.83 | 1 | 6 |
| NEBRASKA | 3 | 50,913 | 225.64 | 1 | 0.00 | 2.83 | 2 | 6 |
| NEBRASKA | 4 | 28,010 | 167.36 | 1 | 0.00 | 3.83 | 3 | 6 |
| NEBRASKA | 5 | 25,902 | 160.94 | 1 | 0.00 | 4.83 | 4 | 6 |
| NEBRASKA | 6 | 19,410 | 139.32 | 1 | 0.00 | 5.83 | 6 | 6 |
| NEBRASKA | 7 | 18,574 | 136.29 | 1 | 0.00 | 6.83 | 2 | 6 |
| NEBRASKA | 8 | 15,045 | 122.66 | 1 | 0.00 | 7.83 | 4 | 6 |
| NEBRASKA | 9 | 8,795 | 93.78 | 1 | 0.00 | 8.83 | 5 | 6 |
| NEBRASKA | 10 | 8,305 | 91.13 | 1 | 0.00 | 9.83 | 1 | 6 |
| NEBRASKA | 11 | 883 | 29.72 | 1 | 0.00 | 10.83 | 5 | 6 |
| SOUTH DAKOTA | 1 | 314,364 | 560.68 | 1 | 0.00 | 0.38 | 4 | 6 |
| SOUTH DAKOTA | 2 | 111,563 | 334.01 | 1 | 0.00 | 1.38 | 5 | 6 |
| SOUTH DAKOTA | 3 | 106,523 | 326.38 | 1 | 0.00 | 2.38 | 3 | 6 |
| SOUTH DAKOTA | 4 | 100,795 | 317.48 | 1 | 0.00 | 3.38 | 4 | 6 |
| SOUTH DAKOTA | 5 | 62,053 | 249.10 | 1 | 0.00 | 4.38 | 5 | 6 |
| SOUTH DAKOTA | 6 | 57,008 | 238.76 | 1 | 0.00 | 5.38 | 6 | 6 |
| SOUTH DAKOTA | 7 | 43,602 | 208.81 | 1 | 0.00 | 6.38 | 5 | 6 |
| SOUTH DAKOTA | 8 | 43,524 | 208.62 | 1 | 0.00 | 7.38 | 6 | 6 |
| SOUTH DAKOTA | 9 | 32,094 | 179.15 | 1 | 0.00 | 8.38 | 6 | 6 |
| SOUTH DAKOTA | 10 | 31,356 | 177.08 | 1 | 0.00 | 9.38 | 2 | 6 |
| SOUTH DAKOTA | 11 | 30,547 | 174.78 | 1 | 0.00 | 10.38 | 1 | 6 |
| SOUTH DAKOTA | 12 | 29,403 | 171.47 | 1 | 0.00 | 11.38 | 1 | 6 |
| SOUTH DAKOTA | 13 | 28,613 | 169.15 | 1 | 0.00 | 12.38 | 3 | 6 |
| SOUTH DAKOTA | 14 | 24,318 | 155.94 | 1 | 0.00 | 13.38 | 2 | 6 |
| SOUTH DAKOTA | 15 | 14,992 | 122.44 | 1 | 0.00 | 14.38 | 3 | 6 |
| SOUTH DAKOTA | 16 | 12,254 | 110.70 | 1 | 0.00 | 15.38 | 2 | 6 |
| SOUTH DAKOTA | 17 | 8,362 | 91.44 | 1 | 0.00 | 16.38 | 1 | 6 |

APPENDIX B1

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - GENERAL SUPPORT FACILITIES | GSF | 1110833 | 429365 | 189958 | 198196 | 37471 | 3739 | 0 | 1001 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5612760 | 3379793 | 386384 | 2694574 | 288868 | 9966 | 0 | 1001 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - - COE CAT 3 | COE3 | 3170088 | 2694574 | 0 | 2694574 | 0 | 0 | 0 | 1001 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - - COE CAT 4.12 | COE412 | 76894 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - - COE CAT 4.13 | COE413 | 1560348 | 390033 | 386384 | 0 | 0 | 3649 | 0 | 1001 |
| - - COE CAT 4.2 | COE42 | 213285 | 117907 | 0 | 0 | 111590 | 6317 | 0 | 1001 |
| - - COE CAT 4.3 | COE43 | 592147 | 177278 | 0 | 0 | 177278 | 0 | 0 | 1001 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - CABLE & WIRE FACILITIES | CWF | 9489537 | 2457620 | 2196183 | 0 | 220565 | 40872 | 0 | 1001 |
| - - C&WF CAT 1.1 | CWF11 | 63445 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - - C&WF CAT 1.2 | CWF12 | 20742 | 20742 | 0 | 0 | 0 | 20742 | 0 | 1001 |
| - - C&WF CAT 1.3 | CWF13 | 8784734 | 2196183 | 2196183 | 0 | 0 | 0 | 0 | 1001 |
| - - C&WF CAT 2 | CWF2 | 26570 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - - C&WF CAT 3 | CWF3 | 315053 | 157170 | 0 | 0 | 137040 | 20130 | 0 | 1001 |
| - - C&WF CAT 4 | CWF4 | 278993 | 83525 | 0 | 0 | 83525 | 0 | 0 | 1001 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| TELCOM PLANT-OTHER | PLTOTH | 201800 | 78001 | 34509 | 36005 | 6807 | 679 | 0 | 1001 |
| ACCUM DEPRECIATION | ACCDEP | 12595155 | 4832413 | 2142053 | 2183223 | 464505 | 42632 | 0 | 1001 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| NET DEFERRED FIT | NTDFIT | 123350 | 47680 | 21092 | 22011 | 4161 | 415 | 0 | 1001 |
| NETWORK SUPPORT EXP | NETSPX | 5033 | 1945 | 861 | 898 | 170 | 17 | 0 | 1001 |
| GENERAL SUPPORT EXP | GSFX | 71614 | 27681 | 12246 | 12777 | 2416 | 241 | 0 | 1001 |
| COE EXPENSE | COEX | 252372 | 151969 | 41896 | 77671 | 31322 | 1081 | 0 | 1001 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| C&WF EXPENSE | CWFX | 479760 | 124249 | 111032 | 0 | 11151 | 2066 | 0 | 1001 |
| OTHER PROP & PL EXP | OTHPPX | 185333 | 71636 | 31693 | 33067 | 6252 | 624 | 0 | 1001 |
| NETWORK OPERATIONS EXP | NETOPX | 295928 | 114384 | 50605 | 52800 | 9982 | 996 | 0 | 1001 |
| DEPREC & AMORT EXP | DEPAMX | 835446 | 361100 | 132540 | 206181 | 19840 | 2539 | 0 | 1001 |
| MARKETING EXPENSE | MRKTX | 203470 | 78010 | 34513 | 36010 | 6808 | 679 | 0 | 1001 |
| SERVICES EXPENSE | SERVX | 584271 | 203429 | 58220 | 33538 | 4945 | 291 | 106435 | 1001 |
| - CABSX EXPENSE | CABSX | 33128 | 16564 | 0 | 13713 | 2593 | 259 | 0 | 1001 |
| EXEC & PLANNING EXP | EXEPLX | 424549 | 157129 | 74260 | 47309 | 14004 | 1150 | 20406 | 1001 |
| GENERAL & ADMIN EXP | GENADX | 579657 | 238377 | 112659 | 71772 | 21246 | 1744 | 30957 | 1001 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 250874 | 98281 | 43412 | 46160 | 7862 | 847 | 0 | 1001 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1001 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 145650 | 57713 | 25533 | 26641 | 5037 | 503 | 0 | 1001 |

APPENDIX B1

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 629569 | 180784 | 66061 | 72098 | 13580 | 29045 | 0 | 1002 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| - GENERAL SUPPORT FACILITIES | GSF | 5624128 | 2184353 | 798189 | 871133 | 164085 | 350946 | 0 | 1002 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13591485 | 6872800 | 680957 | 4538114 | 728596 | 925132 | 0 | 1002 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| - - COE CAT 2 | COE2 | 130692 | 70346 | 0 | 0 | 70346 | 0 | 0 | 1002 |
| - - COE CAT 3 | COE3 | 7272817 | 4538114 | 0 | 4538114 | 0 | 0 | 0 | 1002 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| - - COE CAT 4.12 | COE412 | 15306 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| - - COE CAT 4.13 | COE413 | 2728619 | 682984 | 680957 | 0 | 0 | 2026 | 0 | 1002 |
| - - COE CAT 4.2 | COE42 | 2438029 | 1301042 | 0 | 0 | 377936 | 923106 | 0 | 1002 |
| - - COE CAT 4.3 | COE43 | 1006022 | 280314 | 0 | 0 | 280314 | 0 | 0 | 1002 |
| - INFORMATION ORIG/TERM | IOT | 105121 | 26280 | 26280 | 0 | 0 | 0 | 0 | 1002 |
| - CABLE & WIRE FACILITIES | CWF | 15601959 | 4480177 | 3450881 | 0 | 126196 | 903099 | 0 | 1002 |
| - - C&WF CAT 1.1 | CWF11 | 14002 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| - - C&WF CAT 1.2 | CWF12 | 10268 | 10268 | 0 | 0 | 0 | 10268 | 0 | 1002 |
| - - C&WF CAT 1.3 | CWF13 | 13803525 | 3450881 | 3450881 | 0 | 0 | 0 | 0 | 1002 |
| - - C&WF CAT 2 | CWF2 | 49899 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| - - C&WF CAT 3 | CWF3 | 1271356 | 892831 | 0 | 0 | 0 | 892831 | 0 | 1002 |
| - - C&WF CAT 4 | CWF4 | 452908 | 126196 | 0 | 0 | 126196 | 0 | 0 | 1002 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| TELCOM PLANT-OTHER | PLTOTH | 340835 | 132377 | 48372 | 52793 | 9944 | 21268 | 0 | 1002 |
| ACCUM DEPRECIATION | ACCDEP | 24099296 | 9351760 | 3422208 | 3711149 | 708671 | 1509732 | 0 | 1002 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| NET DEFERRED FIT | NTDFIT | 660451 | 263765 | 90455 | 119166 | 16808 | 37336 | 0 | 1002 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| GENERAL SUPPORT EXP | GSFX | 182822 | 71006 | 25947 | 28318 | 5334 | 11408 | 0 | 1002 |
| COE EXPENSE | COEX | 538856 | 272483 | 8433 | 240711 | 11883 | 11457 | 0 | 1002 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| C&WF EXPENSE | CWFX | 631950 | 181467 | 139776 | 0 | 5112 | 36580 | 0 | 1002 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| NETWORK OPERATIONS EXP | NETOPX | 699812 | 271800 | 99319 | 108395 | 20417 | 43668 | 0 | 1002 |
| DEPREC & AMORT EXP | DEPAMX | 1848560 | 743330 | 247578 | 337137 | 50799 | 107816 | 0 | 1002 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| SERVICES EXPENSE | SERVX | 1129333 | 371423 | 108840 | 90535 | 15388 | 12763 | 143897 | 1002 |
| - CABSX EXPENSE | CABSX | 93964 | 46982 | 0 | 29526 | 5561 | 11895 | 0 | 1002 |
| EXEC & PLANNING EXP | EXEPLX | 398209 | 145637 | 55212 | 53846 | 6689 | 13333 | 16558 | 1002 |
| GENERAL & ADMIN EXP | GENADX | 1077369 | 438046 | 166065 | 161956 | 20119 | 40104 | 49801 | 1002 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 632676 | 246211 | 89985 | 98265 | 18442 | 39520 | 0 | 1002 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1002 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 285820 | 111034 | 40573 | 44281 | 8341 | 17839 | 0 | 1002 |

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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 111516 | 28185 | 16389 | 5250 | 1632 | 4903 | 11 | 1003 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| - GENERAL SUPPORT FACILITIES | GSF | 2817415 | 933483 | 539439 | 172797 | 53714 | 161367 | 6165 | 1003 |
| - CENTRAL OFFICE EQUIPMENT | COE | 20263062 | 8620749 | 2588433 | 2742700 | 857233 | 2432383 | 0 | 1003 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| - - COE CAT 3 | COE3 | 5399367 | 2712098 | 0 | 2712098 | 0 | 0 | 0 | 1003 |
| - - COE CAT 4.11 | COE411 | 2384704 | 2384704 | 0 | 0 | 0 | 2384704 | 0 | 1003 |
| - - COE CAT 4.12 | COE412 | 42683 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| - - COE CAT 4.13 | COE413 | 10455348 | 2606422 | 2588433 | 0 | 0 | 17990 | 0 | 1003 |
| - - COE CAT 4.2 | COE42 | 1949225 | 886583 | 0 | 0 | 856894 | 29690 | 0 | 1003 |
| - - COE CAT 4.3 | COE43 | 1133 | 339 | 0 | 0 | 339 | 0 | 0 | 1003 |
| - INFORMATION ORIG/TERM | IOT | 29894 | 7474 | 7474 | 0 | 0 | 0 | 0 | 1003 |
| - CABLE & WIRE FACILITIES | CWF | 24626448 | 6224150 | 6061814 | 0 | 4856 | 157480 | 0 | 1003 |
| - - C&WF CAT 1.1 | CWF11 | 195845 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| - - C&WF CAT 1.2 | CWF12 | 42130 | 42130 | 0 | 0 | 0 | 42130 | 0 | 1003 |
| - - C&WF CAT 1.3 | CWF13 | 24247256 | 6061814 | 6061814 | 0 | 0 | 0 | 0 | 1003 |
| - - C&WF CAT 2 | CWF2 | 1780 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| - - C&WF CAT 3 | CWF3 | 130812 | 117626 | 0 | 0 | 2276 | 115350 | 0 | 1003 |
| - - C&WF CAT 4 | CWF4 | 8625 | 2581 | 0 | 0 | 2581 | 0 | 0 | 1003 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| TELCOM PLANT-OTHER | PLTOTH | 367336 | 121661 | 70772 | 22670 | 7047 | 21171 | 0 | 1003 |
| ACCUM DEPRECIATION | ACCDEP | 31426104 | 10448537 | 5871415 | 2657477 | 471601 | 1443716 | 4329 | 1003 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| NET DEFERRED FIT | NTDFIT | 393361 | 130280 | 75786 | 24276 | 7546 | 22671 | 0 | 1003 |
| NETWORK SUPPORT EXP | NETSPX | 4119 | 1365 | 794 | 254 | 79 | 237 | 1 | 1003 |
| GENERAL SUPPORT EXP | GSFX | 675819 | 223917 | 129396 | 41449 | 12885 | 38708 | 1479 | 1003 |
| COE EXPENSE | COEX | 801179 | 342065 | 78974 | 162723 | 26155 | 74213 | 0 | 1003 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| C&WF EXPENSE | CWFX | 879928 | 222395 | 216595 | 0 | 174 | 5627 | 0 | 1003 |
| OTHER PROP & PL EXP | OTHPPX | 12115 | 4014 | 2335 | 748 | 233 | 698 | 0 | 1003 |
| NETWORK OPERATIONS EXP | NETOPX | 916250 | 303578 | 176597 | 56569 | 17585 | 52827 | 0 | 1003 |
| DEPREC & AMORT EXP | DEPAMX | 3160389 | 1078867 | 553669 | 366522 | 38550 | 119765 | 362 | 1003 |
| MARKETING EXPENSE | MRKTX | 411654 | 154612 | 89906 | 28799 | 8952 | 26894 | 60 | 1003 |
| SERVICES EXPENSE | SERVX | 1508306 | 727069 | 392466 | 150335 | 35671 | 51371 | 97226 | 1003 |
| - CABSX EXPENSE | CABSX | 64463 | 45659 | 0 | 20341 | 6323 | 18995 | 0 | 1003 |
| EXEC & PLANNING EXP | EXEPLX | 702423 | 272074 | 157723 | 56522 | 13042 | 32124 | 12662 | 1003 |
| GENERAL & ADMIN EXP | GENADX | 1669113 | 736372 | 426881 | 152977 | 35299 | 86945 | 34270 | 1003 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 712506 | 245381 | 145890 | 34698 | 16278 | 48486 | 30 | 1003 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1003 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 162665 | 53449 | 33027 | 3178 | 4366 | 12859 | 18 | 1003 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 47235 | 12112 | 2293 | 8498 | 789 | 531 | 0 | 1004 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - GENERAL SUPPORT FACILITIES | GSF | 497617 | 272356 | 51568 | 191090 | 17751 | 11947 | 0 | 1004 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1913382 | 1250853 | 96729 | 1012425 | 79734 | 61964 | 0 | 1004 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - - COE CAT 3 | COE3 | 1191089 | 984716 | 0 | 984716 | 0 | 0 | 0 | 1004 |
| - - COE CAT 4.11 | COE411 | 61964 | 61964 | 0 | 0 | 0 | 61964 | 0 | 1004 |
| - - COE CAT 4.12 | COE412 | 76375 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - - COE CAT 4.13 | COE413 | 389923 | 96729 | 96729 | 0 | 0 | 0 | 0 | 1004 |
| - - COE CAT 4.2 | COE42 | 159261 | 79734 | 0 | 0 | 79734 | 0 | 0 | 1004 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - CABLE & WIRE FACILITIES | CWF | 795231 | 203916 | 183962 | 0 | 16890 | 3064 | 0 | 1004 |
| - - C&WF CAT 1.1 | CWF11 | 5717 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - - C&WF CAT 1.3 | CWF13 | 735846 | 183962 | 183962 | 0 | 0 | 0 | 0 | 1004 |
| - - C&WF CAT 2 | CWF2 | 19932 | 3064 | 0 | 0 | 0 | 3064 | 0 | 1004 |
| - - C&WF CAT 3 | CWF3 | 33736 | 16890 | 0 | 0 | 16890 | 0 | 0 | 1004 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| - TANGIBLES | TANGIB | 4562 | 2497 | 473 | 1752 | 163 | 110 | 0 | 1004 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| TELCOM PLANT-OTHER | PLTOTH | 30594 | 16745 | 3170 | 11748 | 1091 | 734 | 0 | 1004 |
| ACCUM DEPRECIATION | ACCDEP | 1908074 | 993976 | 231253 | 692977 | 45350 | 24396 | 0 | 1004 |
| ACCUM AMORTIZATION | ACCAMO | 4562 | 2497 | 473 | 1752 | 163 | 110 | 0 | 1004 |
| NET DEFERRED FIT | NTDFIT | 363859 | 261088 | 14859 | 231662 | 8360 | 6207 | 0 | 1004 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| GENERAL SUPPORT EXP | GSFX | 21433 | 11731 | 2221 | 8230 | 765 | 515 | 0 | 1004 |
| COE EXPENSE | COEX | 214211 | 143140 | 15524 | 104876 | 12796 | 9944 | 0 | 1004 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| C&WF EXPENSE | CWFX | 48393 | 12409 | 11195 | 0 | 1028 | 186 | 0 | 1004 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| NETWORK OPERATIONS EXP | NETOPX | 130293 | 71312 | 13502 | 50034 | 4648 | 3128 | 0 | 1004 |
| DEPREC & AMORT EXP | DEPAMX | 188071 | 123856 | 11887 | 103541 | 4947 | 3482 | 0 | 1004 |
| MARKETING EXPENSE | MRKTX | 1359 | 621 | 118 | 436 | 40 | 27 | 0 | 1004 |
| SERVICES EXPENSE | SERVX | 120920 | 52734 | 6356 | 27925 | 2547 | 1714 | 14192 | 1004 |
| - CABSX EXPENSE | CABSX | 34860 | 17430 | 0 | 15085 | 1401 | 943 | 0 | 1004 |
| EXEC & PLANNING EXP | EXEPLX | 205684 | 111876 | 19308 | 72941 | 8313 | 5909 | 5405 | 1004 |
| GENERAL & ADMIN EXP | GENADX | 233172 | 143866 | 24829 | 93797 | 10689 | 7599 | 6951 | 1004 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 27679 | 15276 | 2892 | 10718 | 996 | 670 | 0 | 1004 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1004 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 69383 | 21723 | 6905 | 7460 | 496 | 6824 | 38 | 1005 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| - GENERAL SUPPORT FACILITIES | GSF | 4206801 | 1994802 | 629137 | 679673 | 45196 | 621718 | 19077 | 1005 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8664101 | 5776311 | 611381 | 3102200 | 131841 | 1930889 | 0 | 1005 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| - - COE CAT 3 | COE3 | 3763618 | 3102200 | 0 | 3102200 | 0 | 0 | 0 | 1005 |
| - - COE CAT 4.11 | COE411 | 1538669 | 1500971 | 0 | 0 | 0 | 1500971 | 0 | 1005 |
| - - COE CAT 4.12 | COE412 | 33982 | 9667 | 0 | 0 | 9667 | 0 | 0 | 1005 |
| - - COE CAT 4.13 | COE413 | 2567326 | 653570 | 611381 | 0 | 0 | 42188 | 0 | 1005 |
| - - COE CAT 4.2 | COE42 | 607195 | 472535 | 0 | 0 | 84805 | 387730 | 0 | 1005 |
| - - COE CAT 4.3 | COE43 | 149261 | 37369 | 0 | 0 | 37369 | 0 | 0 | 1005 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| - CABLE & WIRE FACILITIES | CWF | 10353165 | 3241391 | 2260158 | 0 | 74444 | 906789 | 0 | 1005 |
| - - C&WF CAT 1.1 | CWF11 | 59060 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| - - C&WF CAT 1.2 | CWF12 | 27890 | 27890 | 0 | 0 | 0 | 27890 | 0 | 1005 |
| - - C&WF CAT 1.3 | CWF13 | 9040630 | 2260158 | 2260158 | 0 | 0 | 0 | 0 | 1005 |
| - - C&WF CAT 2 | CWF2 | 329795 | 291478 | 0 | 0 | 5716 | 285762 | 0 | 1005 |
| - - C&WF CAT 3 | CWF3 | 709456 | 615215 | 0 | 0 | 22078 | 593137 | 0 | 1005 |
| - - C&WF CAT 4 | CWF4 | 186333 | 46650 | 0 | 0 | 46650 | 0 | 0 | 1005 |
| - TANGIBLES | TANGIB | 46311 | 45208 | 316 | 341 | 23 | 44526 | 2 | 1005 |
| - INTANGIBLES | INTANG | 98720 | 46910 | 14912 | 16110 | 1071 | 14736 | 81 | 1005 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| ACCUM DEPRECIATION | ACCDEP | 15808867 | 7841469 | 2238720 | 2982480 | 174934 | 2433777 | 11557 | 1005 |
| ACCUM AMORTIZATION | ACCAMO | 123 | 58 | 18 | 20 | 1 | 18 | 0 | 1005 |
| NET DEFERRED FIT | NTDFIT | 554841 | 262512 | 83529 | 90315 | 6003 | 82665 | 0 | 1005 |
| NETWORK SUPPORT EXP | NETSPX | 13014 | 6171 | 1962 | 2119 | 141 | 1939 | 11 | 1005 |
| GENERAL SUPPORT EXP | GSFX | 272803 | 129359 | 40798 | 44076 | 2931 | 40317 | 1237 | 1005 |
| COE EXPENSE | COEX | 257963 | 171983 | 10093 | 127837 | 2177 | 31876 | 0 | 1005 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| C&WF EXPENSE | CWFX | 189517 | 59334 | 41373 | 0 | 1363 | 16599 | 0 | 1005 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| NETWORK OPERATIONS EXP | NETOPX | 424123 | 201113 | 64041 | 69185 | 4601 | 63286 | 0 | 1005 |
| DEPREC & AMORT EXP | DEPAMX | 1233179 | 668427 | 150730 | 355762 | 9986 | 151228 | 722 | 1005 |
| MARKETING EXPENSE | MRKTX | 205014 | 95860 | 30472 | 32920 | 2189 | 30113 | 166 | 1005 |
| SERVICES EXPENSE | SERVX | 536090 | 167973 | 32711 | 45172 | 2836 | 32016 | 55237 | 1005 |
| - CABSX EXPENSE | CABSX | 126251 | 63125 | 0 | 31862 | 2119 | 29145 | 0 | 1005 |
| EXEC & PLANNING EXP | EXEPLX | 107775 | 46530 | 15324 | 16428 | 830 | 11051 | 2897 | 1005 |
| GENERAL & ADMIN EXP | GENADX | 842967 | 368129 | 121238 | 129973 | 6568 | 87433 | 22916 | 1005 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 173231 | 78280 | 28701 | 22081 | 1838 | 25556 | 104 | 1005 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1005 |
| NON-OPERATING INC & EXP | NONOPX | 496 | 216 | 69 | 74 | 5 | 68 | 0 | 1005 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 115538 | 49347 | 15687 | 16947 | 1127 | 15502 | 85 | 1005 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 23336 | 6637 | 2597 | 2502 | 126 | 1406 | 6 | 1006 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - GENERAL SUPPORT FACILITIES | GSF | 782029 | 336770 | 130661 | 125912 | 6353 | 70758 | 3086 | 1006 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2955690 | 1814470 | 259925 | 1082416 | 43285 | 428844 | 0 | 1006 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - - COE CAT 3 | COE3 | 1273431 | 1081149 | 0 | 1081149 | 0 | 0 | 0 | 1006 |
| - - COE CAT 4.11 | COE411 | 319347 | 289040 | 0 | 0 | 0 | 289040 | 0 | 1006 |
| - - COE CAT 4.12 | COE412 | 44779 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - - COE CAT 4.13 | COE413 | 1068524 | 272263 | 259925 | 0 | 0 | 12338 | 0 | 1006 |
| - - COE CAT 4.2 | COE42 | 247285 | 170751 | 0 | 0 | 43285 | 127465 | 0 | 1006 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - CABLE & WIRE FACILITIES | CWF | 3713291 | 1056166 | 864633 | 0 | 11389 | 180144 | 0 | 1006 |
| - - C&WF CAT 1.1 | CWF11 | 16648 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - - C&WF CAT 1.2 | CWF12 | 11098 | 11098 | 0 | 0 | 0 | 11098 | 0 | 1006 |
| - - C&WF CAT 1.3 | CWF13 | 3458531 | 864633 | 864633 | 0 | 0 | 0 | 0 | 1006 |
| - - C&WF CAT 2 | CWF2 | 144261 | 120406 | 0 | 0 | 0 | 120406 | 0 | 1006 |
| - - C&WF CAT 3 | CWF3 | 82753 | 60029 | 0 | 0 | 11389 | 48640 | 0 | 1006 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| - TANGIBLES | TANGIB | 109225 | 109225 | 0 | 0 | 0 | 109225 | 0 | 1006 |
| - INTANGIBLES | INTANG | 58394 | 25627 | 10025 | 9661 | 487 | 5429 | 25 | 1006 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| ACCUM DEPRECIATION | ACCDEP | 4206448 | 1686118 | 763611 | 440605 | 34785 | 444789 | 2328 | 1006 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| NET DEFERRED FIT | NTDFIT | 572072 | 245485 | 96662 | 92094 | 4661 | 52068 | 0 | 1006 |
| NETWORK SUPPORT EXP | NETSPX | 12921 | 5564 | 2177 | 2098 | 106 | 1179 | 5 | 1006 |
| GENERAL SUPPORT EXP | GSFX | 110052 | 47392 | 18387 | 17719 | 894 | 9957 | 434 | 1006 |
| COE EXPENSE | COEX | 86603 | 53202 | 5758 | 36984 | 959 | 9501 | 0 | 1006 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| C&WF EXPENSE | CWFX | 73213 | 20824 | 17048 | 0 | 225 | 3552 | 0 | 1006 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| NETWORK OPERATIONS EXP | NETOPX | 173614 | 74764 | 29276 | 28212 | 1423 | 15854 | 0 | 1006 |
| DEPREC & AMORT EXP | DEPAMX | 592497 | 295452 | 84829 | 106962 | 5749 | 97592 | 320 | 1006 |
| MARKETING EXPENSE | MRKTX | 94222 | 40249 | 15745 | 15173 | 766 | 8527 | 39 | 1006 |
| SERVICES EXPENSE | SERVX | 246763 | 88725 | 10762 | 21808 | 1100 | 9877 | 45177 | 1006 |
| - CABSX EXPENSE | CABSX | 52813 | 26407 | 0 | 16377 | 826 | 9203 | 0 | 1006 |
| EXEC & PLANNING EXP | EXEPLX | 76048 | 31321 | 12224 | 10060 | 451 | 4820 | 3765 | 1006 |
| GENERAL & ADMIN EXP | GENADX | 373326 | 153993 | 60103 | 49463 | 2219 | 23697 | 18511 | 1006 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 53362 | 26314 | 7838 | 12498 | 421 | 5550 | 7 | 1006 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1006 |
| NON-OPERATING INC & EXP | NONOPX | 100 | 41 | 16 | 16 | 1 | 9 | 0 | 1006 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 32451 | 16074 | 6288 | 6059 | 306 | 3405 | 15 | 1006 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 108482 | 27095 | 12979 | 13154 | 225 | 662 | 74 | 1007 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - GENERAL SUPPORT FACILITIES | GSF | 556936 | 219241 | 101808 | 103186 | 1767 | 5196 | 7285 | 1007 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2519113 | 1522027 | 257501 | 1189116 | 15529 | 59881 | 0 | 1007 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - - COE CAT 3 | COE3 | 1398960 | 1189116 | 0 | 1189116 | 0 | 0 | 0 | 1007 |
| - - COE CAT 4.11 | COE411 | 59881 | 59881 | 0 | 0 | 0 | 59881 | 0 | 1007 |
| - - COE CAT 4.12 | COE412 | 4833 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - - COE CAT 4.13 | COE413 | 1033735 | 257501 | 257501 | 0 | 0 | 0 | 0 | 1007 |
| - - COE CAT 4.2 | COE42 | 21704 | 15529 | 0 | 0 | 15529 | 0 | 0 | 1007 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - CABLE & WIRE FACILITIES | CWF | 3685781 | 920569 | 915735 | 0 | 4834 | 0 | 0 | 1007 |
| - - C&WF CAT 1.1 | CWF11 | 13272 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - - C&WF CAT 1.3 | CWF13 | 3662939 | 915735 | 915735 | 0 | 0 | 0 | 0 | 1007 |
| - - C&WF CAT 2 | CWF2 | 2814 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - - C&WF CAT 3 | CWF3 | 6756 | 4834 | 0 | 0 | 4834 | 0 | 0 | 1007 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| TELCOM PLANT-OTHER | PLTOTH | 557694 | 218939 | 105161 | 106585 | 1825 | 5367 | 0 | 1007 |
| ACCUM DEPRECIATION | ACCDEP | 2785613 | 1344033 | 421891 | 867826 | 11155 | 37728 | 5433 | 1007 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| NET DEFERRED FIT | NTDFIT | 302542 | 118678 | 57086 | 57704 | 988 | 2900 | 0 | 1007 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| GENERAL SUPPORT EXP | GSFX | 175939 | 69259 | 32162 | 32597 | 558 | 1642 | 2301 | 1007 |
| COE EXPENSE | COEX | 89404 | 54018 | 8186 | 33412 | 10516 | 1904 | 0 | 1007 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| C&WF EXPENSE | CWFX | 76719 | 19162 | 19061 | 0 | 101 | 0 | 0 | 1007 |
| OTHER PROP & PL EXP | OTHPPX | 6807 | 2680 | 1287 | 1305 | 22 | 66 | 0 | 1007 |
| NETWORK OPERATIONS EXP | NETOPX | 107100 | 42161 | 20251 | 20525 | 351 | 1034 | 0 | 1007 |
| DEPREC & AMORT EXP | DEPAMX | 264251 | 113889 | 45802 | 63721 | 994 | 3180 | 192 | 1007 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| SERVICES EXPENSE | SERVX | 190866 | 98464 | 14281 | 21641 | 370 | 602 | 61570 | 1007 |
| - CABSX EXPENSE | CABSX | 25421 | 12711 | 0 | 11907 | 204 | 600 | 0 | 1007 |
| EXEC & PLANNING EXP | EXEPLX | 82519 | 38016 | 13147 | 14291 | 1556 | 685 | 8338 | 1007 |
| GENERAL & ADMIN EXP | GENADX | 355778 | 178874 | 61857 | 67243 | 7321 | 3223 | 39230 | 1007 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 87269 | 34421 | 16533 | 16757 | 287 | 844 | 0 | 1007 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1007 |
| NON-OPERATING INC & EXP | NONOPX | 546 | 270 | 129 | 131 | 2 | 7 | 1 | 1007 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 132825 | 44239 | 28159 | 14717 | 368 | 929 | 66 | 1007 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 140760 | 37733 | 15310 | 11905 | 2125 | 8393 | 1 | 1008 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| - GENERAL SUPPORT FACILITIES | GSF | 7451988 | 3029887 | 1229216 | 955824 | 170600 | 673877 | 370 | 1008 |
| - CENTRAL OFFICE EQUIPMENT | COE | 18664994 | 12421505 | 710082 | 6867929 | 716101 | 4127394 | 0 | 1008 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| - - COE CAT 3 | COE3 | 10367030 | 6867929 | 0 | 6867929 | 0 | 0 | 0 | 1008 |
| - - COE CAT 4.11 | COE411 | 4027295 | 4027295 | 0 | 0 | 0 | 4027295 | 0 | 1008 |
| - - COE CAT 4.12 | COE412 | 136538 | 43818 | 0 | 0 | 0 | 43818 | 0 | 1008 |
| - - COE CAT 4.13 | COE413 | 2909047 | 734208 | 710082 | 0 | 0 | 24127 | 0 | 1008 |
| - - COE CAT 4.2 | COE42 | 779925 | 582225 | 0 | 0 | 550071 | 32154 | 0 | 1008 |
| - - COE CAT 4.3 | COE43 | 445159 | 166030 | 0 | 0 | 166030 | 0 | 0 | 1008 |
| - INFORMATION ORIG/TERM | IOT | 93203 | 23301 | 23301 | 0 | 0 | 0 | 0 | 1008 |
| - CABLE & WIRE FACILITIES | CWF | 34780378 | 9323325 | 8098962 | 0 | 509719 | 714644 | 0 | 1008 |
| - - C&WF CAT 1.1 | CWF11 | 508625 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| - - C&WF CAT 1.2 | CWF12 | 275183 | 275183 | 0 | 0 | 0 | 275183 | 0 | 1008 |
| - - C&WF CAT 1.3 | CWF13 | 32395849 | 8098962 | 8098962 | 0 | 0 | 0 | 0 | 1008 |
| - - C&WF CAT 2 | CWF2 | 39145 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| - - C&WF CAT 3 | CWF3 | 691989 | 624853 | 0 | 0 | 185391 | 439461 | 0 | 1008 |
| - - C&WF CAT 4 | CWF4 | 869587 | 324327 | 0 | 0 | 324327 | 0 | 0 | 1008 |
| - TANGIBLES | TANGIB | 446618 | 181589 | 73674 | 57288 | 10225 | 40389 | 13 | 1008 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| TELCOM PLANT-OTHER | PLTOTH | 300106 | 122018 | 49508 | 38497 | 6871 | 27141 | 0 | 1008 |
| ACCUM DEPRECIATION | ACCDEP | 37180641 | 15645008 | 5787856 | 5916044 | 797853 | 3143038 | 217 | 1008 |
| ACCUM AMORTIZATION | ACCAMO | 230555 | 93729 | 38030 | 29572 | 5278 | 20849 | 0 | 1008 |
| NET DEFERRED FIT | NTDFIT | 2304941 | 936272 | 380515 | 296056 | 52568 | 207134 | 0 | 1008 |
| NETWORK SUPPORT EXP | NETSPX | 190291 | 77370 | 31392 | 24410 | 4357 | 17210 | 1 | 1008 |
| GENERAL SUPPORT EXP | GSFX | 1369808 | 556947 | 225833 | 176041 | 31319 | 123685 | 71 | 1008 |
| COE EXPENSE | COEX | 1749744 | 1164450 | 10270 | 1084127 | 10357 | 59696 | 0 | 1008 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| C&WF EXPENSE | CWFX | 1725569 | 462561 | 401816 | 0 | 25289 | 35456 | 0 | 1008 |
| OTHER PROP & PL EXP | OTHPPX | 85583 | 34797 | 14119 | 10979 | 1960 | 7740 | 0 | 1008 |
| NETWORK OPERATIONS EXP | NETOPX | 1807422 | 734876 | 298173 | 231856 | 41383 | 163464 | 0 | 1008 |
| DEPREC & AMORT EXP | DEPAMX | 3593877 | 1749536 | 444362 | 781612 | 92661 | 430893 | 7 | 1008 |
| MARKETING EXPENSE | MRKTX | 788872 | 325930 | 132243 | 102831 | 18354 | 72498 | 5 | 1008 |
| SERVICES EXPENSE | SERVX | 1410137 | 317011 | 33604 | 126651 | 5175 | 37303 | 114278 | 1008 |
| - CABSX EXPENSE | CABSX | 58952 | 29476 | 0 | 15650 | 2793 | 11033 | 0 | 1008 |
| EXEC & PLANNING EXP | EXEPLX | 661315 | 265749 | 89918 | 122271 | 9618 | 35984 | 7958 | 1008 |
| GENERAL & ADMIN EXP | GENADX | 3017058 | 1244634 | 421130 | 572655 | 45044 | 168531 | 37274 | 1008 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 840338 | 444906 | 194585 | 115703 | 27149 | 107465 | 3 | 1008 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1008 |
| NON-OPERATING INC & EXP | NONOPX | 104548 | 43019 | 17454 | 13572 | 2422 | 9569 | 1 | 1008 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 538177 | 205547 | 83399 | 64850 | 11575 | 45720 | 3 | 1008 |

APPENDIX B1

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 170704 | 53038 | 20327 | 6832 | 4068 | 21811 | 0 | 1009 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| - GENERAL SUPPORT FACILITIES | GSF | 2712713 | 1156656 | 443287 | 148999 | 88707 | 475662 | 0 | 1009 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2732880 | 1932214 | 70087 | 510763 | 251028 | 1100336 | 0 | 1009 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| - - COE CAT 3 | COE3 | 697539 | 510763 | 0 | 510763 | 0 | 0 | 0 | 1009 |
| - - COE CAT 4.11 | COE411 | 471130 | 471130 | 0 | 0 | 0 | 471130 | 0 | 1009 |
| - - COE CAT 4.12 | COE412 | 30796 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| - - COE CAT 4.13 | COE413 | 287115 | 74205 | 70087 | 0 | 0 | 4118 | 0 | 1009 |
| - - COE CAT 4.2 | COE42 | 1164857 | 858113 | 0 | 0 | 233025 | 625088 | 0 | 1009 |
| - - COE CAT 4.3 | COE43 | 81443 | 18003 | 0 | 0 | 18003 | 0 | 0 | 1009 |
| - INFORMATION ORIG/TERM | IOT | 121622 | 30406 | 28719 | 0 | 0 | 1687 | 0 | 1009 |
| - CABLE & WIRE FACILITIES | CWF | 6444567 | 2002349 | 1420766 | 0 | 53057 | 528527 | 0 | 1009 |
| - - C&WF CAT 1.1 | CWF11 | 53731 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| - - C&WF CAT 1.2 | CWF12 | 83476 | 83476 | 0 | 0 | 0 | 83476 | 0 | 1009 |
| - - C&WF CAT 1.3 | CWF13 | 5683063 | 1420766 | 1420766 | 0 | 0 | 0 | 0 | 1009 |
| - - C&WF CAT 2 | CWF2 | 453460 | 440705 | 0 | 0 | 0 | 440705 | 0 | 1009 |
| - - C&WF CAT 3 | CWF3 | 81472 | 37649 | 0 | 0 | 33303 | 4346 | 0 | 1009 |
| - - C&WF CAT 4 | CWF4 | 89365 | 19754 | 0 | 0 | 19754 | 0 | 0 | 1009 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| TELCOM PLANT-OTHER | PLTOTH | 235066 | 100228 | 38412 | 12911 | 7687 | 41218 | 0 | 1009 |
| ACCUM DEPRECIATION | ACCDEP | 6022177 | 2576381 | 976891 | 448147 | 178214 | 973128 | 0 | 1009 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| NET DEFERRED FIT | NTDFIT | 762721 | 325210 | 124638 | 41889 | 24942 | 133740 | 0 | 1009 |
| NETWORK SUPPORT EXP | NETSPX | 23246 | 9912 | 3799 | 1277 | 760 | 4076 | 0 | 1009 |
| GENERAL SUPPORT EXP | GSFX | 496587 | 211736 | 81148 | 27276 | 16239 | 87074 | 0 | 1009 |
| COE EXPENSE | COEX | 404023 | 285654 | 3598 | 204239 | 21338 | 56480 | 0 | 1009 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| C&WF EXPENSE | CWFX | 307732 | 95613 | 67842 | 0 | 2534 | 25237 | 0 | 1009 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1009 |
| NETWORK OPERATIONS EXP | NETOPX | 342345 | 145970 | 55943 | 18804 | 11195 | 60029 | 0 | 1009 |
| DEPREC & AMORT EXP | DEPAMX | 612248 | 271193 | 94952 | 33825 | 23160 | 119256 | 0 | 1009 |
| MARKETING EXPENSE | MRKTX | 27321 | 9813 | 3761 | 1264 | 753 | 4036 | 0 | 1009 |
| SERVICES EXPENSE | SERVX | 373349 | 133858 | 21873 | 17708 | 7897 | 31001 | 55380 | 1009 |
| - CABSX EXPENSE | CABSX | 90492 | 45246 | 0 | 9450 | 5626 | 30169 | 0 | 1009 |
| EXEC & PLANNING EXP | EXEPLX | 715306 | 329884 | 97200 | 96177 | 21582 | 95240 | 19685 | 1009 |
| GENERAL & ADMIN EXP | GENADX | 702875 | 351326 | 103518 | 102428 | 22985 | 101430 | 20965 | 1009 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 238370 | 102218 | 39175 | 13168 | 7839 | 42036 | 0 | 1009 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 11400 | 4861 | 1863 | 626 | 373 | 1999 | 0 | 1009 |
| NON-OPERATING INC & EXP | NONOPX | 17780 | 8540 | 3273 | 1100 | 655 | 3512 | 0 | 1009 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 85082 | 35849 | 13893 | 2919 | 3033 | 16005 | 0 | 1009 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 373748 | 117483 | 33341 | 49762 | 5379 | 29001 | 0 | 1010 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| - GENERAL SUPPORT FACILITIES | GSF | 3742110 | 1607667 | 456252 | 680950 | 73614 | 396850 | 0 | 1010 |
| - CENTRAL OFFICE EQUIPMENT | COE | 12619868 | 6747854 | 480152 | 4389102 | 289834 | 1588766 | 0 | 1010 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| - - COE CAT 3 | COE3 | 8302739 | 4389102 | 0 | 4389102 | 0 | 0 | 0 | 1010 |
| - - COE CAT 4.11 | COE411 | 1164205 | 1164205 | 0 | 0 | 0 | 1164205 | 0 | 1010 |
| - - COE CAT 4.12 | COE412 | 104028 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| - - COE CAT 4.13 | COE413 | 1958134 | 495096 | 480152 | 0 | 0 | 14944 | 0 | 1010 |
| - - COE CAT 4.2 | COE42 | 880026 | 628814 | 0 | 0 | 219197 | 409617 | 0 | 1010 |
| - - COE CAT 4.3 | COE43 | 210736 | 70638 | 0 | 0 | 70638 | 0 | 0 | 1010 |
| - INFORMATION ORIG/TERM | IOT | 7400 | 1850 | 1794 | 0 | 0 | 56 | 0 | 1010 |
| - CABLE & WIRE FACILITIES | CWF | 11492697 | 3612595 | 2458848 | 0 | 184649 | 969098 | 0 | 1010 |
| - - C&WF CAT 1.1 | CWF11 | 115640 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| - - C&WF CAT 1.2 | CWF12 | 76527 | 76527 | 0 | 0 | 0 | 76527 | 0 | 1010 |
| - - C&WF CAT 1.3 | CWF13 | 9835393 | 2458848 | 2458848 | 0 | 0 | 0 | 0 | 1010 |
| - - C&WF CAT 2 | CWF2 | 962763 | 873325 | 0 | 0 | 0 | 873325 | 0 | 1010 |
| - - C&WF CAT 3 | CWF3 | 224454 | 110738 | 0 | 0 | 91492 | 19246 | 0 | 1010 |
| - - C&WF CAT 4 | CWF4 | 277920 | 93157 | 0 | 0 | 93157 | 0 | 0 | 1010 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| TELCOM PLANT-OTHER | PLTOTH | 37890 | 16278 | 4620 | 6895 | 745 | 4018 | 0 | 1010 |
| ACCUM DEPRECIATION | ACCDEP | 13915651 | 5740965 | 1821292 | 2445491 | 231859 | 1242322 | 0 | 1010 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| NET DEFERRED FIT | NTDFIT | 2122223 | 911752 | 258695 | 386395 | 41725 | 224937 | 0 | 1010 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| GENERAL SUPPORT EXP | GSFX | 255717 | 109860 | 31178 | 46533 | 5030 | 27119 | 0 | 1010 |
| COE EXPENSE | COEX | 780552 | 417362 | 9822 | 323404 | 51635 | 32501 | 0 | 1010 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| C&WF EXPENSE | CWFX | 522048 | 164100 | 111692 | 0 | 8388 | 44021 | 0 | 1010 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| NETWORK OPERATIONS EXP | NETOPX | 337424 | 144962 | 41140 | 61401 | 6638 | 35784 | 0 | 1010 |
| DEPREC & AMORT EXP | DEPAMX | 1797954 | 819844 | 177048 | 421168 | 34563 | 187065 | 0 | 1010 |
| MARKETING EXPENSE | MRKTX | 472154 | 188708 | 53555 | 79930 | 8641 | 46582 | 0 | 1010 |
| SERVICES EXPENSE | SERVX | 718933 | 204076 | 36557 | 38604 | 4104 | 11626 | 113185 | 1010 |
| - CABSX EXPENSE | CABSX | 46803 | 23402 | 0 | 13840 | 1496 | 8066 | 0 | 1010 |
| EXEC & PLANNING EXP | EXEPLX | 371576 | 146893 | 44653 | 59483 | 9134 | 21379 | 12244 | 1010 |
| GENERAL & ADMIN EXP | GENADX | 1260449 | 526711 | 160112 | 213286 | 32751 | 76658 | 43903 | 1010 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 503149 | 217823 | 61818 | 92262 | 9974 | 53769 | 0 | 1010 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1010 |
| NON-OPERATING INC & EXP | NONOPX | 13475 | 5562 | 1578 | 2356 | 255 | 1373 | 0 | 1010 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 23844 | 10622 | 2689 | 4475 | 539 | 2919 | 0 | 1010 |

APPENDIX B1

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 130119 | 34550 | 17262 | 12858 | 611 | 3818 | 0 | 1011 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| - GENERAL SUPPORT FACILITIES | GSF | 2800367 | 945697 | 472499 | 351953 | 16738 | 104508 | 0 | 1011 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4514008 | 1900493 | 366493 | 1236600 | 48261 | 249138 | 0 | 1011 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| - - COE CAT 3 | COE3 | 2596540 | 1215624 | 0 | 1215624 | 0 | 0 | 0 | 1011 |
| - - COE CAT 4.11 | COE411 | 181924 | 181924 | 0 | 0 | 0 | 181924 | 0 | 1011 |
| - - COE CAT 4.12 | COE412 | 22384 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| - - COE CAT 4.13 | COE413 | 1481985 | 378867 | 366493 | 0 | 0 | 12374 | 0 | 1011 |
| - - COE CAT 4.2 | COE42 | 197878 | 102329 | 0 | 0 | 47489 | 54840 | 0 | 1011 |
| - - COE CAT 4.3 | COE43 | 6282 | 773 | 0 | 0 | 773 | 0 | 0 | 1011 |
| - INFORMATION ORIG/TERM | IOT | 42203 | 10551 | 10551 | 0 | 0 | 0 | 0 | 1011 |
| - CABLE & WIRE FACILITIES | CWF | 5449876 | 1447085 | 1311257 | 0 | 11545 | 124283 | 0 | 1011 |
| - - C&WF CAT 1.1 | CWF11 | 13021 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| - - C&WF CAT 1.2 | CWF12 | 44273 | 44273 | 0 | 0 | 0 | 44273 | 0 | 1011 |
| - - C&WF CAT 1.3 | CWF13 | 5245029 | 1311257 | 1311257 | 0 | 0 | 0 | 0 | 1011 |
| - - C&WF CAT 2 | CWF2 | 103641 | 78765 | 0 | 0 | 0 | 78765 | 0 | 1011 |
| - - C&WF CAT 3 | CWF3 | 29077 | 10965 | 0 | 0 | 9720 | 1245 | 0 | 1011 |
| - - C&WF CAT 4 | CWF4 | 14835 | 1825 | 0 | 0 | 1825 | 0 | 0 | 1011 |
| - TANGIBLES | TANGIB | 140662 | 47502 | 23734 | 17679 | 841 | 5249 | 0 | 1011 |
| - INTANGIBLES | INTANG | 25 | 8 | 4 | 3 | 0 | 1 | 0 | 1011 |
| TELCOM PLANT-OTHER | PLTOTH | 15102 | 5100 | 2548 | 1898 | 90 | 564 | 0 | 1011 |
| ACCUM DEPRECIATION | ACCDEP | 6833926 | 2433715 | 1011002 | 1142844 | 39435 | 240435 | 0 | 1011 |
| ACCUM AMORTIZATION | ACCAMO | 71712 | 24217 | 12100 | 9013 | 429 | 2676 | 0 | 1011 |
| NET DEFERRED FIT | NTDFIT | 1183396 | 399638 | 199671 | 148731 | 7073 | 44163 | 0 | 1011 |
| NETWORK SUPPORT EXP | NETSPX | 9548 | 3224 | 1611 | 1200 | 57 | 356 | 0 | 1011 |
| GENERAL SUPPORT EXP | GSFX | 111471 | 37644 | 18808 | 14010 | 666 | 4160 | 0 | 1011 |
| COE EXPENSE | COEX | 249042 | 106009 | 3702 | 90098 | 9692 | 2517 | 0 | 1011 |
| IOT EXPENSE | IOTX | 3908 | 977 | 977 | 0 | 0 | 0 | 0 | 1011 |
| C&WF EXPENSE | CWFX | 247169 | 65630 | 59470 | 0 | 524 | 5637 | 0 | 1011 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| NETWORK OPERATIONS EXP | NETOPX | 32597 | 11008 | 5500 | 4097 | 195 | 1217 | 0 | 1011 |
| DEPREC & AMORT EXP | DEPAMX | 623074 | 223787 | 91955 | 101040 | 4505 | 26287 | 0 | 1011 |
| MARKETING EXPENSE | MRKTX | 31392 | 8211 | 4102 | 3056 | 145 | 907 | 0 | 1011 |
| SERVICES EXPENSE | SERVX | 331559 | 107397 | 14957 | 32139 | 1528 | 8702 | 50072 | 1011 |
| - CABSX EXPENSE | CABSX | 77699 | 38850 | 0 | 28895 | 1374 | 8580 | 0 | 1011 |
| EXEC & PLANNING EXP | EXEPLX | 375360 | 125403 | 48445 | 48179 | 4267 | 7828 | 16684 | 1011 |
| GENERAL & ADMIN EXP | GENADX | 553505 | 203040 | 78436 | 78007 | 6909 | 12675 | 27012 | 1011 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 189941 | 64659 | 32306 | 24064 | 1144 | 7145 | 0 | 1011 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1011 |
| NON-OPERATING INC & EXP | NONOPX | 10839 | 3833 | 1915 | 1426 | 68 | 424 | 0 | 1011 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 80932 | 25143 | 15893 | 5504 | 504 | 3242 | 0 | 1011 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 548297 | 162315 | 50787 | 67895 | 7842 | 35790 | 0 | 1012 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| - GENERAL SUPPORT FACILITIES | GSF | 7187395 | 2947669 | 922307 | 1232984 | 142419 | 649959 | 0 | 1012 |
| - CENTRAL OFFICE EQUIPMENT | COE | 24822571 | 13557413 | 578861 | 9336702 | 516513 | 3125337 | 0 | 1012 |
| - - COE CAT 1 | COE1 | 5657 | 303 | 0 | 303 | 0 | 0 | 0 | 1012 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| - - COE CAT 3 | COE3 | 17741982 | 9336399 | 0 | 9336399 | 0 | 0 | 0 | 1012 |
| - - COE CAT 4.11 | COE411 | 2646107 | 2646107 | 0 | 0 | 0 | 2646107 | 0 | 1012 |
| - - COE CAT 4.12 | COE412 | 119940 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| - - COE CAT 4.13 | COE413 | 2331723 | 588073 | 578861 | 0 | 0 | 9212 | 0 | 1012 |
| - - COE CAT 4.2 | COE42 | 1163810 | 764574 | 0 | 0 | 294556 | 470018 | 0 | 1012 |
| - - COE CAT 4.3 | COE43 | 813352 | 221957 | 0 | 0 | 221957 | 0 | 0 | 1012 |
| - INFORMATION ORIG/TERM | IOT | 1465 | 366 | 360 | 0 | 0 | 6 | 0 | 1012 |
| - CABLE & WIRE FACILITIES | CWF | 29602111 | 8763279 | 6404898 | 0 | 561943 | 1796437 | 0 | 1012 |
| - - C&WF CAT 1.1 | CWF11 | 78202 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| - - C&WF CAT 1.2 | CWF12 | 101927 | 101927 | 0 | 0 | 0 | 101927 | 0 | 1012 |
| - - C&WF CAT 1.3 | CWF13 | 25619593 | 6404898 | 6404898 | 0 | 0 | 0 | 0 | 1012 |
| - - C&WF CAT 2 | CWF2 | 1885479 | 1659308 | 0 | 0 | 0 | 1659308 | 0 | 1012 |
| - - C&WF CAT 3 | CWF3 | 335434 | 165574 | 0 | 0 | 130371 | 35203 | 0 | 1012 |
| - - C&WF CAT 4 | CWF4 | 1581476 | 431572 | 0 | 0 | 431572 | 0 | 0 | 1012 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| TELCOM PLANT-OTHER | PLTOTH | 738241 | 302765 | 94733 | 126644 | 14628 | 66759 | 0 | 1012 |
| ACCUM DEPRECIATION | ACCDEP | 36738433 | 14794754 | 4689547 | 6991325 | 599849 | 2514034 | 0 | 1012 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| NET DEFERRED FIT | NTDFIT | 2220148 | 910438 | 284877 | 381125 | 43947 | 200488 | 0 | 1012 |
| NETWORK SUPPORT EXP | NETSPX | 9275 | 3804 | 1190 | 1591 | 184 | 839 | 0 | 1012 |
| GENERAL SUPPORT EXP | GSFX | 790047 | 324011 | 101381 | 135531 | 15655 | 71444 | 0 | 1012 |
| COE EXPENSE | COEX | 1215472 | 663858 | 21102 | 439191 | 89632 | 113933 | 0 | 1012 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1012 |
| C&WF EXPENSE | CWFX | 1652391 | 489167 | 357522 | 0 | 31368 | 100277 | 0 | 1012 |
| OTHER PROP & PL EXP | OTHPPX | 205 | 84 | 26 | 35 | 4 | 19 | 0 | 1012 |
| NETWORK OPERATIONS EXP | NETOPX | 1406897 | 576992 | 180537 | 241350 | 27878 | 127226 | 0 | 1012 |
| DEPREC & AMORT EXP | DEPAMX | 4029864 | 1790321 | 387331 | 1008522 | 68190 | 326278 | 0 | 1012 |
| MARKETING EXPENSE | MRKTX | 436432 | 161361 | 50489 | 67496 | 7796 | 35580 | 0 | 1012 |
| SERVICES EXPENSE | SERVX | 1223857 | 411795 | 94413 | 117039 | 12371 | 18406 | 169567 | 1012 |
| - CABSX EXPENSE | CABSX | 111636 | 55818 | 0 | 33980 | 3925 | 17913 | 0 | 1012 |
| EXEC & PLANNING EXP | EXEPLX | 988329 | 383534 | 142756 | 132270 | 24401 | 61728 | 22379 | 1012 |
| GENERAL & ADMIN EXP | GENADX | 2373049 | 950960 | 353959 | 327960 | 60501 | 153053 | 55487 | 1012 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 953854 | 396969 | 124190 | 165792 | 19216 | 87770 | 0 | 1012 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 7495 | 3074 | 962 | 1286 | 149 | 678 | 0 | 1012 |
| NON-OPERATING INC & EXP | NONOPX | 9329 | 3704 | 1159 | 1549 | 179 | 817 | 0 | 1012 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 274043 | 117734 | 36096 | 39368 | 7103 | 35168 | 0 | 1012 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 71566 | 19849 | 8312 | 7149 | 614 | 3775 | 0 | 1013 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| - GENERAL SUPPORT FACILITIES | GSF | 1069581 | 422096 | 176745 | 152023 | 13048 | 80279 | 0 | 1013 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3832275 | 2076250 | 304286 | 1230457 | 66254 | 475253 | 0 | 1013 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| - - COE CAT 3 | COE3 | 1871833 | 1219266 | 0 | 1219266 | 0 | 0 | 0 | 1013 |
| - - COE CAT 4.11 | COE411 | 303044 | 303044 | 0 | 0 | 0 | 303044 | 0 | 1013 |
| - - COE CAT 4.12 | COE412 | 42732 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| - - COE CAT 4.13 | COE413 | 1230225 | 308646 | 304286 | 0 | 0 | 4361 | 0 | 1013 |
| - - COE CAT 4.2 | COE42 | 249675 | 205739 | 0 | 0 | 37890 | 167849 | 0 | 1013 |
| - - COE CAT 4.3 | COE43 | 115544 | 28364 | 0 | 0 | 28364 | 0 | 0 | 1013 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| - CABLE & WIRE FACILITIES | CWF | 4903503 | 1360017 | 1139279 | 0 | 40318 | 180421 | 0 | 1013 |
| - - C&WF CAT 1.1 | CWF11 | 32653 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| - - C&WF CAT 1.2 | CWF12 | 16326 | 16326 | 0 | 0 | 0 | 16326 | 0 | 1013 |
| - - C&WF CAT 1.3 | CWF13 | 4557115 | 1139279 | 1139279 | 0 | 0 | 0 | 0 | 1013 |
| - - C&WF CAT 2 | CWF2 | 107480 | 92520 | 0 | 0 | 0 | 92520 | 0 | 1013 |
| - - C&WF CAT 3 | CWF3 | 123137 | 95496 | 0 | 0 | 23922 | 71574 | 0 | 1013 |
| - - C&WF CAT 4 | CWF4 | 66792 | 16396 | 0 | 0 | 16396 | 0 | 0 | 1013 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| - INTANGIBLES | INTANG | 278 | 110 | 46 | 40 | 3 | 21 | 0 | 1013 |
| TELCOM PLANT-OTHER | PLTOTH | 99117 | 39115 | 16379 | 14088 | 1209 | 7439 | 0 | 1013 |
| ACCUM DEPRECIATION | ACCDEP | 6943323 | 2958123 | 1012961 | 1374945 | 78846 | 491371 | 0 | 1013 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| NET DEFERRED FIT | NTDFIT | 268244 | 105859 | 44327 | 38127 | 3272 | 20133 | 0 | 1013 |
| NETWORK SUPPORT EXP | NETSPX | 4968 | 1961 | 821 | 706 | 61 | 373 | 0 | 1013 |
| GENERAL SUPPORT EXP | GSFX | 73943 | 29181 | 12219 | 10510 | 902 | 5550 | 0 | 1013 |
| COE EXPENSE | COEX | 214499 | 116838 | 18342 | 65854 | 3994 | 28648 | 0 | 1013 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| C&WF EXPENSE | CWFX | 201969 | 56017 | 46925 | 0 | 1661 | 7431 | 0 | 1013 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1013 |
| NETWORK OPERATIONS EXP | NETOPX | 120976 | 47742 | 19991 | 17195 | 1476 | 9080 | 0 | 1013 |
| DEPREC & AMORT EXP | DEPAMX | 565799 | 224811 | 92936 | 78269 | 7382 | 46224 | 0 | 1013 |
| MARKETING EXPENSE | MRKTX | 21889 | 8998 | 3768 | 3241 | 278 | 1711 | 0 | 1013 |
| SERVICES EXPENSE | SERVX | 234166 | 73692 | 9733 | 24220 | 2082 | 10998 | 26659 | 1013 |
| - CABSX EXPENSE | CABSX | 67104 | 33552 | 0 | 20789 | 1784 | 10978 | 0 | 1013 |
| EXEC & PLANNING EXP | EXEPLX | 410434 | 156874 | 62586 | 51553 | 4427 | 27017 | 11291 | 1013 |
| GENERAL & ADMIN EXP | GENADX | 424305 | 184416 | 73574 | 60604 | 5204 | 31760 | 13273 | 1013 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 94427 | 34801 | 14573 | 12534 | 1076 | 6619 | 0 | 1013 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 7475 | 2950 | 1235 | 1062 | 91 | 561 | 0 | 1013 |
| NON-OPERATING INC & EXP | NONOPX | 6971 | 2850 | 1193 | 1027 | 88 | 542 | 0 | 1013 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 12492 | 3918 | 2625 | 62 | 176 | 1056 | 0 | 1013 |

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COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 51293 | 13078 | 3876 | 4916 | 234 | 4036 | 15 | 1014 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| - GENERAL SUPPORT FACILITIES | GSF | 895353 | 413558 | 122020 | 154759 | 7381 | 127068 | 2331 | 1014 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1783489 | 1134892 | 82125 | 568765 | 20570 | 463432 | 0 | 1014 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| - - COE CAT 3 | COE3 | 865962 | 552509 | 0 | 552509 | 0 | 0 | 0 | 1014 |
| - - COE CAT 4.11 | COE411 | 349366 | 349366 | 0 | 0 | 0 | 349366 | 0 | 1014 |
| - - COE CAT 4.12 | COE412 | 55157 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| - - COE CAT 4.13 | COE413 | 335530 | 85277 | 82125 | 0 | 0 | 3152 | 0 | 1014 |
| - - COE CAT 4.2 | COE42 | 139438 | 126332 | 0 | 0 | 15417 | 110915 | 0 | 1014 |
| - - COE CAT 4.3 | COE43 | 17132 | 5153 | 0 | 0 | 5153 | 0 | 0 | 1014 |
| - INFORMATION ORIG/TERM | IOT | 1038 | 260 | 260 | 0 | 0 | 0 | 0 | 1014 |
| - CABLE & WIRE FACILITIES | CWF | 1581030 | 403120 | 378877 | 0 | 7331 | 16912 | 0 | 1014 |
| - - C&WF CAT 1.1 | CWF11 | 17895 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| - - C&WF CAT 1.2 | CWF12 | 14540 | 14540 | 0 | 0 | 0 | 14540 | 0 | 1014 |
| - - C&WF CAT 1.3 | CWF13 | 1515507 | 378877 | 378877 | 0 | 0 | 0 | 0 | 1014 |
| - - C&WF CAT 2 | CWF2 | 13927 | 1972 | 0 | 0 | 0 | 1972 | 0 | 1014 |
| - - C&WF CAT 3 | CWF3 | 7518 | 4230 | 0 | 0 | 3829 | 400 | 0 | 1014 |
| - - C&WF CAT 4 | CWF4 | 11643 | 3502 | 0 | 0 | 3502 | 0 | 0 | 1014 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| TELCOM PLANT-OTHER | PLTOTH | 147494 | 68046 | 20191 | 25608 | 1221 | 21026 | 0 | 1014 |
| ACCUM DEPRECIATION | ACCDEP | 2734644 | 1247647 | 354471 | 688756 | 14006 | 189284 | 1130 | 1014 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| NET DEFERRED FIT | NTDFIT | 256304 | 118245 | 35086 | 44499 | 2122 | 36537 | 0 | 1014 |
| NETWORK SUPPORT EXP | NETSPX | 4706 | 2174 | 644 | 817 | 39 | 671 | 3 | 1014 |
| GENERAL SUPPORT EXP | GSFX | 48568 | 22433 | 6619 | 8395 | 400 | 6893 | 126 | 1014 |
| COE EXPENSE | COEX | 286493 | 184916 | 7374 | 134086 | 1847 | 41610 | 0 | 1014 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| C&WF EXPENSE | CWFX | 100239 | 25558 | 24021 | 0 | 465 | 1072 | 0 | 1014 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| NETWORK OPERATIONS EXP | NETOPX | 68870 | 31811 | 9439 | 11971 | 571 | 9829 | 0 | 1014 |
| DEPREC & AMORT EXP | DEPAMX | 290683 | 143381 | 34754 | 62414 | 2411 | 43659 | 142 | 1014 |
| MARKETING EXPENSE | MRKTX | 3297 | 589 | 174 | 221 | 11 | 182 | 1 | 1014 |
| SERVICES EXPENSE | SERVX | 143671 | 48843 | 6277 | 21089 | 775 | 9778 | 10924 | 1014 |
| - CABSX EXPENSE | CABSX | 44433 | 22217 | 0 | 11888 | 567 | 9761 | 0 | 1014 |
| EXEC & PLANNING EXP | EXEPLX | 216857 | 104985 | 21034 | 56629 | 1317 | 22460 | 3545 | 1014 |
| GENERAL & ADMIN EXP | GENADX | 377128 | 182576 | 36580 | 98481 | 2291 | 39059 | 6165 | 1014 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 61625 | 27472 | 8152 | 10339 | 493 | 8489 | 0 | 1014 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 962 | 444 | 132 | 167 | 8 | 137 | 0 | 1014 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1014 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 3803 | 1798 | 571 | 121 | 53 | 1049 | 3 | 1014 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 46274 | 13935 | 4352 | 5543 | 1375 | 2624 | 40 | 1015 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| - GENERAL SUPPORT FACILITIES | GSF | 1198179 | 565525 | 173780 | 221333 | 54920 | 104782 | 10711 | 1015 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2634634 | 1925580 | 112562 | 1247811 | 139051 | 426156 | 0 | 1015 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| - - COE CAT 3 | COE3 | 1468013 | 1247811 | 0 | 1247811 | 0 | 0 | 0 | 1015 |
| - - COE CAT 4.11 | COE411 | 364428 | 364428 | 0 | 0 | 0 | 364428 | 0 | 1015 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| - - COE CAT 4.13 | COE413 | 452947 | 114249 | 112562 | 0 | 0 | 1688 | 0 | 1015 |
| - - COE CAT 4.2 | COE42 | 188445 | 132693 | 0 | 0 | 72653 | 60041 | 0 | 1015 |
| - - COE CAT 4.3 | COE43 | 160801 | 66398 | 0 | 0 | 66398 | 0 | 0 | 1015 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| - CABLE & WIRE FACILITIES | CWF | 3992418 | 1202302 | 867159 | 0 | 170571 | 164572 | 0 | 1015 |
| - - C&WF CAT 1.1 | CWF11 | 7801 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| - - C&WF CAT 1.2 | CWF12 | 13001 | 13001 | 0 | 0 | 0 | 13001 | 0 | 1015 |
| - - C&WF CAT 1.3 | CWF13 | 3468638 | 867159 | 867159 | 0 | 0 | 0 | 0 | 1015 |
| - - C&WF CAT 2 | CWF2 | 140084 | 140084 | 0 | 0 | 0 | 140084 | 0 | 1015 |
| - - C&WF CAT 3 | CWF3 | 178056 | 105734 | 0 | 0 | 94246 | 11487 | 0 | 1015 |
| - - C&WF CAT 4 | CWF4 | 184839 | 76324 | 0 | 0 | 76324 | 0 | 0 | 1015 |
| - TANGIBLES | TANGIB | 8440 | 3984 | 1224 | 1559 | 387 | 738 | 75 | 1015 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| TELCOM PLANT-OTHER | PLTOTH | 96576 | 45450 | 14236 | 18131 | 4499 | 8584 | 0 | 1015 |
| ACCUM DEPRECIATION | ACCDEP | 5752292 | 2638275 | 882558 | 1125149 | 237058 | 387218 | 6292 | 1015 |
| ACCUM AMORTIZATION | ACCAMO | 6884 | 3188 | 998 | 1272 | 316 | 602 | 0 | 1015 |
| NET DEFERRED FIT | NTDFIT | 37102 | 17593 | 5413 | 6990 | 1759 | 3431 | 0 | 1015 |
| NETWORK SUPPORT EXP | NETSPX | 7899 | 3728 | 1164 | 1483 | 368 | 702 | 11 | 1015 |
| GENERAL SUPPORT EXP | GSFX | 77289 | 36479 | 11210 | 14277 | 3543 | 6759 | 691 | 1015 |
| COE EXPENSE | COEX | 282091 | 206172 | 15827 | 86610 | 43816 | 59919 | 0 | 1015 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1015 |
| C&WF EXPENSE | CWFX | 127724 | 38464 | 27742 | 0 | 5457 | 5265 | 0 | 1015 |
| OTHER PROP & PL EXP | OTHPPX | 7556 | 3566 | 1117 | 1423 | 353 | 674 | 0 | 1015 |
| NETWORK OPERATIONS EXP | NETOPX | 94215 | 44468 | 13928 | 17740 | 4402 | 8398 | 0 | 1015 |
| DEPREC & AMORT EXP | DEPAMX | 427588 | 248017 | 44315 | 133001 | 20593 | 49530 | 578 | 1015 |
| MARKETING EXPENSE | MRKTX | 27141 | 11385 | 3556 | 4529 | 1124 | 2144 | 33 | 1015 |
| SERVICES EXPENSE | SERVX | 173827 | 62827 | 11013 | 13433 | 3334 | 3053 | 31993 | 1015 |
| - CABSX EXPENSE | CABSX | 21521 | 10761 | 0 | 6250 | 1551 | 2959 | 0 | 1015 |
| EXEC & PLANNING EXP | EXEPLX | 298382 | 153769 | 44170 | 47549 | 21269 | 29626 | 11156 | 1015 |
| GENERAL & ADMIN EXP | GENADX | 399753 | 226462 | 65050 | 70027 | 31323 | 43631 | 16430 | 1015 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 100743 | 35180 | 10089 | 12832 | 3844 | 8354 | 62 | 1015 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 6448 | 3035 | 950 | 1211 | 300 | 573 | 0 | 1015 |
| NON-OPERATING INC & EXP | NONOPX | 3042 | 1657 | 517 | 659 | 164 | 312 | 5 | 1015 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 37720 | 18992 | 4769 | 6050 | 2338 | 5752 | 82 | 1015 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 92942 | 25448 | 10157 | 9756 | 1481 | 4054 | 0 | 1016 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| - GENERAL SUPPORT FACILITIES | GSF | 3563159 | 1469591 | 586544 | 563384 | 85530 | 234133 | 0 | 1016 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5568824 | 3547883 | 277610 | 2306926 | 302577 | 660770 | 0 | 1016 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| - - COE CAT 3 | COE3 | 2980298 | 2306926 | 0 | 2306926 | 0 | 0 | 0 | 1016 |
| - - COE CAT 4.11 | COE411 | 154841 | 154841 | 0 | 0 | 0 | 154841 | 0 | 1016 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| - - COE CAT 4.13 | COE413 | 1121677 | 282572 | 277610 | 0 | 0 | 4961 | 0 | 1016 |
| - - COE CAT 4.2 | COE42 | 1032177 | 750356 | 0 | 0 | 249389 | 500967 | 0 | 1016 |
| - - COE CAT 4.3 | COE43 | 279831 | 53188 | 0 | 0 | 53188 | 0 | 0 | 1016 |
| - INFORMATION ORIG/TERM | IOT | 16881 | 4220 | 4146 | 0 | 0 | 74 | 0 | 1016 |
| - CABLE & WIRE FACILITIES | CWF | 9004597 | 2465530 | 2120005 | 0 | 47648 | 297876 | 0 | 1016 |
| - - C&WF CAT 1.1 | CWF11 | 47916 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| - - C&WF CAT 1.2 | CWF12 | 37887 | 37887 | 0 | 0 | 0 | 37887 | 0 | 1016 |
| - - C&WF CAT 1.3 | CWF13 | 8480022 | 2120005 | 2120005 | 0 | 0 | 0 | 0 | 1016 |
| - - C&WF CAT 2 | CWF2 | 275878 | 257687 | 0 | 0 | 0 | 257687 | 0 | 1016 |
| - - C&WF CAT 3 | CWF3 | 58545 | 30116 | 0 | 0 | 27815 | 2302 | 0 | 1016 |
| - - C&WF CAT 4 | CWF4 | 104349 | 19834 | 0 | 0 | 19834 | 0 | 0 | 1016 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| TELCOM PLANT-OTHER | PLTOTH | 150893 | 62234 | 24839 | 23858 | 3622 | 9915 | 0 | 1016 |
| ACCUM DEPRECIATION | ACCDEP | 8495590 | 3813107 | 1263631 | 1929934 | 162009 | 457533 | 0 | 1016 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| NET DEFERRED FIT | NTDFIT | 1933865 | 797625 | 318330 | 305802 | 46421 | 127073 | 0 | 1016 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| GENERAL SUPPORT EXP | GSFX | 204823 | 84477 | 33717 | 32385 | 4917 | 13459 | 0 | 1016 |
| COE EXPENSE | COEX | 353644 | 225306 | 11371 | 158717 | 28153 | 27065 | 0 | 1016 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| C&WF EXPENSE | CWFX | 782019 | 214123 | 184115 | 0 | 4138 | 25870 | 0 | 1016 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| NETWORK OPERATIONS EXP | NETOPX | 614001 | 253239 | 101073 | 97082 | 14738 | 40346 | 0 | 1016 |
| DEPREC & AMORT EXP | DEPAMX | 1261672 | 564629 | 185169 | 250849 | 35935 | 92676 | 0 | 1016 |
| MARKETING EXPENSE | MRKTX | 7955 | 3471 | 1385 | 1331 | 202 | 553 | 0 | 1016 |
| SERVICES EXPENSE | SERVX | 427028 | 194947 | 32187 | 94374 | 14328 | 28946 | 25112 | 1016 |
| - CABSX EXPENSE | CABSX | 215414 | 107707 | 0 | 68717 | 10432 | 28558 | 0 | 1016 |
| EXEC & PLANNING EXP | EXEPLX | 670521 | 273496 | 111200 | 101851 | 17637 | 36146 | 6663 | 1016 |
| GENERAL & ADMIN EXP | GENADX | 1029644 | 438127 | 178137 | 163160 | 28254 | 57904 | 10673 | 1016 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 212662 | 102506 | 42883 | 35725 | 6423 | 17475 | 0 | 1016 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1016 |
| NON-OPERATING INC & EXP | NONOPX | 104295 | 43654 | 17423 | 16735 | 2541 | 6955 | 0 | 1016 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 264422 | 98370 | 47396 | 22966 | 7612 | 20395 | 0 | 1016 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 530137 | 145728 | 73972 | 44449 | 312 | 26995 | 0 | 1017 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| - GENERAL SUPPORT FACILITIES | GSF | 7428708 | 2345962 | 1190811 | 715556 | 5020 | 434575 | 0 | 1017 |
| - CENTRAL OFFICE EQUIPMENT | COE | 12115753 | 4443377 | 782324 | 2620413 | 14693 | 1025947 | 0 | 1017 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| - - COE CAT 3 | COE3 | 7382132 | 2620413 | 0 | 2620413 | 0 | 0 | 0 | 1017 |
| - - COE CAT 4.11 | COE411 | 661297 | 661297 | 0 | 0 | 0 | 661297 | 0 | 1017 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| - - COE CAT 4.13 | COE413 | 3198494 | 813434 | 782324 | 0 | 0 | 31110 | 0 | 1017 |
| - - COE CAT 4.2 | COE42 | 777411 | 333541 | 0 | 0 | 0 | 333541 | 0 | 1017 |
| - - COE CAT 4.3 | COE43 | 96419 | 14693 | 0 | 0 | 14693 | 0 | 0 | 1017 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| - CABLE & WIRE FACILITIES | CWF | 15088672 | 4147693 | 3578505 | 0 | 3691 | 565496 | 0 | 1017 |
| - - C&WF CAT 1.1 | CWF11 | 174221 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| - - C&WF CAT 1.2 | CWF12 | 142302 | 142302 | 0 | 0 | 0 | 142302 | 0 | 1017 |
| - - C&WF CAT 1.3 | CWF13 | 14314021 | 3578505 | 3578505 | 0 | 0 | 0 | 0 | 1017 |
| - - C&WF CAT 2 | CWF2 | 431887 | 422661 | 0 | 0 | 0 | 422661 | 0 | 1017 |
| - - C&WF CAT 3 | CWF3 | 2018 | 533 | 0 | 0 | 0 | 533 | 0 | 1017 |
| - - C&WF CAT 4 | CWF4 | 24223 | 3691 | 0 | 0 | 3691 | 0 | 0 | 1017 |
| - TANGIBLES | TANGIB | 2898620 | 915375 | 464645 | 279204 | 1959 | 169568 | 0 | 1017 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| TELCOM PLANT-OTHER | PLTOTH | 316918 | 100082 | 50801 | 30527 | 214 | 18540 | 0 | 1017 |
| ACCUM DEPRECIATION | ACCDEP | 16862541 | 5230263 | 2818370 | 1521665 | 9605 | 880623 | 0 | 1017 |
| ACCUM AMORTIZATION | ACCAMO | 382813 | 120891 | 61364 | 36874 | 259 | 22394 | 0 | 1017 |
| NET DEFERRED FIT | NTDFIT | 1332241 | 420748 | 213228 | 128918 | 897 | 77705 | 0 | 1017 |
| NETWORK SUPPORT EXP | NETSPX | 65747 | 20763 | 10539 | 6333 | 44 | 3846 | 0 | 1017 |
| GENERAL SUPPORT EXP | GSFX | 671562 | 212077 | 107650 | 64687 | 454 | 39286 | 0 | 1017 |
| COE EXPENSE | COEX | 382912 | 140431 | 50456 | 20584 | 3223 | 66169 | 0 | 1017 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| C&WF EXPENSE | CWFX | 728689 | 200308 | 172820 | 0 | 178 | 27310 | 0 | 1017 |
| OTHER PROP & PL EXP | OTHPPX | 103806 | 32782 | 16640 | 9999 | 70 | 6073 | 0 | 1017 |
| NETWORK OPERATIONS EXP | NETOPX | 831117 | 262464 | 133227 | 80056 | 562 | 48620 | 0 | 1017 |
| DEPREC & AMORT EXP | DEPAMX | 2248014 | 738326 | 292401 | 311397 | 1636 | 132892 | 0 | 1017 |
| MARKETING EXPENSE | MRKTX | 134916 | 30701 | 15584 | 9364 | 66 | 5687 | 0 | 1017 |
| SERVICES EXPENSE | SERVX | 495090 | 155759 | 68625 | 53674 | 376 | 13591 | 19493 | 1017 |
| - CABSX EXPENSE | CABSX | 68224 | 34112 | 0 | 21131 | 148 | 12833 | 0 | 1017 |
| EXEC & PLANNING EXP | EXEPLX | 191091 | 58653 | 34063 | 12542 | 255 | 10794 | 999 | 1017 |
| GENERAL & ADMIN EXP | GENADX | 1051898 | 388310 | 225510 | 83037 | 1687 | 71460 | 6615 | 1017 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 249267 | 114220 | 56197 | 35636 | 262 | 22125 | 0 | 1017 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1017 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 327213 | 104542 | 53065 | 31887 | 224 | 19366 | 0 | 1017 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 51805 | 13389 | 8806 | 3194 | 129 | 1259 | 0 | 1018 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| - GENERAL SUPPORT FACILITIES | GSF | 1848851 | 481212 | 316504 | 114797 | 4649 | 45262 | 0 | 1018 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2807877 | 737563 | 242467 | 401383 | 12569 | 81144 | 0 | 1018 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| - - COE CAT 3 | COE3 | 1588973 | 401383 | 0 | 401383 | 0 | 0 | 0 | 1018 |
| - - COE CAT 4.11 | COE411 | 40040 | 40040 | 0 | 0 | 0 | 40040 | 0 | 1018 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| - - COE CAT 4.13 | COE413 | 989066 | 251746 | 242467 | 0 | 0 | 9279 | 0 | 1018 |
| - - COE CAT 4.2 | COE42 | 170285 | 42818 | 0 | 0 | 10993 | 31825 | 0 | 1018 |
| - - COE CAT 4.3 | COE43 | 19513 | 1576 | 0 | 0 | 1576 | 0 | 0 | 1018 |
| - INFORMATION ORIG/TERM | IOT | 8193 | 2048 | 1973 | 0 | 0 | 75 | 0 | 1018 |
| - CABLE & WIRE FACILITIES | CWF | 3648329 | 942920 | 862199 | 0 | 3684 | 77037 | 0 | 1018 |
| - - C&WF CAT 1.1 | CWF11 | 35273 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| - - C&WF CAT 1.2 | CWF12 | 32997 | 32997 | 0 | 0 | 0 | 32997 | 0 | 1018 |
| - - C&WF CAT 1.3 | CWF13 | 3448796 | 862199 | 862199 | 0 | 0 | 0 | 0 | 1018 |
| - - C&WF CAT 2 | CWF2 | 92589 | 43061 | 0 | 0 | 0 | 43061 | 0 | 1018 |
| - - C&WF CAT 3 | CWF3 | 27844 | 3788 | 0 | 0 | 2809 | 978 | 0 | 1018 |
| - - C&WF CAT 4 | CWF4 | 10830 | 875 | 0 | 0 | 875 | 0 | 0 | 1018 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| TELCOM PLANT-OTHER | PLTOTH | 208 | 54 | 36 | 13 | 1 | 5 | 0 | 1018 |
| ACCUM DEPRECIATION | ACCDEP | 4574332 | 1191598 | 780758 | 284130 | 12054 | 114656 | 0 | 1018 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| NET DEFERRED FIT | NTDFIT | 561932 | 146258 | 96206 | 34880 | 1413 | 13759 | 0 | 1018 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| GENERAL SUPPORT EXP | GSFX | 80808 | 21032 | 13834 | 5017 | 203 | 1978 | 0 | 1018 |
| COE EXPENSE | COEX | 209393 | 55003 | 2237 | 51900 | 116 | 749 | 0 | 1018 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| C&WF EXPENSE | CWFX | 228147 | 58965 | 53917 | 0 | 230 | 4817 | 0 | 1018 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| NETWORK OPERATIONS EXP | NETOPX | 266458 | 69353 | 45615 | 16545 | 670 | 6523 | 0 | 1018 |
| DEPREC & AMORT EXP | DEPAMX | 535434 | 139951 | 90525 | 33114 | 1660 | 14653 | 0 | 1018 |
| MARKETING EXPENSE | MRKTX | 3181 | 873 | 574 | 208 | 8 | 82 | 0 | 1018 |
| SERVICES EXPENSE | SERVX | 214993 | 84570 | 8854 | 25266 | 1023 | 9469 | 39958 | 1018 |
| - CABSX EXPENSE | CABSX | 68105 | 34053 | 0 | 23734 | 961 | 9358 | 0 | 1018 |
| EXEC & PLANNING EXP | EXEPLX | 461236 | 134426 | 63297 | 42711 | 972 | 10196 | 17250 | 1018 |
| GENERAL & ADMIN EXP | GENADX | 535331 | 173839 | 81855 | 55234 | 1257 | 13186 | 22307 | 1018 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 69137 | 25707 | 16941 | 6134 | 242 | 2389 | 0 | 1018 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1018 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 144155 | 37471 | 24770 | 8945 | 339 | 3416 | 0 | 1018 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 29223 | 7643 | 3759 | 3328 | 304 | 251 | 0 | 1019 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - GENERAL SUPPORT FACILITIES | GSF | 573625 | 214106 | 105315 | 93235 | 8513 | 7044 | 0 | 1019 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1913366 | 1038734 | 205234 | 783200 | 16679 | 33621 | 0 | 1019 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - - COE CAT 3 | COE3 | 994437 | 783200 | 0 | 783200 | 0 | 0 | 0 | 1019 |
| - - COE CAT 4.11 | COE411 | 24095 | 19490 | 0 | 0 | 0 | 19490 | 0 | 1019 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - - COE CAT 4.13 | COE413 | 834494 | 209753 | 205234 | 0 | 0 | 4519 | 0 | 1019 |
| - - COE CAT 4.2 | COE42 | 60340 | 26292 | 0 | 0 | 16679 | 9612 | 0 | 1019 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - CABLE & WIRE FACILITIES | CWF | 2905259 | 759825 | 679442 | 0 | 54830 | 25553 | 0 | 1019 |
| - - C&WF CAT 1.1 | CWF11 | 29920 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - - C&WF CAT 1.2 | CWF12 | 14960 | 14960 | 0 | 0 | 0 | 14960 | 0 | 1019 |
| - - C&WF CAT 1.3 | CWF13 | 2717766 | 679442 | 679442 | 0 | 0 | 0 | 0 | 1019 |
| - - C&WF CAT 2 | CWF2 | 60999 | 9797 | 0 | 0 | 0 | 9797 | 0 | 1019 |
| - - C&WF CAT 3 | CWF3 | 81613 | 55626 | 0 | 0 | 54830 | 796 | 0 | 1019 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| TELCOM PLANT-OTHER | PLTOTH | 55109 | 20570 | 10118 | 8957 | 818 | 677 | 0 | 1019 |
| ACCUM DEPRECIATION | ACCDEP | 2518497 | 912379 | 475196 | 371993 | 38388 | 26802 | 0 | 1019 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| NETWORK SUPPORT EXP | NETSPX | 24393 | 9105 | 4478 | 3965 | 362 | 300 | 0 | 1019 |
| GENERAL SUPPORT EXP | GSFX | 45317 | 16915 | 8320 | 7366 | 673 | 557 | 0 | 1019 |
| COE EXPENSE | COEX | 101015 | 54839 | 5875 | 47525 | 477 | 962 | 0 | 1019 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| C&WF EXPENSE | CWFX | 40288 | 10537 | 9422 | 0 | 760 | 354 | 0 | 1019 |
| OTHER PROP & PL EXP | OTHPPX | 340 | 127 | 62 | 55 | 5 | 4 | 0 | 1019 |
| NETWORK OPERATIONS EXP | NETOPX | 33562 | 12527 | 6162 | 5455 | 498 | 412 | 0 | 1019 |
| DEPREC & AMORT EXP | DEPAMX | 338298 | 127117 | 61686 | 55885 | 4988 | 4557 | 0 | 1019 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| SERVICES EXPENSE | SERVX | 151412 | 60320 | 13847 | 19147 | 1509 | 1801 | 24015 | 1019 |
| - CABSX EXPENSE | CABSX | 21440 | 10720 | 0 | 9187 | 839 | 694 | 0 | 1019 |
| EXEC & PLANNING EXP | EXEPLX | 114008 | 48454 | 14199 | 24619 | 1263 | 1294 | 7079 | 1019 |
| GENERAL & ADMIN EXP | GENADX | 115974 | 56651 | 16601 | 28783 | 1477 | 1513 | 8277 | 1019 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 26993 | 10075 | 4956 | 4387 | 401 | 331 | 0 | 1019 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1019 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 82459 | 31458 | 15473 | 13699 | 1251 | 1035 | 0 | 1019 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 101385 | 27436 | 17665 | 3464 | 1750 | 4556 | 0 | 1020 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| - GENERAL SUPPORT FACILITIES | GSF | 2015875 | 550442 | 354418 | 69493 | 35119 | 91412 | 0 | 1020 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5021050 | 1408628 | 405607 | 702853 | 178598 | 121569 | 0 | 1020 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| - - COE CAT 3 | COE3 | 2411299 | 702853 | 0 | 702853 | 0 | 0 | 0 | 1020 |
| - - COE CAT 4.11 | COE411 | 11760 | 11760 | 0 | 0 | 0 | 11760 | 0 | 1020 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| - - COE CAT 4.13 | COE413 | 1714237 | 411950 | 405607 | 0 | 0 | 6343 | 0 | 1020 |
| - - COE CAT 4.2 | COE42 | 451015 | 212014 | 0 | 0 | 108547 | 103467 | 0 | 1020 |
| - - COE CAT 4.3 | COE43 | 432739 | 70051 | 0 | 0 | 70051 | 0 | 0 | 1020 |
| - INFORMATION ORIG/TERM | IOT | 1562 | 391 | 385 | 0 | 0 | 6 | 0 | 1020 |
| - CABLE & WIRE FACILITIES | CWF | 15366038 | 4158177 | 3178603 | 0 | 176601 | 802973 | 0 | 1020 |
| - - C&WF CAT 1.1 | CWF11 | 669768 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| - - C&WF CAT 1.2 | CWF12 | 49705 | 49705 | 0 | 0 | 0 | 49705 | 0 | 1020 |
| - - C&WF CAT 1.3 | CWF13 | 12714412 | 3178603 | 3178603 | 0 | 0 | 0 | 0 | 1020 |
| - - C&WF CAT 2 | CWF2 | 1112461 | 747173 | 0 | 0 | 0 | 747173 | 0 | 1020 |
| - - C&WF CAT 3 | CWF3 | 231914 | 87548 | 0 | 0 | 81453 | 6095 | 0 | 1020 |
| - - C&WF CAT 4 | CWF4 | 587778 | 95149 | 0 | 0 | 95149 | 0 | 0 | 1020 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| TELCOM PLANT-OTHER | PLTOTH | 248967 | 67981 | 43772 | 8583 | 4337 | 11290 | 0 | 1020 |
| ACCUM DEPRECIATION | ACCDEP | 13539891 | 3687505 | 2482257 | 332293 | 234174 | 638781 | 0 | 1020 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| NET DEFERRED FIT | NTDFIT | 1407134 | 393535 | 160732 | 178305 | 13363 | 41135 | 0 | 1020 |
| NETWORK SUPPORT EXP | NETSPX | 36499 | 9966 | 6417 | 1258 | 636 | 1655 | 0 | 1020 |
| GENERAL SUPPORT EXP | GSFX | 1275054 | 348158 | 224171 | 43955 | 22213 | 57819 | 0 | 1020 |
| COE EXPENSE | COEX | 381289 | 106969 | 11967 | 86145 | 5269 | 3587 | 0 | 1020 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| C&WF EXPENSE | CWFX | 1062038 | 287396 | 219692 | 0 | 12206 | 55498 | 0 | 1020 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| NETWORK OPERATIONS EXP | NETOPX | 825464 | 225396 | 145128 | 28456 | 14381 | 37432 | 0 | 1020 |
| DEPREC & AMORT EXP | DEPAMX | 1306515 | 357149 | 223154 | 50774 | 25284 | 57938 | 0 | 1020 |
| MARKETING EXPENSE | MRKTX | 201081 | 43805 | 28205 | 5530 | 2795 | 7275 | 0 | 1020 |
| SERVICES EXPENSE | SERVX | 823418 | 177904 | 30404 | 7463 | 3450 | 7912 | 128675 | 1020 |
| - CABSX EXPENSE | CABSX | 31445 | 15723 | 0 | 5574 | 2817 | 7332 | 0 | 1020 |
| EXEC & PLANNING EXP | EXEPLX | 123050 | 31441 | 18268 | 4266 | 1505 | 4226 | 3176 | 1020 |
| GENERAL & ADMIN EXP | GENADX | 1777817 | 484775 | 281674 | 65773 | 23199 | 65153 | 48976 | 1020 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 273972 | 87531 | 56226 | 11091 | 5697 | 14517 | 0 | 1020 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1020 |
| NON-OPERATING INC & EXP | NONOPX | 7439 | 2020 | 1301 | 255 | 129 | 335 | 0 | 1020 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 65686 | 17936 | 11432 | 2300 | 1243 | 2962 | 0 | 1020 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 556355 | 152640 | 106561 | 9584 | 6936 | 29338 | 221 | 1021 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| - GENERAL SUPPORT FACILITIES | GSF | 8064692 | 2387495 | 1647071 | 148142 | 107202 | 453459 | 31622 | 1021 |
| - CENTRAL OFFICE EQUIPMENT | COE | 22198626 | 7517735 | 3495337 | 1225293 | 587252 | 2209854 | 0 | 1021 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| - - COE CAT 2 | COE2 | 35777 | 19693 | 0 | 0 | 19693 | 0 | 0 | 1021 |
| - - COE CAT 3 | COE3 | 4550055 | 1225293 | 0 | 1225293 | 0 | 0 | 0 | 1021 |
| - - COE CAT 4.11 | COE411 | 1539737 | 1539737 | 0 | 0 | 0 | 1539737 | 0 | 1021 |
| - - COE CAT 4.12 | COE412 | 42764 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| - - COE CAT 4.13 | COE413 | 14318381 | 3660195 | 3495337 | 0 | 0 | 164858 | 0 | 1021 |
| - - COE CAT 4.2 | COE42 | 1624908 | 1054524 | 0 | 0 | 549265 | 505259 | 0 | 1021 |
| - - COE CAT 4.3 | COE43 | 87004 | 18294 | 0 | 0 | 18294 | 0 | 0 | 1021 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| - CABLE & WIRE FACILITIES | CWF | 43621622 | 11967884 | 10127723 | 0 | 299421 | 1540739 | 0 | 1021 |
| - - C&WF CAT 1.1 | CWF11 | 498881 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| - - C&WF CAT 1.2 | CWF12 | 477675 | 477675 | 0 | 0 | 0 | 477675 | 0 | 1021 |
| - - C&WF CAT 1.3 | CWF13 | 40510893 | 10127723 | 10127723 | 0 | 0 | 0 | 0 | 1021 |
| - - C&WF CAT 2 | CWF2 | 62730 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| - - C&WF CAT 3 | CWF3 | 1917029 | 1330017 | 0 | 0 | 266954 | 1063064 | 0 | 1021 |
| - - C&WF CAT 4 | CWF4 | 154414 | 32468 | 0 | 0 | 32468 | 0 | 0 | 1021 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| TELCOM PLANT-OTHER | PLTOTH | 66746 | 19731 | 13795 | 1241 | 898 | 3798 | 0 | 1021 |
| ACCUM DEPRECIATION | ACCDEP | 30044154 | 8880066 | 6045567 | 753224 | 398512 | 1670426 | 12338 | 1021 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| NET DEFERRED FIT | NTDFIT | 2562573 | 757535 | 529618 | 47635 | 34471 | 145810 | 0 | 1021 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| GENERAL SUPPORT EXP | GSFX | 1227742 | 363464 | 250745 | 22553 | 16320 | 69033 | 4814 | 1021 |
| COE EXPENSE | COEX | 2523453 | 854587 | 244172 | 409808 | 46234 | 154373 | 0 | 1021 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| C&WF EXPENSE | CWFX | 2553402 | 700543 | 592829 | 0 | 17527 | 90188 | 0 | 1021 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| NETWORK OPERATIONS EXP | NETOPX | 2094640 | 620103 | 433535 | 38993 | 28217 | 119358 | 0 | 1021 |
| DEPREC & AMORT EXP | DEPAMX | 5713910 | 1712952 | 1118930 | 167265 | 83119 | 341389 | 2249 | 1021 |
| MARKETING EXPENSE | MRKTX | 759529 | 239606 | 167275 | 15045 | 10887 | 46053 | 346 | 1021 |
| SERVICES EXPENSE | SERVX | 1888063 | 543037 | 238137 | 59089 | 15286 | 53787 | 176737 | 1021 |
| - CABSX EXPENSE | CABSX | 44773 | 22387 | 0 | 4679 | 3386 | 14322 | 0 | 1021 |
| EXEC & PLANNING EXP | EXEPLX | 987846 | 297576 | 180820 | 45667 | 11258 | 44604 | 15228 | 1021 |
| GENERAL & ADMIN EXP | GENADX | 2909371 | 1018062 | 618617 | 156235 | 38514 | 152598 | 52098 | 1021 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 1211576 | 363551 | 255570 | 20909 | 16584 | 70302 | 186 | 1021 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1021 |
| NON-OPERATING INC & EXP | NONOPX | 36315 | 12259 | 8559 | 770 | 557 | 2356 | 18 | 1021 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 3077 | 1 | 1 | 0 | 0 | 0 | 0 | 1021 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 105529 | 27503 | 18423 | 4219 | 1585 | 3276 | 0 | 1022 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - GENERAL SUPPORT FACILITIES | GSF | 3876430 | 1073325 | 718970 | 164651 | 61865 | 127839 | 0 | 1022 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4210193 | 1378211 | 263480 | 733713 | 180850 | 200168 | 0 | 1022 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - - COE CAT 3 | COE3 | 2259053 | 733713 | 0 | 733713 | 0 | 0 | 0 | 1022 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - - COE CAT 4.12 | COE412 | 67939 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - - COE CAT 4.13 | COE413 | 1091985 | 274474 | 263480 | 0 | 0 | 10994 | 0 | 1022 |
| - - COE CAT 4.2 | COE42 | 675572 | 348819 | 0 | 0 | 159646 | 189174 | 0 | 1022 |
| - - COE CAT 4.3 | COE43 | 115644 | 21205 | 0 | 0 | 21205 | 0 | 0 | 1022 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - CABLE & WIRE FACILITIES | CWF | 13063866 | 3404714 | 2940380 | 0 | 94830 | 369504 | 0 | 1022 |
| - - C&WF CAT 1.1 | CWF11 | 302128 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - - C&WF CAT 1.2 | CWF12 | 122692 | 122692 | 0 | 0 | 0 | 122692 | 0 | 1022 |
| - - C&WF CAT 1.3 | CWF13 | 11761519 | 2940380 | 2940380 | 0 | 0 | 0 | 0 | 1022 |
| - - C&WF CAT 2 | CWF2 | 512262 | 228441 | 0 | 0 | 0 | 228441 | 0 | 1022 |
| - - C&WF CAT 3 | CWF3 | 217989 | 86197 | 0 | 0 | 67825 | 18371 | 0 | 1022 |
| - - C&WF CAT 4 | CWF4 | 147277 | 27005 | 0 | 0 | 27005 | 0 | 0 | 1022 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| - INTANGIBLES | INTANG | 1207 | 334 | 224 | 51 | 19 | 40 | 0 | 1022 |
| TELCOM PLANT-OTHER | PLTOTH | 479457 | 132754 | 88926 | 20365 | 7652 | 15812 | 0 | 1022 |
| ACCUM DEPRECIATION | ACCDEP | 15690379 | 4244042 | 3178465 | 349724 | 211138 | 504715 | 0 | 1022 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| NET DEFERRED FIT | NTDFIT | 309023 | 85572 | 57282 | 13176 | 4929 | 10185 | 0 | 1022 |
| NETWORK SUPPORT EXP | NETSPX | 1245 | 345 | 231 | 53 | 20 | 41 | 0 | 1022 |
| GENERAL SUPPORT EXP | GSFX | 291098 | 80601 | 53991 | 12364 | 4646 | 9600 | 0 | 1022 |
| COE EXPENSE | COEX | 310048 | 101495 | 7945 | 71025 | 16489 | 6036 | 0 | 1022 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1022 |
| C&WF EXPENSE | CWFX | 671113 | 174906 | 151052 | 0 | 4872 | 18982 | 0 | 1022 |
| OTHER PROP & PL EXP | OTHPPX | 43612 | 12076 | 8089 | 1852 | 696 | 1438 | 0 | 1022 |
| NETWORK OPERATIONS EXP | NETOPX | 196863 | 54508 | 36513 | 8362 | 3142 | 6492 | 0 | 1022 |
| DEPREC & AMORT EXP | DEPAMX | 1398564 | 394314 | 236600 | 90602 | 22737 | 44375 | 0 | 1022 |
| MARKETING EXPENSE | MRKTX | 45518 | 10810 | 7241 | 1658 | 623 | 1288 | 0 | 1022 |
| SERVICES EXPENSE | SERVX | 588913 | 200287 | 28797 | 39701 | 14917 | 29145 | 87727 | 1022 |
| - CABSX EXPENSE | CABSX | 158299 | 79150 | 0 | 36777 | 13818 | 28554 | 0 | 1022 |
| EXEC & PLANNING EXP | EXEPLX | 896946 | 268227 | 136149 | 52270 | 17577 | 28270 | 33962 | 1022 |
| GENERAL & ADMIN EXP | GENADX | 688201 | 235192 | 119380 | 45832 | 15412 | 24788 | 29779 | 1022 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 222934 | 73987 | 46323 | 14257 | 4588 | 8820 | 0 | 1022 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 30781 | 8523 | 5709 | 1307 | 491 | 1015 | 0 | 1022 |
| NON-OPERATING INC & EXP | NONOPX | 3192 | 1014 | 679 | 156 | 58 | 121 | 0 | 1022 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 50676 | 14903 | 7280 | 4713 | 1129 | 1781 | 0 | 1022 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 92761 | 23629 | 16312 | 3175 | 1003 | 3140 | 0 | 1023 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| - GENERAL SUPPORT FACILITIES | GSF | 4141360 | 1176176 | 811925 | 158025 | 49935 | 156291 | 0 | 1023 |
| - CENTRAL OFFICE EQUIPMENT | COE | 11015596 | 3883234 | 980336 | 1404094 | 371705 | 1127098 | 0 | 1023 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| - - COE CAT 3 | COE3 | 4516690 | 1404094 | 0 | 1404094 | 0 | 0 | 0 | 1023 |
| - - COE CAT 4.11 | COE411 | 998655 | 998655 | 0 | 0 | 0 | 998655 | 0 | 1023 |
| - - COE CAT 4.12 | COE412 | 97345 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| - - COE CAT 4.13 | COE413 | 3926972 | 981039 | 980336 | 0 | 0 | 704 | 0 | 1023 |
| - - COE CAT 4.2 | COE42 | 1016012 | 435517 | 0 | 0 | 307777 | 127740 | 0 | 1023 |
| - - COE CAT 4.3 | COE43 | 459922 | 63928 | 0 | 0 | 63928 | 0 | 0 | 1023 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| - CABLE & WIRE FACILITIES | CWF | 25781485 | 6567400 | 6233832 | 0 | 71979 | 261589 | 0 | 1023 |
| - - C&WF CAT 1.1 | CWF11 | 31315 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| - - C&WF CAT 1.2 | CWF12 | 4474 | 4474 | 0 | 0 | 0 | 4474 | 0 | 1023 |
| - - C&WF CAT 1.3 | CWF13 | 24935327 | 6233832 | 6233832 | 0 | 0 | 0 | 0 | 1023 |
| - - C&WF CAT 2 | CWF2 | 541514 | 257022 | 0 | 0 | 0 | 257022 | 0 | 1023 |
| - - C&WF CAT 3 | CWF3 | 95939 | 48037 | 0 | 0 | 47944 | 93 | 0 | 1023 |
| - - C&WF CAT 4 | CWF4 | 172917 | 24035 | 0 | 0 | 24035 | 0 | 0 | 1023 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| - INTANGIBLES | INTANG | 5449 | 1548 | 1068 | 208 | 66 | 206 | 0 | 1023 |
| TELCOM PLANT-OTHER | PLTOTH | 500518 | 142151 | 98128 | 19099 | 6035 | 18889 | 0 | 1023 |
| ACCUM DEPRECIATION | ACCDEP | 25742820 | 7191935 | 5278512 | 757033 | 278708 | 877683 | 0 | 1023 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| NETWORK SUPPORT EXP | NETSPX | 366 | 104 | 72 | 14 | 4 | 14 | 0 | 1023 |
| GENERAL SUPPORT EXP | GSFX | 107789 | 30613 | 21132 | 4113 | 1300 | 4068 | 0 | 1023 |
| COE EXPENSE | COEX | 390718 | 137736 | 24488 | 68382 | 16712 | 28154 | 0 | 1023 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| C&WF EXPENSE | CWFX | 295201 | 75197 | 71378 | 0 | 824 | 2995 | 0 | 1023 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| NETWORK OPERATIONS EXP | NETOPX | 529354 | 150340 | 103781 | 20199 | 6383 | 19977 | 0 | 1023 |
| DEPREC & AMORT EXP | DEPAMX | 3461218 | 1003171 | 624017 | 193928 | 45038 | 140188 | 0 | 1023 |
| MARKETING EXPENSE | MRKTX | 20106 | 5637 | 3891 | 757 | 239 | 749 | 0 | 1023 |
| SERVICES EXPENSE | SERVX | 742352 | 312612 | 156244 | 28501 | 9006 | 14268 | 104593 | 1023 |
| - CABSX EXPENSE | CABSX | 64677 | 32339 | 0 | 14030 | 4433 | 13876 | 0 | 1023 |
| EXEC & PLANNING EXP | EXEPLX | 409164 | 140997 | 84029 | 20975 | 5928 | 12077 | 17988 | 1023 |
| GENERAL & ADMIN EXP | GENADX | 528216 | 209145 | 124643 | 31113 | 8793 | 17914 | 26682 | 1023 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 181303 | 53271 | 36773 | 7157 | 2262 | 7079 | 0 | 1023 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1023 |
| NON-OPERATING INC & EXP | NONOPX | 10512 | 3927 | 2711 | 528 | 167 | 522 | 0 | 1023 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 171671 | 49581 | 30423 | 9165 | 2435 | 7558 | 0 | 1023 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 587802 | 147185 | 98554 | 16006 | 6200 | 26425 | 0 | 1024 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - GENERAL SUPPORT FACILITIES | GSF | 8031464 | 2336869 | 1564743 | 254136 | 98433 | 419557 | 0 | 1024 |
| - CENTRAL OFFICE EQUIPMENT | COE | 16887365 | 5677766 | 2434518 | 1130428 | 397262 | 1715558 | 0 | 1024 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - - COE CAT 3 | COE3 | 3765231 | 1130428 | 0 | 1130428 | 0 | 0 | 0 | 1024 |
| - - COE CAT 4.11 | COE411 | 1497141 | 1497141 | 0 | 0 | 0 | 1497141 | 0 | 1024 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - - COE CAT 4.13 | COE413 | 9876329 | 2463921 | 2434518 | 0 | 0 | 29403 | 0 | 1024 |
| - - COE CAT 4.2 | COE42 | 1748664 | 586276 | 0 | 0 | 397262 | 189014 | 0 | 1024 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - CABLE & WIRE FACILITIES | CWF | 18837509 | 4716896 | 4525638 | 0 | 40578 | 150679 | 0 | 1024 |
| - - C&WF CAT 1.1 | CWF11 | 202354 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - - C&WF CAT 1.2 | CWF12 | 54659 | 54659 | 0 | 0 | 0 | 54659 | 0 | 1024 |
| - - C&WF CAT 1.3 | CWF13 | 18102554 | 4525638 | 4525638 | 0 | 0 | 0 | 0 | 1024 |
| - - C&WF CAT 2 | CWF2 | 371476 | 95220 | 0 | 0 | 0 | 95220 | 0 | 1024 |
| - - C&WF CAT 3 | CWF3 | 106466 | 41378 | 0 | 0 | 40578 | 800 | 0 | 1024 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| ACCUM DEPRECIATION | ACCDEP | 23244289 | 6977035 | 4174405 | 1064988 | 329049 | 1408593 | 0 | 1024 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| NET DEFERRED FIT | NTDFIT | 2563658 | 745924 | 499629 | 80901 | 31430 | 133965 | 0 | 1024 |
| NETWORK SUPPORT EXP | NETSPX | 140071 | 40756 | 27290 | 4432 | 1717 | 7317 | 0 | 1024 |
| GENERAL SUPPORT EXP | GSFX | 1088408 | 316688 | 212051 | 34440 | 13339 | 56858 | 0 | 1024 |
| COE EXPENSE | COEX | 2216400 | 745185 | 335121 | 51845 | 122065 | 236154 | 0 | 1024 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1024 |
| C&WF EXPENSE | CWFX | 796099 | 199342 | 191260 | 0 | 1715 | 6368 | 0 | 1024 |
| OTHER PROP & PL EXP | OTHPPX | 75403 | 21940 | 14691 | 2386 | 924 | 3939 | 0 | 1024 |
| NETWORK OPERATIONS EXP | NETOPX | 1318667 | 383685 | 256911 | 41726 | 16161 | 68886 | 0 | 1024 |
| DEPREC & AMORT EXP | DEPAMX | 2950992 | 877391 | 572146 | 82198 | 42277 | 180772 | 0 | 1024 |
| MARKETING EXPENSE | MRKTX | 673645 | 103884 | 69560 | 11297 | 4376 | 18651 | 0 | 1024 |
| SERVICES EXPENSE | SERVX | 542401 | 170092 | 58516 | 23400 | 9063 | 28768 | 50345 | 1024 |
| - CABSX EXPENSE | CABSX | 102317 | 51159 | 0 | 16838 | 6522 | 27798 | 0 | 1024 |
| EXEC & PLANNING EXP | EXEPLX | 568195 | 164110 | 100769 | 13157 | 13144 | 33134 | 3907 | 1024 |
| GENERAL & ADMIN EXP | GENADX | 1401639 | 447141 | 274560 | 35847 | 35812 | 90278 | 10646 | 1024 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 199897 | 97230 | 69593 | 7811 | 3778 | 16048 | 0 | 1024 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 7508 | 2185 | 1463 | 238 | 92 | 392 | 0 | 1024 |
| NON-OPERATING INC & EXP | NONOPX | 24336 | 7552 | 5056 | 821 | 318 | 1356 | 0 | 1024 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 250883 | 69782 | 53278 | 3556 | 2476 | 10473 | 0 | 1024 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 79841 | 20695 | 10095 | 8536 | 229 | 1780 | 54 | 1025 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| - GENERAL SUPPORT FACILITIES | GSF | 4260380 | 1355384 | 658204 | 556561 | 14920 | 116061 | 9638 | 1025 |
| - CENTRAL OFFICE EQUIPMENT | COE | 6544576 | 2517652 | 406498 | 1831173 | 33760 | 240733 | 5488 | 1025 |
| - - COE CAT 1 | COE1 | 46650 | 6523 | 0 | 1035 | 0 | 0 | 5488 | 1025 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| - - COE CAT 3 | COE3 | 4470303 | 1830138 | 0 | 1830138 | 0 | 0 | 0 | 1025 |
| - - COE CAT 4.11 | COE411 | 186841 | 186841 | 0 | 0 | 0 | 186841 | 0 | 1025 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| - - COE CAT 4.13 | COE413 | 1657230 | 420523 | 406498 | 0 | 0 | 14025 | 0 | 1025 |
| - - COE CAT 4.2 | COE42 | 183552 | 73627 | 0 | 0 | 33760 | 39867 | 0 | 1025 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| - CABLE & WIRE FACILITIES | CWF | 7390310 | 1915550 | 1759094 | 0 | 15330 | 141125 | 0 | 1025 |
| - - C&WF CAT 1.1 | CWF11 | 74488 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| - - C&WF CAT 1.2 | CWF12 | 60694 | 60694 | 0 | 0 | 0 | 60694 | 0 | 1025 |
| - - C&WF CAT 1.3 | CWF13 | 7036378 | 1759094 | 1759094 | 0 | 0 | 0 | 0 | 1025 |
| - - C&WF CAT 2 | CWF2 | 171839 | 79101 | 0 | 0 | 0 | 79101 | 0 | 1025 |
| - - C&WF CAT 3 | CWF3 | 46911 | 16660 | 0 | 0 | 15330 | 1330 | 0 | 1025 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| - TANGIBLES | TANGIB | 207812 | 66113 | 32251 | 27271 | 731 | 5687 | 173 | 1025 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| TELCOM PLANT-OTHER | PLTOTH | 7265 | 2305 | 1127 | 953 | 26 | 199 | 0 | 1025 |
| ACCUM DEPRECIATION | ACCDEP | 14455074 | 4734099 | 2049823 | 2230424 | 51126 | 393546 | 9180 | 1025 |
| ACCUM AMORTIZATION | ACCAMO | 128421 | 40556 | 19836 | 16773 | 450 | 3498 | 0 | 1025 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| NETWORK SUPPORT EXP | NETSPX | 36730 | 11685 | 5700 | 4820 | 129 | 1005 | 31 | 1025 |
| GENERAL SUPPORT EXP | GSFX | 822894 | 261793 | 127132 | 107500 | 2882 | 22417 | 1862 | 1025 |
| COE EXPENSE | COEX | 1050992 | 404309 | 39357 | 335587 | 6057 | 23308 | 0 | 1025 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| C&WF EXPENSE | CWFX | 480798 | 124622 | 114443 | 0 | 997 | 9181 | 0 | 1025 |
| OTHER PROP & PL EXP | OTHPPX | 7581 | 2412 | 1178 | 996 | 27 | 208 | 3 | 1025 |
| NETWORK OPERATIONS EXP | NETOPX | 444481 | 141406 | 69076 | 58409 | 1566 | 12180 | 175 | 1025 |
| DEPREC & AMORT EXP | DEPAMX | 1401547 | 485411 | 149702 | 304681 | 3415 | 26548 | 1065 | 1025 |
| MARKETING EXPENSE | MRKTX | 179366 | 40053 | 19539 | 16521 | 443 | 3445 | 105 | 1025 |
| SERVICES EXPENSE | SERVX | 525038 | 112750 | 18957 | 23150 | 475 | 2778 | 67391 | 1025 |
| - CABSX EXPENSE | CABSX | 32179 | 16090 | 0 | 13024 | 349 | 2716 | 0 | 1025 |
| EXEC & PLANNING EXP | EXEPLX | 1309509 | 402104 | 158452 | 189404 | 4354 | 25805 | 24088 | 1025 |
| GENERAL & ADMIN EXP | GENADX | 462173 | 170837 | 67320 | 80470 | 1850 | 10963 | 10234 | 1025 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 124377 | 48558 | 26390 | 17230 | 551 | 4325 | 62 | 1025 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1025 |
| NON-OPERATING INC & EXP | NONOPX | 3000 | 970 | 473 | 400 | 11 | 83 | 3 | 1025 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 2182 | 616 | 300 | 254 | 7 | 53 | 2 | 1025 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 89493 | 22694 | 12944 | 4079 | 236 | 5437 | 0 | 1026 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| - GENERAL SUPPORT FACILITIES | GSF | 3897337 | 1194064 | 681025 | 214593 | 12400 | 286046 | 0 | 1026 |
| - CENTRAL OFFICE EQUIPMENT | COE | 6690932 | 2438816 | 704418 | 773996 | 40522 | 919880 | 0 | 1026 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| - - COE CAT 3 | COE3 | 2601623 | 773996 | 0 | 773996 | 0 | 0 | 0 | 1026 |
| - - COE CAT 4.11 | COE411 | 883028 | 883028 | 0 | 0 | 0 | 883028 | 0 | 1026 |
| - - COE CAT 4.12 | COE412 | 133931 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| - - COE CAT 4.13 | COE413 | 2883947 | 714261 | 704418 | 0 | 0 | 9843 | 0 | 1026 |
| - - COE CAT 4.2 | COE42 | 179760 | 66658 | 0 | 0 | 39648 | 27009 | 0 | 1026 |
| - - COE CAT 4.3 | COE43 | 8643 | 874 | 0 | 0 | 874 | 0 | 0 | 1026 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| - CABLE & WIRE FACILITIES | CWF | 7366044 | 1867951 | 1751913 | 0 | 4203 | 111835 | 0 | 1026 |
| - - C&WF CAT 1.1 | CWF11 | 140349 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| - - C&WF CAT 1.2 | CWF12 | 24479 | 24479 | 0 | 0 | 0 | 24479 | 0 | 1026 |
| - - C&WF CAT 1.3 | CWF13 | 7007651 | 1751913 | 1751913 | 0 | 0 | 0 | 0 | 1026 |
| - - C&WF CAT 2 | CWF2 | 180542 | 87265 | 0 | 0 | 0 | 87265 | 0 | 1026 |
| - - C&WF CAT 3 | CWF3 | 11394 | 4130 | 0 | 0 | 4039 | 91 | 0 | 1026 |
| - - C&WF CAT 4 | CWF4 | 1629 | 165 | 0 | 0 | 165 | 0 | 0 | 1026 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| TELCOM PLANT-OTHER | PLTOTH | 807390 | 247368 | 141084 | 44456 | 2569 | 59259 | 0 | 1026 |
| ACCUM DEPRECIATION | ACCDEP | 10028866 | 3037225 | 1802266 | 505100 | 30268 | 699591 | 0 | 1026 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| NET DEFERRED FIT | NTDFIT | 760295 | 232930 | 132857 | 41865 | 2418 | 55790 | 0 | 1026 |
| NETWORK SUPPORT EXP | NETSPX | 10749 | 3293 | 1878 | 592 | 34 | 789 | 0 | 1026 |
| GENERAL SUPPORT EXP | GSFX | 514451 | 157617 | 89896 | 28326 | 1637 | 37758 | 0 | 1026 |
| COE EXPENSE | COEX | 550654 | 200711 | 12387 | 134828 | 37321 | 16175 | 0 | 1026 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| C&WF EXPENSE | CWFX | 428444 | 108649 | 101900 | 0 | 244 | 6505 | 0 | 1026 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1026 |
| NETWORK OPERATIONS EXP | NETOPX | 84892 | 26009 | 14834 | 4674 | 270 | 6231 | 0 | 1026 |
| DEPREC & AMORT EXP | DEPAMX | 1312909 | 413206 | 212005 | 89582 | 4655 | 106964 | 0 | 1026 |
| MARKETING EXPENSE | MRKTX | 33182 | 11607 | 6620 | 2086 | 121 | 2781 | 0 | 1026 |
| SERVICES EXPENSE | SERVX | 333802 | 88073 | 21912 | 9735 | 562 | 8031 | 47832 | 1026 |
| - CABSX EXPENSE | CABSX | 28139 | 14070 | 0 | 5885 | 340 | 7844 | 0 | 1026 |
| EXEC & PLANNING EXP | EXEPLX | 447035 | 135909 | 62267 | 38303 | 8541 | 16633 | 10165 | 1026 |
| GENERAL & ADMIN EXP | GENADX | 737040 | 310090 | 142068 | 87393 | 19487 | 37951 | 23192 | 1026 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 131874 | 52093 | 29228 | 9643 | 550 | 12672 | 0 | 1026 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 3846 | 1178 | 672 | 212 | 12 | 282 | 0 | 1026 |
| NON-OPERATING INC & EXP | NONOPX | 19247 | 7250 | 4135 | 1303 | 75 | 1737 | 0 | 1026 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 320459 | 99402 | 53815 | 19538 | 1085 | 24964 | 0 | 1026 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 474469 | 115572 | 74600 | 28620 | 3803 | 7821 | 728 | 1027 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - GENERAL SUPPORT FACILITIES | GSF | 6048338 | 1650489 | 1033045 | 396330 | 52664 | 108300 | 60149 | 1027 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10221955 | 3338111 | 797434 | 1968719 | 232796 | 339162 | 0 | 1027 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - - COE CAT 3 | COE3 | 5060037 | 1968719 | 0 | 1968719 | 0 | 0 | 0 | 1027 |
| - - COE CAT 4.11 | COE411 | 183411 | 183411 | 0 | 0 | 0 | 183411 | 0 | 1027 |
| - - COE CAT 4.12 | COE412 | 401607 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - - COE CAT 4.13 | COE413 | 3287063 | 809676 | 797434 | 0 | 0 | 12242 | 0 | 1027 |
| - - COE CAT 4.2 | COE42 | 1289837 | 376305 | 0 | 0 | 232796 | 143509 | 0 | 1027 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - INFORMATION ORIG/TERM | IOT | 2367 | 592 | 583 | 0 | 0 | 9 | 0 | 1027 |
| - CABLE & WIRE FACILITIES | CWF | 18725102 | 4561103 | 4333501 | 0 | 28807 | 198795 | 0 | 1027 |
| - - C&WF CAT 1.1 | CWF11 | 462373 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - - C&WF CAT 1.2 | CWF12 | 66529 | 66529 | 0 | 0 | 0 | 66529 | 0 | 1027 |
| - - C&WF CAT 1.3 | CWF13 | 17334004 | 4333501 | 4333501 | 0 | 0 | 0 | 0 | 1027 |
| - - C&WF CAT 2 | CWF2 | 800498 | 130104 | 0 | 0 | 0 | 130104 | 0 | 1027 |
| - - C&WF CAT 3 | CWF3 | 61698 | 30969 | 0 | 0 | 28807 | 2162 | 0 | 1027 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| - INTANGIBLES | INTANG | 2000 | 546 | 352 | 135 | 18 | 37 | 3 | 1027 |
| TELCOM PLANT-OTHER | PLTOTH | 51505 | 13966 | 9072 | 3481 | 462 | 951 | 0 | 1027 |
| ACCUM DEPRECIATION | ACCDEP | 27234685 | 7609158 | 4495948 | 2290750 | 259719 | 511921 | 50820 | 1027 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| NETWORK SUPPORT EXP | NETSPX | 9124 | 2490 | 1607 | 617 | 82 | 168 | 16 | 1027 |
| GENERAL SUPPORT EXP | GSFX | 642617 | 175359 | 109758 | 42109 | 5595 | 11507 | 6391 | 1027 |
| COE EXPENSE | COEX | 561285 | 183298 | 15801 | 150617 | 10161 | 6720 | 0 | 1027 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| C&WF EXPENSE | CWFX | 1296803 | 315878 | 300116 | 0 | 1995 | 13767 | 0 | 1027 |
| OTHER PROP & PL EXP | OTHPPX | 23108 | 6306 | 4096 | 1571 | 209 | 429 | 0 | 1027 |
| NETWORK OPERATIONS EXP | NETOPX | 776833 | 211985 | 137700 | 52829 | 7020 | 14436 | 0 | 1027 |
| DEPREC & AMORT EXP | DEPAMX | 2028016 | 516481 | 404083 | 22025 | 30876 | 56031 | 3465 | 1027 |
| MARKETING EXPENSE | MRKTX | 145785 | 32046 | 20685 | 7936 | 1055 | 2169 | 202 | 1027 |
| SERVICES EXPENSE | SERVX | 1618888 | 412836 | 143175 | 60922 | 8095 | 7361 | 193282 | 1027 |
| - CABSX EXPENSE | CABSX | 74511 | 37256 | 0 | 26495 | 3521 | 7240 | 0 | 1027 |
| EXEC & PLANNING EXP | EXEPLX | 1001829 | 263242 | 150912 | 58564 | 6328 | 10462 | 36975 | 1027 |
| GENERAL & ADMIN EXP | GENADX | 1272590 | 373339 | 214029 | 83058 | 8975 | 14837 | 52440 | 1027 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 259659 | 82822 | 56710 | 17710 | 2673 | 5655 | 74 | 1027 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1027 |
| NON-OPERATING INC & EXP | NONOPX | 42167 | 11802 | 7618 | 2923 | 388 | 799 | 74 | 1027 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 317092 | 79217 | 65969 | 5112 | 2274 | 5467 | 396 | 1027 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 459924 | 118374 | 62613 | 6676 | 6019 | 43012 | 54 | 1028 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| - GENERAL SUPPORT FACILITIES | GSF | 16544736 | 5503684 | 2892445 | 308385 | 278060 | 1986962 | 37832 | 1028 |
| - CENTRAL OFFICE EQUIPMENT | COE | 86057988 | 39719160 | 6393775 | 4380251 | 3244911 | 25700223 | 0 | 1028 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| - - COE CAT 2 | COE2 | 2528298 | 1097110 | 0 | 7079 | 1090030 | 0 | 0 | 1028 |
| - - COE CAT 3 | COE3 | 22876725 | 4372117 | 0 | 4372117 | 0 | 0 | 0 | 1028 |
| - - COE CAT 4.11 | COE411 | 20390564 | 19999282 | 0 | 0 | 0 | 19999282 | 0 | 1028 |
| - - COE CAT 4.12 | COE412 | 73312 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| - - COE CAT 4.13 | COE413 | 26305683 | 6472221 | 6393775 | 0 | 0 | 78445 | 0 | 1028 |
| - - COE CAT 4.2 | COE42 | 11509851 | 6872758 | 0 | 1055 | 1249208 | 5622495 | 0 | 1028 |
| - - COE CAT 4.3 | COE43 | 2373558 | 905673 | 0 | 0 | 905673 | 0 | 0 | 1028 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| - CABLE & WIRE FACILITIES | CWF | 147344001 | 37923107 | 34693321 | 352 | 704922 | 2524512 | 0 | 1028 |
| - - C&WF CAT 1.1 | CWF11 | 3538565 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| - - C&WF CAT 1.2 | CWF12 | 425653 | 425653 | 0 | 0 | 0 | 425653 | 0 | 1028 |
| - - C&WF CAT 1.3 | CWF13 | 138773283 | 34693321 | 34693321 | 0 | 0 | 0 | 0 | 1028 |
| - - C&WF CAT 2 | CWF2 | 2725359 | 2073529 | 0 | 0 | 0 | 2073529 | 0 | 1028 |
| - - C&WF CAT 3 | CWF3 | 1087160 | 427646 | 0 | 352 | 401964 | 25330 | 0 | 1028 |
| - - C&WF CAT 4 | CWF4 | 793980 | 302957 | 0 | 0 | 302957 | 0 | 0 | 1028 |
| - TANGIBLES | TANGIB | 53543 | 17811 | 9421 | 1004 | 906 | 6472 | 8 | 1028 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| TELCOM PLANT-OTHER | PLTOTH | 1085341 | 360880 | 190972 | 20361 | 18359 | 131188 | 0 | 1028 |
| ACCUM DEPRECIATION | ACCDEP | 180694543 | 62143817 | 30656157 | 3578255 | 3306297 | 24575369 | 27738 | 1028 |
| ACCUM AMORTIZATION | ACCAMO | 52110 | 17327 | 9169 | 978 | 881 | 6299 | 0 | 1028 |
| NET DEFERRED FIT | NTDFIT | 4306504 | 1426356 | 756073 | 83536 | 72963 | 513785 | 0 | 1028 |
| NETWORK SUPPORT EXP | NETSPX | 431319 | 143480 | 75893 | 8092 | 7296 | 52135 | 65 | 1028 |
| GENERAL SUPPORT EXP | GSFX | 1655807 | 550812 | 289478 | 30863 | 27828 | 198856 | 3786 | 1028 |
| COE EXPENSE | COEX | 2608940 | 1495254 | 24545 | 659065 | 172320 | 639325 | 0 | 1028 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| C&WF EXPENSE | CWFX | 3596316 | 925613 | 846781 | 9 | 17205 | 61617 | 0 | 1028 |
| OTHER PROP & PL EXP | OTHPPX | 5977 | 1988 | 1052 | 112 | 101 | 723 | 0 | 1028 |
| NETWORK OPERATIONS EXP | NETOPX | 2268720 | 793235 | 389211 | 41497 | 37416 | 325111 | 0 | 1028 |
| DEPREC & AMORT EXP | DEPAMX | 17637811 | 6915967 | 2535733 | 415675 | 424100 | 3538649 | 1809 | 1028 |
| MARKETING EXPENSE | MRKTX | 1376881 | 325912 | 145719 | 15536 | 14008 | 150523 | 125 | 1028 |
| SERVICES EXPENSE | SERVX | 2987338 | 774433 | 308583 | 75843 | 22134 | 48536 | 319337 | 1028 |
| - CABSX EXPENSE | CABSX | 1688 | 844 | 0 | 101 | 91 | 652 | 0 | 1028 |
| EXEC & PLANNING EXP | EXEPLX | 324540 | 109066 | 54234 | 15554 | 5584 | 27642 | 6052 | 1028 |
| GENERAL & ADMIN EXP | GENADX | 4582518 | 1540016 | 765789 | 219629 | 78840 | 390310 | 85449 | 1028 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 1126216 | 387760 | 205197 | 21878 | 19726 | 140960 | 0 | 1028 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1028 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 10987 | 3314 | 1753 | 187 | 169 | 1204 | 2 | 1028 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 52713 | 13271 | 7118 | 4749 | 260 | 1109 | 34 | 1029 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - GENERAL SUPPORT FACILITIES | GSF | 1183155 | 378160 | 200929 | 134041 | 7349 | 31316 | 4526 | 1029 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1901683 | 775038 | 148055 | 500603 | 19970 | 106410 | 0 | 1029 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - - COE CAT 3 | COE3 | 1135458 | 500603 | 0 | 500603 | 0 | 0 | 0 | 1029 |
| - - COE CAT 4.11 | COE411 | 99825 | 99825 | 0 | 0 | 0 | 99825 | 0 | 1029 |
| - - COE CAT 4.12 | COE412 | 34356 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - - COE CAT 4.13 | COE413 | 594527 | 148439 | 148055 | 0 | 0 | 385 | 0 | 1029 |
| - - COE CAT 4.2 | COE42 | 37517 | 26170 | 0 | 0 | 19970 | 6201 | 0 | 1029 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - CABLE & WIRE FACILITIES | CWF | 2464174 | 620378 | 602356 | 0 | 7477 | 10545 | 0 | 1029 |
| - - C&WF CAT 1.1 | CWF11 | 7823 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - - C&WF CAT 1.2 | CWF12 | 1565 | 1565 | 0 | 0 | 0 | 1565 | 0 | 1029 |
| - - C&WF CAT 1.3 | CWF13 | 2409423 | 602356 | 602356 | 0 | 0 | 0 | 0 | 1029 |
| - - C&WF CAT 2 | CWF2 | 33579 | 8861 | 0 | 0 | 0 | 8861 | 0 | 1029 |
| - - C&WF CAT 3 | CWF3 | 11785 | 7597 | 0 | 0 | 7477 | 120 | 0 | 1029 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| - TANGIBLES | TANGIB | 13590 | 4344 | 2308 | 1540 | 84 | 360 | 52 | 1029 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| TELCOM PLANT-OTHER | PLTOTH | 94537 | 30138 | 16207 | 10812 | 593 | 2526 | 0 | 1029 |
| ACCUM DEPRECIATION | ACCDEP | 2929881 | 944295 | 490152 | 359227 | 17665 | 74890 | 2360 | 1029 |
| ACCUM AMORTIZATION | ACCAMO | 10767 | 3400 | 1828 | 1220 | 67 | 285 | 0 | 1029 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| NETWORK SUPPORT EXP | NETSPX | 3836 | 1226 | 658 | 439 | 24 | 102 | 3 | 1029 |
| GENERAL SUPPORT EXP | GSFX | 39765 | 12710 | 6753 | 4505 | 247 | 1053 | 152 | 1029 |
| COE EXPENSE | COEX | 104811 | 42716 | 9203 | 20343 | 6556 | 6614 | 0 | 1029 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| C&WF EXPENSE | CWFX | 163363 | 41128 | 39933 | 0 | 496 | 699 | 0 | 1029 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| NETWORK OPERATIONS EXP | NETOPX | 90384 | 28889 | 15535 | 10364 | 568 | 2421 | 0 | 1029 |
| DEPREC & AMORT EXP | DEPAMX | 387076 | 125341 | 64817 | 46496 | 2558 | 11172 | 297 | 1029 |
| MARKETING EXPENSE | MRKTX | 3535 | 952 | 511 | 341 | 19 | 80 | 2 | 1029 |
| SERVICES EXPENSE | SERVX | 230989 | 93015 | 7309 | 45054 | 2471 | 9873 | 28308 | 1029 |
| - CABSX EXPENSE | CABSX | 108052 | 54026 | 0 | 41931 | 2299 | 9796 | 0 | 1029 |
| EXEC & PLANNING EXP | EXEPLX | 127542 | 44451 | 17377 | 15591 | 1997 | 4009 | 5476 | 1029 |
| GENERAL & ADMIN EXP | GENADX | 287313 | 118613 | 46370 | 41603 | 5329 | 10699 | 14612 | 1029 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 48715 | 20958 | 11402 | 7327 | 419 | 1790 | 20 | 1029 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1029 |
| NON-OPERATING INC & EXP | NONOPX | 728 | 286 | 153 | 102 | 6 | 24 | 1 | 1029 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 56198 | 17730 | 9828 | 5931 | 365 | 1561 | 46 | 1029 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 553757 | 139817 | 110834 | 21776 | 796 | 6412 | 0 | 1030 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - GENERAL SUPPORT FACILITIES | GSF | 7616053 | 2092957 | 1659096 | 325965 | 11909 | 95987 | 0 | 1030 |
| - CENTRAL OFFICE EQUIPMENT | COE | 15512260 | 5361406 | 2017970 | 2770353 | 87569 | 485513 | 0 | 1030 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - - COE CAT 3 | COE3 | 6623123 | 2770353 | 0 | 2770353 | 0 | 0 | 0 | 1030 |
| - - COE CAT 4.11 | COE411 | 363496 | 363496 | 0 | 0 | 0 | 363496 | 0 | 1030 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - - COE CAT 4.13 | COE413 | 8136798 | 2039106 | 2017970 | 0 | 0 | 21136 | 0 | 1030 |
| - - COE CAT 4.2 | COE42 | 388843 | 188451 | 0 | 0 | 87569 | 100882 | 0 | 1030 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - CABLE & WIRE FACILITIES | CWF | 49216010 | 12426479 | 12082564 | 0 | 13646 | 330270 | 0 | 1030 |
| - - C&WF CAT 1.1 | CWF11 | 262136 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - - C&WF CAT 1.2 | CWF12 | 126549 | 126549 | 0 | 0 | 0 | 126549 | 0 | 1030 |
| - - C&WF CAT 1.3 | CWF13 | 48330255 | 12082564 | 12082564 | 0 | 0 | 0 | 0 | 1030 |
| - - C&WF CAT 2 | CWF2 | 468546 | 202060 | 0 | 0 | 0 | 202060 | 0 | 1030 |
| - - C&WF CAT 3 | CWF3 | 28524 | 15307 | 0 | 0 | 13646 | 1661 | 0 | 1030 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| TELCOM PLANT-OTHER | PLTOTH | 608034 | 167093 | 132455 | 26024 | 951 | 7663 | 0 | 1030 |
| ACCUM DEPRECIATION | ACCDEP | 35723977 | 9877782 | 7696423 | 1671992 | 56709 | 452658 | 0 | 1030 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| NET DEFERRED FIT | NTDFIT | 5643719 | 1550660 | 1229998 | 240484 | 8860 | 71318 | 0 | 1030 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| GENERAL SUPPORT EXP | GSFX | 803459 | 220797 | 175027 | 34388 | 1256 | 10126 | 0 | 1030 |
| COE EXPENSE | COEX | 642820 | 222174 | 130119 | 42947 | 17802 | 31306 | 0 | 1030 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| C&WF EXPENSE | CWFX | 2066842 | 521854 | 507411 | 0 | 573 | 13870 | 0 | 1030 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| NETWORK OPERATIONS EXP | NETOPX | 481533 | 132329 | 104898 | 20609 | 753 | 6069 | 0 | 1030 |
| DEPREC & AMORT EXP | DEPAMX | 3582401 | 992221 | 780182 | 144663 | 8352 | 59023 | 0 | 1030 |
| MARKETING EXPENSE | MRKTX | 7296 | 2203 | 1746 | 343 | 13 | 101 | 0 | 1030 |
| SERVICES EXPENSE | SERVX | 1259944 | 459375 | 129705 | 68931 | 2518 | 14861 | 243360 | 1030 |
| - CABSX EXPENSE | CABSX | 131848 | 65924 | 0 | 49530 | 1810 | 14585 | 0 | 1030 |
| EXEC & PLANNING EXP | EXEPLX | 793378 | 238086 | 169066 | 22638 | 3102 | 10334 | 32945 | 1030 |
| GENERAL & ADMIN EXP | GENADX | 1050872 | 333098 | 236536 | 31672 | 4340 | 14458 | 46093 | 1030 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 370637 | 169701 | 135938 | 25019 | 960 | 7784 | 0 | 1030 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1030 |
| NON-OPERATING INC & EXP | NONOPX | 109188 | 33817 | 26807 | 5267 | 192 | 1551 | 0 | 1030 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 672813 | 183375 | 148095 | 25834 | 1032 | 8413 | 0 | 1030 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 788125 | 213217 | 114030 | 49656 | 3300 | 46231 | 0 | 1031 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| - GENERAL SUPPORT FACILITIES | GSF | 4061008 | 1514770 | 810110 | 352772 | 23446 | 328441 | 0 | 1031 |
| - CENTRAL OFFICE EQUIPMENT | COE | 14515118 | 8261598 | 1731485 | 3674864 | 218902 | 2636347 | 0 | 1031 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| - - COE CAT 3 | COE3 | 4528260 | 3674864 | 0 | 3674864 | 0 | 0 | 0 | 1031 |
| - - COE CAT 4.11 | COE411 | 2313518 | 2313518 | 0 | 0 | 0 | 2313518 | 0 | 1031 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| - - COE CAT 4.13 | COE413 | 6985671 | 1766748 | 1731485 | 0 | 0 | 35263 | 0 | 1031 |
| - - COE CAT 4.2 | COE42 | 562368 | 466844 | 0 | 0 | 179278 | 287566 | 0 | 1031 |
| - - COE CAT 4.3 | COE43 | 125301 | 39624 | 0 | 0 | 39624 | 0 | 0 | 1031 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| - CABLE & WIRE FACILITIES | CWF | 27788801 | 7517905 | 6707509 | 0 | 25340 | 785056 | 0 | 1031 |
| - - C&WF CAT 1.1 | CWF11 | 94786 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| - - C&WF CAT 1.2 | CWF12 | 136603 | 136603 | 0 | 0 | 0 | 136603 | 0 | 1031 |
| - - C&WF CAT 1.3 | CWF13 | 26830036 | 6707509 | 6707509 | 0 | 0 | 0 | 0 | 1031 |
| - - C&WF CAT 2 | CWF2 | 662227 | 646352 | 0 | 0 | 0 | 646352 | 0 | 1031 |
| - - C&WF CAT 3 | CWF3 | 17373 | 12332 | 0 | 0 | 10232 | 2100 | 0 | 1031 |
| - - C&WF CAT 4 | CWF4 | 47775 | 15108 | 0 | 0 | 15108 | 0 | 0 | 1031 |
| - TANGIBLES | TANGIB | 1493 | 557 | 298 | 130 | 9 | 121 | 0 | 1031 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| TELCOM PLANT-OTHER | PLTOTH | 708056 | 264107 | 141246 | 61508 | 4088 | 57265 | 0 | 1031 |
| ACCUM DEPRECIATION | ACCDEP | 12508633 | 5663449 | 2063686 | 2346862 | 88338 | 1164563 | 0 | 1031 |
| ACCUM AMORTIZATION | ACCAMO | 59 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| NET DEFERRED FIT | NTDFIT | 3891831 | 1451783 | 776347 | 337600 | 22518 | 315318 | 0 | 1031 |
| NETWORK SUPPORT EXP | NETSPX | 104 | 39 | 21 | 9 | 1 | 8 | 0 | 1031 |
| GENERAL SUPPORT EXP | GSFX | 867647 | 323635 | 173082 | 75371 | 5009 | 70172 | 0 | 1031 |
| COE EXPENSE | COEX | 380618 | 216636 | 19171 | 154127 | 14150 | 29189 | 0 | 1031 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| C&WF EXPENSE | CWFX | 1445545 | 391074 | 348918 | 0 | 1318 | 40838 | 0 | 1031 |
| OTHER PROP & PL EXP | OTHPPX | 55830 | 20825 | 11137 | 4850 | 322 | 4515 | 0 | 1031 |
| NETWORK OPERATIONS EXP | NETOPX | 1491999 | 556521 | 297631 | 129607 | 8614 | 120668 | 0 | 1031 |
| DEPREC & AMORT EXP | DEPAMX | 2546434 | 1081344 | 454062 | 335276 | 20748 | 271258 | 0 | 1031 |
| MARKETING EXPENSE | MRKTX | 7558 | 3026 | 1618 | 705 | 47 | 656 | 0 | 1031 |
| SERVICES EXPENSE | SERVX | 1613540 | 803454 | 85044 | 99183 | 6497 | 77749 | 534981 | 1031 |
| - CABSX EXPENSE | CABSX | 329604 | 164802 | 0 | 82504 | 5483 | 76814 | 0 | 1031 |
| EXEC & PLANNING EXP | EXEPLX | 263452 | 105114 | 47475 | 19394 | 1503 | 14374 | 22368 | 1031 |
| GENERAL & ADMIN EXP | GENADX | 3579931 | 1467366 | 662741 | 270732 | 20987 | 200660 | 312247 | 1031 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 837447 | 374986 | 209314 | 77997 | 5798 | 81878 | 0 | 1031 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1031 |
| NON-OPERATING INC & EXP | NONOPX | 1660 | 679 | 363 | 158 | 11 | 147 | 0 | 1031 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 57 | 19 | 10 | 4 | 0 | 4 | 0 | 1031 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 506805 | 131996 | 85243 | 28060 | 6035 | 12452 | 207 | 1032 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| - GENERAL SUPPORT FACILITIES | GSF | 8680108 | 2542138 | 1623411 | 534393 | 114929 | 237134 | 32271 | 1032 |
| - CENTRAL OFFICE EQUIPMENT | COE | 19508199 | 7072963 | 1513547 | 3831459 | 733208 | 994749 | 0 | 1032 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| - - COE CAT 2 | COE2 | 673981 | 173109 | 0 | 0 | 173109 | 0 | 0 | 1032 |
| - - COE CAT 3 | COE3 | 9957014 | 3831459 | 0 | 3831459 | 0 | 0 | 0 | 1032 |
| - - COE CAT 4.11 | COE411 | 546665 | 546665 | 0 | 0 | 0 | 546665 | 0 | 1032 |
| - - COE CAT 4.12 | COE412 | 113644 | 9747 | 0 | 0 | 0 | 9747 | 0 | 1032 |
| - - COE CAT 4.13 | COE413 | 6121594 | 1544186 | 1513547 | 0 | 0 | 30639 | 0 | 1032 |
| - - COE CAT 4.2 | COE42 | 1264858 | 832011 | 0 | 0 | 424313 | 407698 | 0 | 1032 |
| - - COE CAT 4.3 | COE43 | 830443 | 135786 | 0 | 0 | 135786 | 0 | 0 | 1032 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| - CABLE & WIRE FACILITIES | CWF | 41935937 | 10922143 | 10125899 | 0 | 90806 | 705438 | 0 | 1032 |
| - - C&WF CAT 1.1 | CWF11 | 245973 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| - - C&WF CAT 1.2 | CWF12 | 204978 | 204978 | 0 | 0 | 0 | 204978 | 0 | 1032 |
| - - C&WF CAT 1.3 | CWF13 | 40503594 | 10125899 | 10125899 | 0 | 0 | 0 | 0 | 1032 |
| - - C&WF CAT 2 | CWF2 | 782491 | 498266 | 0 | 0 | 0 | 498266 | 0 | 1032 |
| - - C&WF CAT 3 | CWF3 | 125907 | 81066 | 0 | 0 | 78871 | 2195 | 0 | 1032 |
| - - C&WF CAT 4 | CWF4 | 72994 | 11935 | 0 | 0 | 11935 | 0 | 0 | 1032 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| TELCOM PLANT-OTHER | PLTOTH | 3989021 | 1166426 | 754458 | 248352 | 53412 | 110205 | 0 | 1032 |
| ACCUM DEPRECIATION | ACCDEP | 38931026 | 11238499 | 7533417 | 2347122 | 419663 | 925217 | 13080 | 1032 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| NETWORK SUPPORT EXP | NETSPX | 113409 | 33214 | 21449 | 7061 | 1519 | 3133 | 52 | 1032 |
| GENERAL SUPPORT EXP | GSFX | 267669 | 78392 | 50061 | 16479 | 3544 | 7313 | 995 | 1032 |
| COE EXPENSE | COEX | 941342 | 341296 | 20823 | 237214 | 69573 | 13686 | 0 | 1032 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| C&WF EXPENSE | CWFX | 1797076 | 468045 | 433924 | 0 | 3891 | 30230 | 0 | 1032 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| NETWORK OPERATIONS EXP | NETOPX | 504800 | 147840 | 95625 | 31478 | 6770 | 13968 | 0 | 1032 |
| DEPREC & AMORT EXP | DEPAMX | 4936966 | 1485621 | 858112 | 412718 | 74318 | 137847 | 2625 | 1032 |
| MARKETING EXPENSE | MRKTX | 221643 | 71960 | 46471 | 15297 | 3290 | 6788 | 113 | 1032 |
| SERVICES EXPENSE | SERVX | 1379536 | 274190 | 44654 | 71902 | 15464 | 29775 | 112394 | 1032 |
| - CABSX EXPENSE | CABSX | 218005 | 109003 | 0 | 65711 | 14132 | 29159 | 0 | 1032 |
| EXEC & PLANNING EXP | EXEPLX | 536518 | 144344 | 78346 | 35676 | 9783 | 9863 | 10677 | 1032 |
| GENERAL & ADMIN EXP | GENADX | 1249390 | 385239 | 209096 | 95215 | 26111 | 26322 | 28496 | 1032 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 385775 | 112804 | 72963 | 24018 | 5165 | 10658 | 0 | 1032 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1032 |
| NON-OPERATING INC & EXP | NONOPX | 1220 | 362 | 234 | 77 | 17 | 34 | 1 | 1032 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1042285 | 309540 | 199899 | 65803 | 14152 | 29200 | 486 | 1032 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 91929 | 23081 | 17017 | 3340 | 1143 | 1582 | 0 | 1033 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - GENERAL SUPPORT FACILITIES | GSF | 2421187 | 662019 | 488081 | 95791 | 32778 | 45368 | 0 | 1033 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3836657 | 1244586 | 406037 | 497899 | 136759 | 203891 | 0 | 1033 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - - COE CAT 3 | COE3 | 1520047 | 497899 | 0 | 497899 | 0 | 0 | 0 | 1033 |
| - - COE CAT 4.11 | COE411 | 206923 | 200116 | 0 | 0 | 0 | 200116 | 0 | 1033 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - - COE CAT 4.13 | COE413 | 1637522 | 407861 | 406037 | 0 | 0 | 1824 | 0 | 1033 |
| - - COE CAT 4.2 | COE42 | 472165 | 138710 | 0 | 0 | 136759 | 1951 | 0 | 1033 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - CABLE & WIRE FACILITIES | CWF | 8748052 | 2196419 | 2130883 | 0 | 33614 | 31922 | 0 | 1033 |
| - - C&WF CAT 1.1 | CWF11 | 60609 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - - C&WF CAT 1.2 | CWF12 | 9570 | 9570 | 0 | 0 | 0 | 9570 | 0 | 1033 |
| - - C&WF CAT 1.3 | CWF13 | 8523531 | 2130883 | 2130883 | 0 | 0 | 0 | 0 | 1033 |
| - - C&WF CAT 2 | CWF2 | 39575 | 22056 | 0 | 0 | 0 | 22056 | 0 | 1033 |
| - - C&WF CAT 3 | CWF3 | 114767 | 33910 | 0 | 0 | 33614 | 296 | 0 | 1033 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| ACCUM DEPRECIATION | ACCDEP | 7839271 | 2153391 | 1505607 | 435557 | 89658 | 122569 | 0 | 1033 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| NET DEFERRED FIT | NTDFIT | 326132 | 89189 | 65281 | 13765 | 4261 | 5881 | 0 | 1033 |
| NETWORK SUPPORT EXP | NETSPX | 18652 | 5100 | 3760 | 738 | 253 | 350 | 0 | 1033 |
| GENERAL SUPPORT EXP | GSFX | 102119 | 27922 | 20586 | 4040 | 1382 | 1914 | 0 | 1033 |
| COE EXPENSE | COEX | 161480 | 52383 | 7147 | 39240 | 2407 | 3589 | 0 | 1033 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| C&WF EXPENSE | CWFX | 234258 | 58816 | 57061 | 0 | 900 | 855 | 0 | 1033 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| NETWORK OPERATIONS EXP | NETOPX | 170256 | 46553 | 34321 | 6736 | 2305 | 3190 | 0 | 1033 |
| DEPREC & AMORT EXP | DEPAMX | 1021449 | 287218 | 193874 | 48950 | 18324 | 26070 | 0 | 1033 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| SERVICES EXPENSE | SERVX | 599363 | 200526 | 79800 | 32706 | 10769 | 9742 | 67509 | 1033 |
| - CABSX EXPENSE | CABSX | 74372 | 37186 | 0 | 20479 | 7008 | 9699 | 0 | 1033 |
| EXEC & PLANNING EXP | EXEPLX | 325630 | 100112 | 54261 | 20287 | 4379 | 4774 | 16410 | 1033 |
| GENERAL & ADMIN EXP | GENADX | 510526 | 176287 | 95549 | 35724 | 7712 | 8406 | 28896 | 1033 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 251743 | 68780 | 51914 | 8129 | 3655 | 5082 | 0 | 1033 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1033 |
| NON-OPERATING INC & EXP | NONOPX | 2745 | 907 | 669 | 131 | 45 | 62 | 0 | 1033 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 268068 | 72834 | 53697 | 10539 | 3606 | 4991 | 0 | 1033 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 16955 | 4257 | 2974 | 659 | 124 | 500 | 0 | 1034 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| - GENERAL SUPPORT FACILITIES | GSF | 369098 | 105672 | 73829 | 16354 | 3069 | 12420 | 0 | 1034 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5904461 | 2129371 | 737341 | 813748 | 81255 | 497027 | 0 | 1034 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| - - COE CAT 3 | COE3 | 2125511 | 813748 | 0 | 813748 | 0 | 0 | 0 | 1034 |
| - - COE CAT 4.11 | COE411 | 470831 | 470831 | 0 | 0 | 0 | 470831 | 0 | 1034 |
| - - COE CAT 4.12 | COE412 | 34031 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| - - COE CAT 4.13 | COE413 | 2977722 | 742497 | 737341 | 0 | 0 | 5156 | 0 | 1034 |
| - - COE CAT 4.2 | COE42 | 273876 | 98167 | 0 | 0 | 77127 | 21040 | 0 | 1034 |
| - - COE CAT 4.3 | COE43 | 22490 | 4129 | 0 | 0 | 4129 | 0 | 0 | 1034 |
| - INFORMATION ORIG/TERM | IOT | 5276 | 1319 | 1310 | 0 | 0 | 9 | 0 | 1034 |
| - CABLE & WIRE FACILITIES | CWF | 12456177 | 3127434 | 2935000 | 0 | 71454 | 120980 | 0 | 1034 |
| - - C&WF CAT 1.1 | CWF11 | 92360 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| - - C&WF CAT 1.2 | CWF12 | 20524 | 20524 | 0 | 0 | 0 | 20524 | 0 | 1034 |
| - - C&WF CAT 1.3 | CWF13 | 11740000 | 2935000 | 2935000 | 0 | 0 | 0 | 0 | 1034 |
| - - C&WF CAT 2 | CWF2 | 292998 | 98459 | 0 | 0 | 0 | 98459 | 0 | 1034 |
| - - C&WF CAT 3 | CWF3 | 81353 | 31424 | 0 | 0 | 29427 | 1997 | 0 | 1034 |
| - - C&WF CAT 4 | CWF4 | 228941 | 42027 | 0 | 0 | 42027 | 0 | 0 | 1034 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| - INTANGIBLES | INTANG | 184154 | 52723 | 36835 | 8159 | 1531 | 6197 | 0 | 1034 |
| TELCOM PLANT-OTHER | PLTOTH | 192856 | 55214 | 38576 | 8545 | 1604 | 6490 | 0 | 1034 |
| ACCUM DEPRECIATION | ACCDEP | 9137217 | 2642892 | 1732366 | 583086 | 67703 | 259738 | 0 | 1034 |
| ACCUM AMORTIZATION | ACCAMO | 138381 | 39618 | 27680 | 6131 | 1151 | 4657 | 0 | 1034 |
| NET DEFERRED FIT | NTDFIT | 373000 | 106789 | 74609 | 16527 | 3101 | 12552 | 0 | 1034 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| GENERAL SUPPORT EXP | GSFX | 97204 | 27829 | 19443 | 4307 | 808 | 3271 | 0 | 1034 |
| COE EXPENSE | COEX | 484170 | 174610 | 36709 | 108354 | 4803 | 24745 | 0 | 1034 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| C&WF EXPENSE | CWFX | 764859 | 192037 | 180221 | 0 | 4388 | 7429 | 0 | 1034 |
| OTHER PROP & PL EXP | OTHPPX | 38520 | 11028 | 7705 | 1707 | 320 | 1296 | 0 | 1034 |
| NETWORK OPERATIONS EXP | NETOPX | 151978 | 43511 | 30399 | 6734 | 1264 | 5114 | 0 | 1034 |
| DEPREC & AMORT EXP | DEPAMX | 994116 | 299322 | 186414 | 57391 | 9709 | 45808 | 0 | 1034 |
| MARKETING EXPENSE | MRKTX | 200074 | 77487 | 54138 | 11992 | 2250 | 9108 | 0 | 1034 |
| SERVICES EXPENSE | SERVX | 340516 | 130009 | 27961 | 28267 | 5305 | 18710 | 49767 | 1034 |
| - CABSX EXPENSE | CABSX | 94749 | 47375 | 0 | 24330 | 4566 | 18478 | 0 | 1034 |
| EXEC & PLANNING EXP | EXEPLX | 225358 | 71690 | 40120 | 16984 | 2014 | 7333 | 5238 | 1034 |
| GENERAL & ADMIN EXP | GENADX | 442214 | 166552 | 93208 | 39458 | 4680 | 17037 | 12170 | 1034 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 390947 | 139899 | 99362 | 19180 | 4192 | 17166 | 0 | 1034 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1034 |
| NON-OPERATING INC & EXP | NONOPX | 81 | 29 | 20 | 4 | 1 | 3 | 0 | 1034 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 54630 | 15482 | 11453 | 1426 | 500 | 2103 | 0 | 1034 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 95424 | 24150 | 13496 | 6666 | 1121 | 2867 | 0 | 1035 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| - GENERAL SUPPORT FACILITIES | GSF | 1485821 | 445303 | 248855 | 122910 | 20667 | 52871 | 0 | 1035 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4885182 | 1786266 | 316874 | 975696 | 143927 | 349769 | 0 | 1035 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| - - COE CAT 3 | COE3 | 2488265 | 975696 | 0 | 975696 | 0 | 0 | 0 | 1035 |
| - - COE CAT 4.11 | COE411 | 265179 | 265179 | 0 | 0 | 0 | 265179 | 0 | 1035 |
| - - COE CAT 4.12 | COE412 | 93989 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| - - COE CAT 4.13 | COE413 | 1301712 | 324650 | 316874 | 0 | 0 | 7776 | 0 | 1035 |
| - - COE CAT 4.2 | COE42 | 284766 | 163207 | 0 | 0 | 86394 | 76814 | 0 | 1035 |
| - - COE CAT 4.3 | COE43 | 451271 | 57533 | 0 | 0 | 57533 | 0 | 0 | 1035 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| - CABLE & WIRE FACILITIES | CWF | 6909681 | 1748677 | 1658610 | 0 | 20131 | 69936 | 0 | 1035 |
| - - C&WF CAT 1.1 | CWF11 | 138387 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| - - C&WF CAT 1.2 | CWF12 | 40702 | 40702 | 0 | 0 | 0 | 40702 | 0 | 1035 |
| - - C&WF CAT 1.3 | CWF13 | 6634441 | 1658610 | 1658610 | 0 | 0 | 0 | 0 | 1035 |
| - - C&WF CAT 2 | CWF2 | 42653 | 34574 | 0 | 0 | 5584 | 28990 | 0 | 1035 |
| - - C&WF CAT 3 | CWF3 | 25516 | 11223 | 0 | 0 | 10979 | 244 | 0 | 1035 |
| - - C&WF CAT 4 | CWF4 | 27982 | 3567 | 0 | 0 | 3567 | 0 | 0 | 1035 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| - INTANGIBLES | INTANG | 2108 | 632 | 353 | 174 | 29 | 75 | 0 | 1035 |
| TELCOM PLANT-OTHER | PLTOTH | 76803 | 23018 | 12863 | 6353 | 1068 | 2733 | 0 | 1035 |
| ACCUM DEPRECIATION | ACCDEP | 7109831 | 2194225 | 1097016 | 670743 | 121177 | 305289 | 0 | 1035 |
| ACCUM AMORTIZATION | ACCAMO | 2058 | 617 | 345 | 170 | 29 | 73 | 0 | 1035 |
| NET DEFERRED FIT | NTDFIT | 886141 | 265604 | 148315 | 73731 | 12238 | 31320 | 0 | 1035 |
| NETWORK SUPPORT EXP | NETSPX | 42340 | 12689 | 7091 | 3502 | 589 | 1507 | 0 | 1035 |
| GENERAL SUPPORT EXP | GSFX | 93125 | 27910 | 15597 | 7703 | 1295 | 3314 | 0 | 1035 |
| COE EXPENSE | COEX | 131631 | 48131 | 4274 | 37199 | 1941 | 4717 | 0 | 1035 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| C&WF EXPENSE | CWFX | 336967 | 85278 | 80886 | 0 | 982 | 3411 | 0 | 1035 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| NETWORK OPERATIONS EXP | NETOPX | 277739 | 83239 | 46518 | 22975 | 3863 | 9883 | 0 | 1035 |
| DEPREC & AMORT EXP | DEPAMX | 1129908 | 355582 | 161151 | 134118 | 17114 | 43199 | 0 | 1035 |
| MARKETING EXPENSE | MRKTX | 12410 | 2143 | 1198 | 592 | 99 | 254 | 0 | 1035 |
| SERVICES EXPENSE | SERVX | 370394 | 110078 | 13493 | 32450 | 5462 | 13134 | 45538 | 1035 |
| - CABSX EXPENSE | CABSX | 96643 | 48322 | 0 | 30233 | 5083 | 13005 | 0 | 1035 |
| EXEC & PLANNING EXP | EXEPLX | 223095 | 64978 | 32171 | 17093 | 2330 | 5929 | 7454 | 1035 |
| GENERAL & ADMIN EXP | GENADX | 526902 | 190488 | 94313 | 50111 | 6830 | 17382 | 21853 | 1035 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 40228 | 19796 | 11915 | 5032 | 792 | 2057 | 0 | 1035 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1035 |
| NON-OPERATING INC & EXP | NONOPX | 25092 | 8547 | 4776 | 2359 | 397 | 1015 | 0 | 1035 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 169143 | 48589 | 31062 | 11431 | 1673 | 4423 | 0 | 1035 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 36546 | 9143 | 5759 | 1681 | 208 | 1494 | 0 | 1036 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| - GENERAL SUPPORT FACILITIES | GSF | 1662033 | 497038 | 313109 | 91363 | 11323 | 81244 | 0 | 1036 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5894563 | 2255231 | 624554 | 877781 | 94988 | 657908 | 0 | 1036 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| - - COE CAT 3 | COE3 | 2417471 | 877781 | 0 | 877781 | 0 | 0 | 0 | 1036 |
| - - COE CAT 4.11 | COE411 | 625250 | 625250 | 0 | 0 | 0 | 625250 | 0 | 1036 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| - - COE CAT 4.13 | COE413 | 2525452 | 634695 | 624554 | 0 | 0 | 10141 | 0 | 1036 |
| - - COE CAT 4.2 | COE42 | 314700 | 115532 | 0 | 0 | 93016 | 22516 | 0 | 1036 |
| - - COE CAT 4.3 | COE43 | 11690 | 1972 | 0 | 0 | 1972 | 0 | 0 | 1036 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| - CABLE & WIRE FACILITIES | CWF | 10073652 | 2520132 | 2383680 | 0 | 13798 | 122653 | 0 | 1036 |
| - - C&WF CAT 1.1 | CWF11 | 65246 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| - - C&WF CAT 1.2 | CWF12 | 38705 | 38705 | 0 | 0 | 0 | 38705 | 0 | 1036 |
| - - C&WF CAT 1.3 | CWF13 | 9534721 | 2383680 | 2383680 | 0 | 0 | 0 | 0 | 1036 |
| - - C&WF CAT 2 | CWF2 | 390783 | 83063 | 0 | 0 | 0 | 83063 | 0 | 1036 |
| - - C&WF CAT 3 | CWF3 | 19924 | 10588 | 0 | 0 | 9703 | 885 | 0 | 1036 |
| - - C&WF CAT 4 | CWF4 | 24273 | 4096 | 0 | 0 | 4096 | 0 | 0 | 1036 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| TELCOM PLANT-OTHER | PLTOTH | 7719 | 2308 | 1454 | 424 | 53 | 377 | 0 | 1036 |
| ACCUM DEPRECIATION | ACCDEP | 14072604 | 4044027 | 2716627 | 771148 | 66785 | 489467 | 0 | 1036 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| NETWORK SUPPORT EXP | NETSPX | 9645 | 2884 | 1817 | 530 | 66 | 471 | 0 | 1036 |
| GENERAL SUPPORT EXP | GSFX | 140327 | 41965 | 26436 | 7714 | 956 | 6859 | 0 | 1036 |
| COE EXPENSE | COEX | 838053 | 320635 | 45477 | 217664 | 9590 | 47905 | 0 | 1036 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| C&WF EXPENSE | CWFX | 574076 | 143617 | 135841 | 0 | 786 | 6990 | 0 | 1036 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| NETWORK OPERATIONS EXP | NETOPX | 410104 | 122643 | 77259 | 22544 | 2794 | 20047 | 0 | 1036 |
| DEPREC & AMORT EXP | DEPAMX | 1430829 | 451910 | 250922 | 96103 | 12986 | 91899 | 0 | 1036 |
| MARKETING EXPENSE | MRKTX | 6901 | 1949 | 1228 | 358 | 44 | 319 | 0 | 1036 |
| SERVICES EXPENSE | SERVX | 930143 | 282934 | 22878 | 78278 | 9701 | 68160 | 103918 | 1036 |
| - CABSX EXPENSE | CABSX | 304975 | 152488 | 0 | 75745 | 9387 | 67355 | 0 | 1036 |
| EXEC & PLANNING EXP | EXEPLX | 362177 | 114428 | 44850 | 37574 | 2750 | 17317 | 11937 | 1036 |
| GENERAL & ADMIN EXP | GENADX | 1146214 | 404699 | 158621 | 132888 | 9725 | 61246 | 42219 | 1036 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 111983 | 36964 | 22750 | 6706 | 922 | 6585 | 0 | 1036 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 22527 | 6737 | 4244 | 1238 | 153 | 1101 | 0 | 1036 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1036 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 276942 | 95327 | 47787 | 15507 | 4010 | 28024 | 0 | 1036 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 194214 | 52711 | 32913 | 5678 | 3785 | 10124 | 211 | 1037 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| - GENERAL SUPPORT FACILITIES | GSF | 3554155 | 1069428 | 644104 | 111125 | 74062 | 198115 | 42021 | 1037 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10573146 | 3793774 | 1145958 | 1019913 | 405390 | 1222513 | 0 | 1037 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| - - COE CAT 3 | COE3 | 3457497 | 1019913 | 0 | 1019913 | 0 | 0 | 0 | 1037 |
| - - COE CAT 4.11 | COE411 | 1046222 | 1046222 | 0 | 0 | 0 | 1046222 | 0 | 1037 |
| - - COE CAT 4.12 | COE412 | 345213 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| - - COE CAT 4.13 | COE413 | 4608970 | 1154337 | 1145958 | 0 | 0 | 8380 | 0 | 1037 |
| - - COE CAT 4.2 | COE42 | 851683 | 539696 | 0 | 0 | 371784 | 167911 | 0 | 1037 |
| - - COE CAT 4.3 | COE43 | 263561 | 33606 | 0 | 0 | 33606 | 0 | 0 | 1037 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| - CABLE & WIRE FACILITIES | CWF | 20765344 | 5635823 | 4765666 | 0 | 274358 | 595800 | 0 | 1037 |
| - - C&WF CAT 1.1 | CWF11 | 69699 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| - - C&WF CAT 1.2 | CWF12 | 34849 | 34849 | 0 | 0 | 0 | 34849 | 0 | 1037 |
| - - C&WF CAT 1.3 | CWF13 | 19062663 | 4765666 | 4765666 | 0 | 0 | 0 | 0 | 1037 |
| - - C&WF CAT 2 | CWF2 | 535967 | 248414 | 0 | 0 | 0 | 248414 | 0 | 1037 |
| - - C&WF CAT 3 | CWF3 | 801806 | 553696 | 0 | 0 | 241160 | 312536 | 0 | 1037 |
| - - C&WF CAT 4 | CWF4 | 260360 | 33198 | 0 | 0 | 33198 | 0 | 0 | 1037 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| - INTANGIBLES | INTANG | 8276 | 2490 | 1555 | 268 | 179 | 478 | 10 | 1037 |
| TELCOM PLANT-OTHER | PLTOTH | 174392 | 52264 | 32765 | 5653 | 3768 | 10078 | 0 | 1037 |
| ACCUM DEPRECIATION | ACCDEP | 18991360 | 5696329 | 3346800 | 932406 | 380060 | 1014245 | 22819 | 1037 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| NET DEFERRED FIT | NTDFIT | 3447313 | 1033292 | 647834 | 111714 | 74489 | 199254 | 0 | 1037 |
| NETWORK SUPPORT EXP | NETSPX | 1630 | 490 | 306 | 53 | 35 | 94 | 2 | 1037 |
| GENERAL SUPPORT EXP | GSFX | 184977 | 55659 | 33523 | 5784 | 3855 | 10311 | 2187 | 1037 |
| COE EXPENSE | COEX | 442863 | 158905 | 10418 | 133688 | 3685 | 11114 | 0 | 1037 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| C&WF EXPENSE | CWFX | 881479 | 239238 | 202300 | 0 | 11646 | 25291 | 0 | 1037 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| NETWORK OPERATIONS EXP | NETOPX | 197322 | 59373 | 37222 | 6422 | 4280 | 11449 | 0 | 1037 |
| DEPREC & AMORT EXP | DEPAMX | 2009122 | 630109 | 342546 | 93618 | 50817 | 141702 | 1427 | 1037 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| SERVICES EXPENSE | SERVX | 423173 | 134589 | 4250 | 259 | 0 | 0 | 130080 | 1037 |
| - CABSX EXPENSE | CABSX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| EXEC & PLANNING EXP | EXEPLX | 439973 | 133950 | 67826 | 26837 | 4314 | 10694 | 24279 | 1037 |
| GENERAL & ADMIN EXP | GENADX | 672346 | 242043 | 122560 | 48494 | 7795 | 19324 | 43871 | 1037 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 336579 | 99414 | 64158 | 7863 | 7420 | 19871 | 102 | 1037 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1037 |
| NON-OPERATING INC & EXP | NONOPX | 5000 | 1690 | 1055 | 182 | 121 | 325 | 7 | 1037 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 421426 | 127408 | 79555 | 13725 | 9148 | 24470 | 510 | 1037 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 67017 | 16794 | 9677 | 1657 | 542 | 4918 | 0 | 1038 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| - GENERAL SUPPORT FACILITIES | GSF | 840284 | 263935 | 152083 | 26044 | 8522 | 77286 | 0 | 1038 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4129272 | 1789273 | 287605 | 368243 | 111789 | 1021637 | 0 | 1038 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| - - COE CAT 3 | COE3 | 1284572 | 368243 | 0 | 368243 | 0 | 0 | 0 | 1038 |
| - - COE CAT 4.11 | COE411 | 189147 | 189147 | 0 | 0 | 0 | 189147 | 0 | 1038 |
| - - COE CAT 4.12 | COE412 | 183614 | 41668 | 0 | 0 | 0 | 41668 | 0 | 1038 |
| - - COE CAT 4.13 | COE413 | 1171258 | 289979 | 287605 | 0 | 0 | 2374 | 0 | 1038 |
| - - COE CAT 4.2 | COE42 | 1090363 | 881158 | 0 | 0 | 92711 | 788448 | 0 | 1038 |
| - - COE CAT 4.3 | COE43 | 210318 | 19078 | 0 | 0 | 19078 | 0 | 0 | 1038 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| - CABLE & WIRE FACILITIES | CWF | 7751909 | 1942626 | 1862767 | 0 | 8707 | 71152 | 0 | 1038 |
| - - C&WF CAT 1.1 | CWF11 | 119600 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| - - C&WF CAT 1.2 | CWF12 | 15377 | 15377 | 0 | 0 | 0 | 15377 | 0 | 1038 |
| - - C&WF CAT 1.3 | CWF13 | 7451067 | 1862767 | 1862767 | 0 | 0 | 0 | 0 | 1038 |
| - - C&WF CAT 2 | CWF2 | 45767 | 12947 | 0 | 0 | 0 | 12947 | 0 | 1038 |
| - - C&WF CAT 3 | CWF3 | 51814 | 45341 | 0 | 0 | 2513 | 42828 | 0 | 1038 |
| - - C&WF CAT 4 | CWF4 | 68284 | 6194 | 0 | 0 | 6194 | 0 | 0 | 1038 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| - INTANGIBLES | INTANG | 3940 | 1238 | 713 | 122 | 40 | 362 | 0 | 1038 |
| TELCOM PLANT-OTHER | PLTOTH | 671511 | 210923 | 121537 | 20813 | 6810 | 61763 | 0 | 1038 |
| ACCUM DEPRECIATION | ACCDEP | 8388262 | 2571283 | 1577481 | 228999 | 76056 | 688748 | 0 | 1038 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| NET DEFERRED FIT | NTDFIT | 407879 | 157882 | 46021 | 27170 | 8364 | 76326 | 0 | 1038 |
| NETWORK SUPPORT EXP | NETSPX | 2972 | 934 | 538 | 92 | 30 | 273 | 0 | 1038 |
| GENERAL SUPPORT EXP | GSFX | 42864 | 13464 | 7758 | 1329 | 435 | 3942 | 0 | 1038 |
| COE EXPENSE | COEX | 274269 | 118845 | 11586 | 61601 | 4503 | 41155 | 0 | 1038 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| C&WF EXPENSE | CWFX | 319088 | 79963 | 76676 | 0 | 358 | 2929 | 0 | 1038 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1038 |
| NETWORK OPERATIONS EXP | NETOPX | 93855 | 29480 | 16987 | 2909 | 952 | 8632 | 0 | 1038 |
| DEPREC & AMORT EXP | DEPAMX | 756860 | 260917 | 115329 | 34775 | 10969 | 99845 | 0 | 1038 |
| MARKETING EXPENSE | MRKTX | 13216 | 3658 | 2108 | 361 | 118 | 1071 | 0 | 1038 |
| SERVICES EXPENSE | SERVX | 902108 | 217615 | 54537 | 40590 | 12802 | 101607 | 8080 | 1038 |
| - CABSX EXPENSE | CABSX | 291592 | 145796 | 0 | 33947 | 11108 | 100741 | 0 | 1038 |
| EXEC & PLANNING EXP | EXEPLX | 277232 | 78672 | 33736 | 16349 | 2937 | 24415 | 1236 | 1038 |
| GENERAL & ADMIN EXP | GENADX | 459796 | 157612 | 67586 | 32754 | 5883 | 48913 | 2476 | 1038 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 101580 | 32069 | 18022 | 3282 | 1069 | 9696 | 0 | 1038 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 7687 | 2414 | 1391 | 238 | 78 | 707 | 0 | 1038 |
| NON-OPERATING INC & EXP | NONOPX | 100 | 35 | 20 | 3 | 1 | 10 | 0 | 1038 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 84441 | 27056 | 15590 | 2670 | 874 | 7923 | 0 | 1038 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 6702 | 1848 | 1196 | 274 | 29 | 342 | 7 | 1039 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - GENERAL SUPPORT FACILITIES | GSF | 460810 | 136885 | 85626 | 19647 | 2045 | 24512 | 5055 | 1039 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1176871 | 411739 | 102974 | 180911 | 11591 | 116263 | 0 | 1039 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - - COE CAT 3 | COE3 | 575014 | 180911 | 0 | 180911 | 0 | 0 | 0 | 1039 |
| - - COE CAT 4.11 | COE411 | 58264 | 48957 | 0 | 0 | 0 | 48957 | 0 | 1039 |
| - - COE CAT 4.12 | COE412 | 16224 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - - COE CAT 4.13 | COE413 | 453966 | 131056 | 102974 | 0 | 0 | 28082 | 0 | 1039 |
| - - COE CAT 4.2 | COE42 | 73403 | 50815 | 0 | 0 | 11591 | 39224 | 0 | 1039 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - CABLE & WIRE FACILITIES | CWF | 2909616 | 802163 | 685477 | 0 | 7242 | 109444 | 0 | 1039 |
| - - C&WF CAT 1.1 | CWF11 | 20751 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - - C&WF CAT 1.2 | CWF12 | 41502 | 41502 | 0 | 0 | 0 | 41502 | 0 | 1039 |
| - - C&WF CAT 1.3 | CWF13 | 2741909 | 685477 | 685477 | 0 | 0 | 0 | 0 | 1039 |
| - - C&WF CAT 2 | CWF2 | 59134 | 43053 | 0 | 0 | 0 | 43053 | 0 | 1039 |
| - - C&WF CAT 3 | CWF3 | 46320 | 32131 | 0 | 0 | 7242 | 24889 | 0 | 1039 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| - TANGIBLES | TANGIB | 12208 | 12208 | 0 | 0 | 0 | 12208 | 0 | 1039 |
| - INTANGIBLES | INTANG | 34219 | 10229 | 6619 | 1519 | 158 | 1895 | 38 | 1039 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| ACCUM DEPRECIATION | ACCDEP | 2597463 | 789709 | 470465 | 140769 | 13947 | 161082 | 3446 | 1039 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| NET DEFERRED FIT | NTDFIT | 6671 | 1995 | 1295 | 298 | 31 | 371 | 0 | 1039 |
| NETWORK SUPPORT EXP | NETSPX | 4173 | 1240 | 802 | 184 | 19 | 230 | 5 | 1039 |
| GENERAL SUPPORT EXP | GSFX | 11845 | 3519 | 2201 | 505 | 53 | 630 | 130 | 1039 |
| COE EXPENSE | COEX | 78981 | 27632 | 7760 | 10238 | 873 | 8761 | 0 | 1039 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| C&WF EXPENSE | CWFX | 82192 | 22660 | 19364 | 0 | 205 | 3092 | 0 | 1039 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| NETWORK OPERATIONS EXP | NETOPX | 134949 | 40087 | 26037 | 5974 | 622 | 7454 | 0 | 1039 |
| DEPREC & AMORT EXP | DEPAMX | 364651 | 107331 | 68301 | 20191 | 1259 | 17312 | 267 | 1039 |
| MARKETING EXPENSE | MRKTX | 58297 | 17322 | 11209 | 2572 | 268 | 3209 | 65 | 1039 |
| SERVICES EXPENSE | SERVX | 157013 | 38671 | 8297 | 5636 | 587 | 5593 | 18559 | 1039 |
| - CABSX EXPENSE | CABSX | 17969 | 8985 | 0 | 3820 | 398 | 4766 | 0 | 1039 |
| EXEC & PLANNING EXP | EXEPLX | 23183 | 6635 | 3637 | 997 | 104 | 1151 | 745 | 1039 |
| GENERAL & ADMIN EXP | GENADX | 192640 | 57424 | 31481 | 8632 | 903 | 9959 | 6449 | 1039 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 53010 | 15966 | 10752 | 2069 | 224 | 2906 | 16 | 1039 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 5039 | 1501 | 975 | 224 | 23 | 279 | 0 | 1039 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1039 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 34710 | 10143 | 6564 | 1506 | 157 | 1879 | 38 | 1039 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 246020 | 61825 | 40601 | 6677 | 1300 | 13247 | 0 | 1040 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| - GENERAL SUPPORT FACILITIES | GSF | 890728 | 276568 | 181623 | 29868 | 5817 | 59260 | 0 | 1040 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5310832 | 2166734 | 727505 | 471373 | 83916 | 883940 | 0 | 1040 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| - - COE CAT 3 | COE3 | 1144236 | 471373 | 0 | 471373 | 0 | 0 | 0 | 1040 |
| - - COE CAT 4.11 | COE411 | 208783 | 208783 | 0 | 0 | 0 | 208783 | 0 | 1040 |
| - - COE CAT 4.12 | COE412 | 82115 | 14653 | 0 | 0 | 0 | 14653 | 0 | 1040 |
| - - COE CAT 4.13 | COE413 | 2940527 | 729646 | 727505 | 0 | 0 | 2141 | 0 | 1040 |
| - - COE CAT 4.2 | COE42 | 865710 | 733997 | 0 | 0 | 75633 | 658364 | 0 | 1040 |
| - - COE CAT 4.3 | COE43 | 69461 | 8282 | 0 | 0 | 8282 | 0 | 0 | 1040 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| - CABLE & WIRE FACILITIES | CWF | 8746363 | 2197977 | 2138806 | 0 | 7885 | 51286 | 0 | 1040 |
| - - C&WF CAT 1.1 | CWF11 | 83397 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| - - C&WF CAT 1.2 | CWF12 | 6294 | 6294 | 0 | 0 | 0 | 6294 | 0 | 1040 |
| - - C&WF CAT 1.3 | CWF13 | 8555225 | 2138806 | 2138806 | 0 | 0 | 0 | 0 | 1040 |
| - - C&WF CAT 2 | CWF2 | 25513 | 5473 | 0 | 0 | 0 | 5473 | 0 | 1040 |
| - - C&WF CAT 3 | CWF3 | 53911 | 44778 | 0 | 0 | 5259 | 39519 | 0 | 1040 |
| - - C&WF CAT 4 | CWF4 | 22023 | 2626 | 0 | 0 | 2626 | 0 | 0 | 1040 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| TELCOM PLANT-OTHER | PLTOTH | 1530228 | 475131 | 312019 | 51312 | 9993 | 101806 | 0 | 1040 |
| ACCUM DEPRECIATION | ACCDEP | 7164217 | 2248180 | 1444530 | 253668 | 49041 | 500941 | 0 | 1040 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| NET DEFERRED FIT | NTDFIT | 1038358 | 380725 | 171693 | 67855 | 12327 | 128851 | 0 | 1040 |
| NETWORK SUPPORT EXP | NETSPX | 6555 | 2035 | 1337 | 220 | 43 | 436 | 0 | 1040 |
| GENERAL SUPPORT EXP | GSFX | 66578 | 20672 | 13575 | 2233 | 435 | 4429 | 0 | 1040 |
| COE EXPENSE | COEX | 405600 | 165478 | 47905 | 53840 | 5526 | 58207 | 0 | 1040 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| C&WF EXPENSE | CWFX | 447110 | 112360 | 109335 | 0 | 403 | 2622 | 0 | 1040 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1040 |
| NETWORK OPERATIONS EXP | NETOPX | 195328 | 60649 | 39828 | 6550 | 1276 | 12995 | 0 | 1040 |
| DEPREC & AMORT EXP | DEPAMX | 1210726 | 395572 | 233386 | 51728 | 9775 | 100684 | 0 | 1040 |
| MARKETING EXPENSE | MRKTX | 15270 | 4737 | 3111 | 512 | 100 | 1015 | 0 | 1040 |
| SERVICES EXPENSE | SERVX | 1066911 | 356739 | 109840 | 60464 | 11214 | 100767 | 74453 | 1040 |
| - CABSX EXPENSE | CABSX | 320424 | 160212 | 0 | 50400 | 9816 | 99996 | 0 | 1040 |
| EXEC & PLANNING EXP | EXEPLX | 417811 | 137287 | 67905 | 21599 | 3314 | 31482 | 12988 | 1040 |
| GENERAL & ADMIN EXP | GENADX | 589026 | 224566 | 111075 | 35330 | 5420 | 51496 | 21244 | 1040 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 162971 | 52951 | 35761 | 5381 | 1059 | 10750 | 0 | 1040 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 2147 | 667 | 438 | 72 | 14 | 143 | 0 | 1040 |
| NON-OPERATING INC & EXP | NONOPX | 703 | 253 | 166 | 27 | 5 | 54 | 0 | 1040 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 130525 | 39048 | 25643 | 4217 | 821 | 8367 | 0 | 1040 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 815703 | 239129 | 128245 | 27857 | 20546 | 61982 | 499 | 1041 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| - GENERAL SUPPORT FACILITIES | GSF | 12463160 | 4025117 | 2116130 | 459662 | 339029 | 1022737 | 87559 | 1041 |
| - CENTRAL OFFICE EQUIPMENT | COE | 29451906 | 12137294 | 1613359 | 4431608 | 2677374 | 3414953 | 0 | 1041 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| - - COE CAT 2 | COE2 | 1448276 | 994659 | 0 | 0 | 994659 | 0 | 0 | 1041 |
| - - COE CAT 3 | COE3 | 12146150 | 4431608 | 0 | 4431608 | 0 | 0 | 0 | 1041 |
| - - COE CAT 4.11 | COE411 | 2043920 | 799264 | 0 | 0 | 0 | 799264 | 0 | 1041 |
| - - COE CAT 4.12 | COE412 | 2801301 | 2580300 | 0 | 0 | 0 | 2580300 | 0 | 1041 |
| - - COE CAT 4.13 | COE413 | 6538839 | 1630641 | 1613359 | 0 | 0 | 17282 | 0 | 1041 |
| - - COE CAT 4.2 | COE42 | 1911142 | 1170748 | 0 | 0 | 1152642 | 18107 | 0 | 1041 |
| - - COE CAT 4.3 | COE43 | 2562278 | 530074 | 0 | 0 | 530074 | 0 | 0 | 1041 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| - CABLE & WIRE FACILITIES | CWF | 88091708 | 25824735 | 18788265 | 0 | 591203 | 6445268 | 0 | 1041 |
| - - C&WF CAT 1.1 | CWF11 | 793306 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| - - C&WF CAT 1.2 | CWF12 | 201257 | 201257 | 0 | 0 | 0 | 201257 | 0 | 1041 |
| - - C&WF CAT 1.3 | CWF13 | 75153058 | 18788265 | 18788265 | 0 | 0 | 0 | 0 | 1041 |
| - - C&WF CAT 2 | CWF2 | 10121294 | 6227203 | 0 | 0 | 0 | 6227203 | 0 | 1041 |
| - - C&WF CAT 3 | CWF3 | 589740 | 352921 | 0 | 0 | 336114 | 16807 | 0 | 1041 |
| - - C&WF CAT 4 | CWF4 | 1233052 | 255089 | 0 | 0 | 255089 | 0 | 0 | 1041 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| - INTANGIBLES | INTANG | 35413 | 11437 | 6134 | 1332 | 983 | 2964 | 24 | 1041 |
| TELCOM PLANT-OTHER | PLTOTH | 5150602 | 1659976 | 892107 | 193782 | 142926 | 431161 | 0 | 1041 |
| ACCUM DEPRECIATION | ACCDEP | 71077326 | 23265993 | 11989620 | 2806244 | 2203174 | 6210190 | 56764 | 1041 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| NETWORK SUPPORT EXP | NETSPX | 18839 | 6084 | 3263 | 709 | 523 | 1577 | 13 | 1041 |
| GENERAL SUPPORT EXP | GSFX | 774514 | 250138 | 131505 | 28565 | 21069 | 63557 | 5441 | 1041 |
| COE EXPENSE | COEX | 2048405 | 844159 | 24946 | 604675 | 161736 | 52803 | 0 | 1041 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| C&WF EXPENSE | CWFX | 3267481 | 957886 | 696891 | 0 | 21929 | 239067 | 0 | 1041 |
| OTHER PROP & PL EXP | OTHPPX | 122347 | 39513 | 21235 | 4613 | 3402 | 10263 | 0 | 1041 |
| NETWORK OPERATIONS EXP | NETOPX | 421939 | 136270 | 73234 | 15908 | 11733 | 35395 | 0 | 1041 |
| DEPREC & AMORT EXP | DEPAMX | 6849990 | 2323768 | 1117188 | 188626 | 278449 | 735614 | 3891 | 1041 |
| MARKETING EXPENSE | MRKTX | 266767 | 93753 | 50280 | 10922 | 8055 | 24300 | 196 | 1041 |
| SERVICES EXPENSE | SERVX | 1895177 | 543690 | 81096 | 131164 | 18521 | 46995 | 265915 | 1041 |
| - CABSX EXPENSE | CABSX | 162720 | 81360 | 0 | 20532 | 15144 | 45684 | 0 | 1041 |
| EXEC & PLANNING EXP | EXEPLX | 575494 | 187644 | 81608 | 47212 | 14638 | 28091 | 16096 | 1041 |
| GENERAL & ADMIN EXP | GENADX | 2549038 | 897527 | 390341 | 225820 | 70014 | 134364 | 76987 | 1041 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 499796 | 161078 | 86567 | 18804 | 13869 | 41838 | 0 | 1041 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1041 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1462154 | 464673 | 249205 | 54132 | 39926 | 120442 | 969 | 1041 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 496842 | 126304 | 85586 | 24505 | 3860 | 12326 | 27 | 1042 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - GENERAL SUPPORT FACILITIES | GSF | 3837390 | 1139954 | 771296 | 220833 | 34790 | 111081 | 1954 | 1042 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7455002 | 3050388 | 769679 | 1542622 | 192789 | 545299 | 0 | 1042 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - - COE CAT 3 | COE3 | 2899769 | 1542622 | 0 | 1542622 | 0 | 0 | 0 | 1042 |
| - - COE CAT 4.11 | COE411 | 133250 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - - COE CAT 4.12 | COE412 | 216878 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - - COE CAT 4.13 | COE413 | 3171723 | 798966 | 769679 | 0 | 0 | 29287 | 0 | 1042 |
| - - COE CAT 4.2 | COE42 | 1033382 | 708800 | 0 | 0 | 192789 | 516011 | 0 | 1042 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - INFORMATION ORIG/TERM | IOT | 31453 | 7863 | 0 | 0 | 0 | 7863 | 0 | 1042 |
| - CABLE & WIRE FACILITIES | CWF | 19273640 | 4891198 | 4618176 | 0 | 50235 | 222786 | 0 | 1042 |
| - - C&WF CAT 1.1 | CWF11 | 382325 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - - C&WF CAT 1.2 | CWF12 | 175727 | 175727 | 0 | 0 | 0 | 175727 | 0 | 1042 |
| - - C&WF CAT 1.3 | CWF13 | 18472705 | 4618176 | 4618176 | 0 | 0 | 0 | 0 | 1042 |
| - - C&WF CAT 2 | CWF2 | 131199 | 43171 | 0 | 0 | 26315 | 16855 | 0 | 1042 |
| - - C&WF CAT 3 | CWF3 | 111684 | 54124 | 0 | 0 | 23920 | 30204 | 0 | 1042 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| - TANGIBLES | TANGIB | 453048 | 189044 | 43690 | 103458 | 10943 | 30953 | 0 | 1042 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| TELCOM PLANT-OTHER | PLTOTH | 2096048 | 626204 | 418719 | 126025 | 19492 | 61968 | 0 | 1042 |
| ACCUM DEPRECIATION | ACCDEP | 13433070 | 4191422 | 2525890 | 1041825 | 152009 | 470724 | 973 | 1042 |
| ACCUM AMORTIZATION | ACCAMO | 64507 | 26927 | 6213 | 14756 | 1556 | 4402 | 0 | 1042 |
| NET DEFERRED FIT | NTDFIT | 689435 | 208554 | 135772 | 49714 | 5476 | 17591 | 0 | 1042 |
| NETWORK SUPPORT EXP | NETSPX | 69638 | 20687 | 14018 | 4014 | 632 | 2019 | 4 | 1042 |
| GENERAL SUPPORT EXP | GSFX | 327009 | 97143 | 65727 | 18819 | 2965 | 9466 | 167 | 1042 |
| COE EXPENSE | COEX | 357098 | 146115 | 50286 | 47608 | 12596 | 35626 | 0 | 1042 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| C&WF EXPENSE | CWFX | 1037541 | 263304 | 248606 | 0 | 2704 | 11993 | 0 | 1042 |
| OTHER PROP & PL EXP | OTHPPX | 952 | 284 | 193 | 55 | 9 | 28 | 0 | 1042 |
| NETWORK OPERATIONS EXP | NETOPX | 444422 | 132022 | 89480 | 25619 | 4036 | 12887 | 0 | 1042 |
| DEPREC & AMORT EXP | DEPAMX | 1282786 | 411466 | 231154 | 114889 | 16065 | 49290 | 68 | 1042 |
| MARKETING EXPENSE | MRKTX | 25930 | 0 | 0 | 0 | 0 | 0 | 0 | 1042 |
| SERVICES EXPENSE | SERVX | 621855 | 188950 | 97456 | 49880 | 6886 | 24610 | 10118 | 1042 |
| - CABSX EXPENSE | CABSX | 107305 | 53653 | 0 | 32310 | 5090 | 16252 | 0 | 1042 |
| EXEC & PLANNING EXP | EXEPLX | 153006 | 44963 | 29981 | 7736 | 1581 | 5120 | 545 | 1042 |
| GENERAL & ADMIN EXP | GENADX | 752330 | 221085 | 147415 | 38040 | 7772 | 25177 | 2681 | 1042 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 461689 | 137923 | 93480 | 26765 | 4216 | 13463 | 0 | 1042 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 1156 | 345 | 234 | 67 | 11 | 34 | 0 | 1042 |
| NON-OPERATING INC & EXP | NONOPX | 2938 | 866 | 587 | 168 | 26 | 85 | 0 | 1042 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 556236 | 231463 | 156843 | 44907 | 7075 | 22588 | 50 | 1042 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 12748 | 3248 | 1032 | 1157 | 398 | 662 | 0 | 1043 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - GENERAL SUPPORT FACILITIES | GSF | 1605634 | 602414 | 191364 | 214481 | 73754 | 122816 | 0 | 1043 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2138755 | 1082381 | 3573 | 593229 | 164726 | 320854 | 0 | 1043 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - - COE CAT 3 | COE3 | 1209584 | 572882 | 0 | 572882 | 0 | 0 | 0 | 1043 |
| - - COE CAT 4.11 | COE411 | 327609 | 320854 | 0 | 0 | 0 | 320854 | 0 | 1043 |
| - - COE CAT 4.12 | COE412 | 65554 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - - COE CAT 4.13 | COE413 | 14489 | 3573 | 3573 | 0 | 0 | 0 | 0 | 1043 |
| - - COE CAT 4.2 | COE42 | 223417 | 104281 | 0 | 0 | 104281 | 0 | 0 | 1043 |
| - - COE CAT 4.3 | COE43 | 256864 | 60445 | 0 | 0 | 60445 | 0 | 0 | 1043 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - CABLE & WIRE FACILITIES | CWF | 2454550 | 620625 | 543869 | 0 | 46265 | 30490 | 0 | 1043 |
| - - C&WF CAT 1.1 | CWF11 | 30208 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - - C&WF CAT 1.3 | CWF13 | 2206104 | 543869 | 543869 | 0 | 0 | 0 | 0 | 1043 |
| - - C&WF CAT 2 | CWF2 | 87000 | 30490 | 0 | 0 | 0 | 30490 | 0 | 1043 |
| - - C&WF CAT 3 | CWF3 | 65411 | 30775 | 0 | 0 | 30775 | 0 | 0 | 1043 |
| - - C&WF CAT 4 | CWF4 | 65827 | 15490 | 0 | 0 | 15490 | 0 | 0 | 1043 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| TELCOM PLANT-OTHER | PLTOTH | 854 | 320 | 102 | 114 | 39 | 65 | 0 | 1043 |
| ACCUM DEPRECIATION | ACCDEP | 3948945 | 1489758 | 447281 | 705104 | 131009 | 206364 | 0 | 1043 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| NET DEFERRED FIT | NTDFIT | 317010 | 117901 | 41140 | 15812 | 22191 | 38758 | 0 | 1043 |
| NETWORK SUPPORT EXP | NETSPX | 8591 | 3223 | 1024 | 1148 | 395 | 657 | 0 | 1043 |
| GENERAL SUPPORT EXP | GSFX | 116241 | 43612 | 13854 | 15528 | 5339 | 8891 | 0 | 1043 |
| COE EXPENSE | COEX | 187895 | 96877 | 404 | 41505 | 18647 | 36321 | 0 | 1043 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| C&WF EXPENSE | CWFX | 128908 | 32594 | 28563 | 0 | 2430 | 1601 | 0 | 1043 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| NETWORK OPERATIONS EXP | NETOPX | 299711 | 112448 | 35720 | 40035 | 13767 | 22925 | 0 | 1043 |
| DEPREC & AMORT EXP | DEPAMX | 457177 | 188042 | 40380 | 82018 | 23754 | 41890 | 0 | 1043 |
| MARKETING EXPENSE | MRKTX | 20271 | 6428 | 2042 | 2289 | 787 | 1311 | 0 | 1043 |
| SERVICES EXPENSE | SERVX | 201629 | 78081 | 25700 | 25280 | 6993 | 11642 | 8467 | 1043 |
| - CABSX EXPENSE | CABSX | 63308 | 31654 | 0 | 16517 | 5680 | 9458 | 0 | 1043 |
| EXEC & PLANNING EXP | EXEPLX | 257490 | 100248 | 32708 | 31943 | 12280 | 21166 | 2150 | 1043 |
| GENERAL & ADMIN EXP | GENADX | 405478 | 196540 | 64126 | 62625 | 24076 | 41497 | 4216 | 1043 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 48887 | 18342 | 5826 | 6530 | 2246 | 3739 | 0 | 1043 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 1035 | 388 | 123 | 138 | 48 | 79 | 0 | 1043 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1043 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 66471 | 24654 | 7831 | 8778 | 3018 | 5026 | 0 | 1043 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 137181 | 34496 | 23194 | 8013 | 1135 | 2154 | 0 | 1044 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - GENERAL SUPPORT FACILITIES | GSF | 4011859 | 1230988 | 827670 | 285956 | 40490 | 76872 | 0 | 1044 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2303026 | 1216638 | 127830 | 820636 | 105182 | 162990 | 0 | 1044 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - - COE CAT 3 | COE3 | 1289696 | 820636 | 0 | 820636 | 0 | 0 | 0 | 1044 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - - COE CAT 4.13 | COE413 | 518377 | 127830 | 127830 | 0 | 0 | 0 | 0 | 1044 |
| - - COE CAT 4.2 | COE42 | 428182 | 255379 | 0 | 0 | 92389 | 162990 | 0 | 1044 |
| - - COE CAT 4.3 | COE43 | 66771 | 12793 | 0 | 0 | 12793 | 0 | 0 | 1044 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - CABLE & WIRE FACILITIES | CWF | 9210193 | 2316047 | 2247415 | 0 | 11015 | 57617 | 0 | 1044 |
| - - C&WF CAT 1.1 | CWF11 | 124043 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - - C&WF CAT 1.3 | CWF13 | 8989658 | 2247415 | 2247415 | 0 | 0 | 0 | 0 | 1044 |
| - - C&WF CAT 2 | CWF2 | 64892 | 57476 | 0 | 0 | 0 | 57476 | 0 | 1044 |
| - - C&WF CAT 3 | CWF3 | 26887 | 10254 | 0 | 0 | 10112 | 142 | 0 | 1044 |
| - - C&WF CAT 4 | CWF4 | 4713 | 903 | 0 | 0 | 903 | 0 | 0 | 1044 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| TELCOM PLANT-OTHER | PLTOTH | 10632 | 3262 | 2193 | 758 | 107 | 204 | 0 | 1044 |
| ACCUM DEPRECIATION | ACCDEP | 7231712 | 2186997 | 1512579 | 465488 | 71800 | 137131 | 0 | 1044 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| NET DEFERRED FIT | NTDFIT | 898199 | 275636 | 185277 | 64046 | 9080 | 17232 | 0 | 1044 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| GENERAL SUPPORT EXP | GSFX | 198057 | 60771 | 40860 | 14117 | 1999 | 3795 | 0 | 1044 |
| COE EXPENSE | COEX | 172407 | 91079 | 3361 | 73432 | 10000 | 4285 | 0 | 1044 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1044 |
| C&WF EXPENSE | CWFX | 741831 | 186545 | 181017 | 0 | 887 | 4641 | 0 | 1044 |
| OTHER PROP & PL EXP | OTHPPX | 5993 | 1839 | 1236 | 427 | 60 | 115 | 0 | 1044 |
| NETWORK OPERATIONS EXP | NETOPX | 152868 | 46906 | 31538 | 10896 | 1543 | 2929 | 0 | 1044 |
| DEPREC & AMORT EXP | DEPAMX | 1009353 | 347863 | 183244 | 128808 | 12852 | 22958 | 0 | 1044 |
| MARKETING EXPENSE | MRKTX | 37080 | 8572 | 5764 | 1991 | 282 | 535 | 0 | 1044 |
| SERVICES EXPENSE | SERVX | 225191 | 66493 | 15594 | 18038 | 2554 | 3936 | 26372 | 1044 |
| - CABSX EXPENSE | CABSX | 40743 | 20372 | 0 | 14444 | 2045 | 3883 | 0 | 1044 |
| EXEC & PLANNING EXP | EXEPLX | 180335 | 54207 | 33599 | 13402 | 1953 | 2281 | 2972 | 1044 |
| GENERAL & ADMIN EXP | GENADX | 354769 | 127886 | 79267 | 31618 | 4607 | 5381 | 7013 | 1044 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 160374 | 49533 | 33304 | 11506 | 1629 | 3093 | 0 | 1044 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 323 | 99 | 67 | 23 | 3 | 6 | 0 | 1044 |
| NON-OPERATING INC & EXP | NONOPX | 10802 | 3676 | 2472 | 854 | 121 | 230 | 0 | 1044 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 3791 | 1175 | 790 | 273 | 39 | 73 | 0 | 1044 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 338942 | 104061 | 39141 | 37875 | 2226 | 24818 | 0 | 1045 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - GENERAL SUPPORT FACILITIES | GSF | 3877982 | 1673613 | 629511 | 609147 | 35803 | 399152 | 0 | 1045 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5841365 | 3857757 | 401817 | 2607778 | 59583 | 788578 | 0 | 1045 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - - COE CAT 3 | COE3 | 3072598 | 2591316 | 0 | 2591316 | 0 | 0 | 0 | 1045 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - - COE CAT 4.12 | COE412 | 28163 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - - COE CAT 4.13 | COE413 | 1701133 | 465678 | 401817 | 0 | 0 | 63861 | 0 | 1045 |
| - - COE CAT 4.2 | COE42 | 970444 | 772460 | 0 | 0 | 47743 | 724717 | 0 | 1045 |
| - - COE CAT 4.3 | COE43 | 40472 | 11840 | 0 | 0 | 11840 | 0 | 0 | 1045 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - CABLE & WIRE FACILITIES | CWF | 10865191 | 3335797 | 2310151 | 0 | 94657 | 930989 | 0 | 1045 |
| - - C&WF CAT 1.1 | CWF11 | 172500 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - - C&WF CAT 1.2 | CWF12 | 367155 | 367155 | 0 | 0 | 0 | 367155 | 0 | 1045 |
| - - C&WF CAT 1.3 | CWF13 | 9240602 | 2310151 | 2310151 | 0 | 0 | 0 | 0 | 1045 |
| - - C&WF CAT 2 | CWF2 | 47267 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - - C&WF CAT 3 | CWF3 | 907742 | 620480 | 0 | 0 | 56646 | 563834 | 0 | 1045 |
| - - C&WF CAT 4 | CWF4 | 129925 | 38011 | 0 | 0 | 38011 | 0 | 0 | 1045 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| - INTANGIBLES | INTANG | 14794 | 6385 | 2402 | 2324 | 137 | 1523 | 0 | 1045 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| ACCUM DEPRECIATION | ACCDEP | 8578795 | 3552871 | 1450526 | 1080240 | 83777 | 938328 | 0 | 1045 |
| ACCUM AMORTIZATION | ACCAMO | 14794 | 6385 | 2402 | 2324 | 137 | 1523 | 0 | 1045 |
| NET DEFERRED FIT | NTDFIT | 1924028 | 830068 | 312430 | 301553 | 17783 | 198302 | 0 | 1045 |
| NETWORK SUPPORT EXP | NETSPX | 1309 | 565 | 212 | 206 | 12 | 135 | 0 | 1045 |
| GENERAL SUPPORT EXP | GSFX | 209356 | 90351 | 33985 | 32885 | 1933 | 21549 | 0 | 1045 |
| COE EXPENSE | COEX | 161197 | 106912 | 8564 | 80272 | 1270 | 16807 | 0 | 1045 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| C&WF EXPENSE | CWFX | 384756 | 118127 | 81807 | 0 | 3352 | 32968 | 0 | 1045 |
| OTHER PROP & PL EXP | OTHPPX | 141 | 61 | 23 | 22 | 1 | 15 | 0 | 1045 |
| NETWORK OPERATIONS EXP | NETOPX | 331897 | 143236 | 53877 | 52134 | 3064 | 34161 | 0 | 1045 |
| DEPREC & AMORT EXP | DEPAMX | 1037150 | 489269 | 151454 | 212804 | 9925 | 115086 | 0 | 1045 |
| MARKETING EXPENSE | MRKTX | 56995 | 1146 | 431 | 417 | 25 | 273 | 0 | 1045 |
| SERVICES EXPENSE | SERVX | 357823 | 53987 | 13350 | 8265 | 486 | 5416 | 26469 | 1045 |
| - CABSX EXPENSE | CABSX | 27190 | 13595 | 0 | 7932 | 466 | 5197 | 0 | 1045 |
| EXEC & PLANNING EXP | EXEPLX | 206742 | 67717 | 28739 | 21078 | 1227 | 13470 | 3203 | 1045 |
| GENERAL & ADMIN EXP | GENADX | 873887 | 224804 | 95406 | 69974 | 4074 | 44717 | 10632 | 1045 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 402413 | 174592 | 65208 | 64412 | 3703 | 41269 | 0 | 1045 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1045 |
| NON-OPERATING INC & EXP | NONOPX | 4622 | 1251 | 471 | 455 | 27 | 298 | 0 | 1045 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1270 | 567 | 213 | 206 | 12 | 135 | 0 | 1045 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 68823 | 19134 | 9734 | 5180 | 1429 | 2792 | 0 | 1046 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| - GENERAL SUPPORT FACILITIES | GSF | 1727723 | 572747 | 291363 | 155059 | 42765 | 83560 | 0 | 1046 |
| - CENTRAL OFFICE EQUIPMENT | COE | 6859461 | 2814611 | 639646 | 1522890 | 260210 | 391864 | 0 | 1046 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| - - COE CAT 3 | COE3 | 2939693 | 1522890 | 0 | 1522890 | 0 | 0 | 0 | 1046 |
| - - COE CAT 4.11 | COE411 | 81959 | 81959 | 0 | 0 | 0 | 81959 | 0 | 1046 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| - - COE CAT 4.13 | COE413 | 2695211 | 713407 | 639646 | 0 | 0 | 73761 | 0 | 1046 |
| - - COE CAT 4.2 | COE42 | 643386 | 341542 | 0 | 0 | 105398 | 236144 | 0 | 1046 |
| - - COE CAT 4.3 | COE43 | 499212 | 154812 | 0 | 0 | 154812 | 0 | 0 | 1046 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| - CABLE & WIRE FACILITIES | CWF | 10109105 | 2810534 | 2221928 | 0 | 159797 | 428810 | 0 | 1046 |
| - - C&WF CAT 1.1 | CWF11 | 218371 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| - - C&WF CAT 1.2 | CWF12 | 256222 | 256222 | 0 | 0 | 0 | 256222 | 0 | 1046 |
| - - C&WF CAT 1.3 | CWF13 | 8887710 | 2221928 | 2221928 | 0 | 0 | 0 | 0 | 1046 |
| - - C&WF CAT 2 | CWF2 | 199555 | 158082 | 0 | 0 | 0 | 158082 | 0 | 1046 |
| - - C&WF CAT 3 | CWF3 | 90778 | 32746 | 0 | 0 | 18240 | 14506 | 0 | 1046 |
| - - C&WF CAT 4 | CWF4 | 456468 | 141557 | 0 | 0 | 141557 | 0 | 0 | 1046 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| TELCOM PLANT-OTHER | PLTOTH | 432020 | 143216 | 72856 | 38773 | 10693 | 20894 | 0 | 1046 |
| ACCUM DEPRECIATION | ACCDEP | 12599436 | 4206052 | 2098113 | 1195981 | 308966 | 602993 | 0 | 1046 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| NET DEFERRED FIT | NTDFIT | 1039265 | 344490 | 175287 | 93180 | 25738 | 50284 | 0 | 1046 |
| NETWORK SUPPORT EXP | NETSPX | 187 | 62 | 32 | 17 | 5 | 9 | 0 | 1046 |
| GENERAL SUPPORT EXP | GSFX | 198176 | 65696 | 33420 | 17786 | 4905 | 9585 | 0 | 1046 |
| COE EXPENSE | COEX | 497299 | 204054 | 12195 | 157756 | 26633 | 7471 | 0 | 1046 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |
| C&WF EXPENSE | CWFX | 277528 | 77158 | 60999 | 0 | 4387 | 11772 | 0 | 1046 |
| OTHER PROP & PL EXP | OTHPPX | 47660 | 15799 | 8037 | 4277 | 1180 | 2305 | 0 | 1046 |
| NETWORK OPERATIONS EXP | NETOPX | 138608 | 45949 | 23375 | 12440 | 3431 | 6704 | 0 | 1046 |
| DEPREC & AMORT EXP | DEPAMX | 812619 | 277848 | 128592 | 82950 | 23558 | 42748 | 0 | 1046 |
| MARKETING EXPENSE | MRKTX | 517 | 210 | 107 | 57 | 16 | 31 | 0 | 1046 |
| SERVICES EXPENSE | SERVX | 529262 | 173315 | 38533 | 47091 | 12551 | 18075 | 57065 | 1046 |
| - CABSX EXPENSE | CABSX | 119962 | 59981 | 0 | 33053 | 9116 | 17812 | 0 | 1046 |
| EXEC & PLANNING EXP | EXEPLX | 17358 | 6022 | 2156 | 2282 | 506 | 533 | 544 | 1046 |
| GENERAL & ADMIN EXP | GENADX | 1147897 | 423734 | 151724 | 160587 | 35620 | 37528 | 38275 | 1046 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 207869 | 69784 | 35500 | 18893 | 5211 | 10181 | 0 | 1046 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 11029 | 3656 | 1860 | 990 | 273 | 533 | 0 | 1046 |
| NON-OPERATING INC & EXP | NONOPX | 48568 | 17912 | 9112 | 4849 | 1337 | 2613 | 0 | 1046 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1046 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 9731 | 2451 | 1191 | 881 | 53 | 326 | 0 | 1047 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - GENERAL SUPPORT FACILITIES | GSF | 894223 | 322973 | 156923 | 116099 | 7038 | 42914 | 0 | 1047 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2341645 | 1104060 | 246369 | 610865 | 33895 | 212930 | 0 | 1047 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - - COE CAT 3 | COE3 | 1050326 | 610865 | 0 | 610865 | 0 | 0 | 0 | 1047 |
| - - COE CAT 4.11 | COE411 | 205159 | 205159 | 0 | 0 | 0 | 205159 | 0 | 1047 |
| - - COE CAT 4.12 | COE412 | 11656 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - - COE CAT 4.13 | COE413 | 986773 | 246369 | 246369 | 0 | 0 | 0 | 0 | 1047 |
| - - COE CAT 4.2 | COE42 | 87731 | 41666 | 0 | 0 | 33895 | 7771 | 0 | 1047 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - CABLE & WIRE FACILITIES | CWF | 2363410 | 595300 | 579300 | 0 | 3134 | 12866 | 0 | 1047 |
| - - C&WF CAT 1.1 | CWF11 | 3047 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - - C&WF CAT 1.3 | CWF13 | 2317199 | 579300 | 579300 | 0 | 0 | 0 | 0 | 1047 |
| - - C&WF CAT 2 | CWF2 | 36997 | 12866 | 0 | 0 | 0 | 12866 | 0 | 1047 |
| - - C&WF CAT 3 | CWF3 | 6167 | 3134 | 0 | 0 | 3134 | 0 | 0 | 1047 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| - INTANGIBLES | INTANG | 387 | 140 | 68 | 50 | 3 | 19 | 0 | 1047 |
| TELCOM PLANT-OTHER | PLTOTH | 70 | 25 | 12 | 9 | 1 | 3 | 0 | 1047 |
| ACCUM DEPRECIATION | ACCDEP | 3914010 | 1435954 | 669393 | 552268 | 30185 | 184108 | 0 | 1047 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| NET DEFERRED FIT | NTDFIT | 17173 | 6202 | 3014 | 2230 | 135 | 824 | 0 | 1047 |
| NETWORK SUPPORT EXP | NETSPX | 22083 | 7976 | 3875 | 2867 | 174 | 1060 | 0 | 1047 |
| GENERAL SUPPORT EXP | GSFX | 29831 | 10774 | 5235 | 3873 | 235 | 1432 | 0 | 1047 |
| COE EXPENSE | COEX | 80824 | 38108 | 2106 | 26587 | 7595 | 1820 | 0 | 1047 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| C&WF EXPENSE | CWFX | 81911 | 20632 | 20077 | 0 | 109 | 446 | 0 | 1047 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| NETWORK OPERATIONS EXP | NETOPX | 93010 | 33593 | 16322 | 12076 | 732 | 4464 | 0 | 1047 |
| DEPREC & AMORT EXP | DEPAMX | 477789 | 187159 | 74958 | 77152 | 4880 | 30170 | 0 | 1047 |
| MARKETING EXPENSE | MRKTX | 2416 | 752 | 366 | 270 | 16 | 100 | 0 | 1047 |
| SERVICES EXPENSE | SERVX | 170945 | 57795 | 15345 | 14250 | 857 | 2316 | 25028 | 1047 |
| - CABSX EXPENSE | CABSX | 17758 | 8879 | 0 | 6208 | 376 | 2295 | 0 | 1047 |
| EXEC & PLANNING EXP | EXEPLX | 118135 | 41654 | 17750 | 13474 | 2185 | 2617 | 5628 | 1047 |
| GENERAL & ADMIN EXP | GENADX | 212672 | 88694 | 37794 | 28692 | 4653 | 5572 | 11984 | 1047 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 52424 | 19150 | 9305 | 6884 | 417 | 2545 | 0 | 1047 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1047 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 30402 | 10557 | 5129 | 3795 | 230 | 1403 | 0 | 1047 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 350478 | 90691 | 45003 | 37766 | 3491 | 4431 | 0 | 1048 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - GENERAL SUPPORT FACILITIES | GSF | 4396147 | 1515476 | 752021 | 631076 | 58329 | 74049 | 0 | 1048 |
| - CENTRAL OFFICE EQUIPMENT | COE | 12263673 | 6106774 | 915498 | 4903570 | 103519 | 184188 | 0 | 1048 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - - COE CAT 3 | COE3 | 7869761 | 4895918 | 0 | 4895918 | 0 | 0 | 0 | 1048 |
| - - COE CAT 4.11 | COE411 | 37036 | 37036 | 0 | 0 | 0 | 37036 | 0 | 1048 |
| - - COE CAT 4.12 | COE412 | 49473 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - - COE CAT 4.13 | COE413 | 3730697 | 923072 | 915498 | 0 | 0 | 7574 | 0 | 1048 |
| - - COE CAT 4.2 | COE42 | 563556 | 243097 | 0 | 0 | 103519 | 139578 | 0 | 1048 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - CABLE & WIRE FACILITIES | CWF | 21948431 | 5679453 | 4936953 | 0 | 350415 | 392085 | 0 | 1048 |
| - - C&WF CAT 1.1 | CWF11 | 329665 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - - C&WF CAT 1.2 | CWF12 | 40843 | 40843 | 0 | 0 | 0 | 40843 | 0 | 1048 |
| - - C&WF CAT 1.3 | CWF13 | 19747812 | 4936953 | 4936953 | 0 | 0 | 0 | 0 | 1048 |
| - - C&WF CAT 2 | CWF2 | 528293 | 336401 | 0 | 0 | 0 | 336401 | 0 | 1048 |
| - - C&WF CAT 3 | CWF3 | 1301817 | 365255 | 0 | 0 | 350415 | 14840 | 0 | 1048 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| TELCOM PLANT-OTHER | PLTOTH | 556419 | 191813 | 95183 | 79875 | 7383 | 9372 | 0 | 1048 |
| ACCUM DEPRECIATION | ACCDEP | 16581784 | 5907500 | 2718215 | 2706640 | 211901 | 270744 | 0 | 1048 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| NETWORK SUPPORT EXP | NETSPX | 7475 | 2577 | 1279 | 1073 | 99 | 126 | 0 | 1048 |
| GENERAL SUPPORT EXP | GSFX | 184868 | 63729 | 31624 | 26538 | 2453 | 3114 | 0 | 1048 |
| COE EXPENSE | COEX | 461794 | 230241 | 21560 | 183385 | 20959 | 4338 | 0 | 1048 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1048 |
| C&WF EXPENSE | CWFX | 479606 | 124105 | 107880 | 0 | 7657 | 8568 | 0 | 1048 |
| OTHER PROP & PL EXP | OTHPPX | 74 | 26 | 13 | 11 | 1 | 1 | 0 | 1048 |
| NETWORK OPERATIONS EXP | NETOPX | 617075 | 212723 | 105559 | 88582 | 8187 | 10394 | 0 | 1048 |
| DEPREC & AMORT EXP | DEPAMX | 2298519 | 878400 | 339168 | 473139 | 27948 | 38144 | 0 | 1048 |
| MARKETING EXPENSE | MRKTX | 12998 | 2720 | 1350 | 1133 | 105 | 133 | 0 | 1048 |
| SERVICES EXPENSE | SERVX | 664340 | 197127 | 28324 | 95816 | 8856 | 9338 | 54794 | 1048 |
| - CABSX EXPENSE | CABSX | 189353 | 94677 | 0 | 78260 | 7233 | 9183 | 0 | 1048 |
| EXEC & PLANNING EXP | EXEPLX | 465958 | 159830 | 63255 | 71493 | 8711 | 6493 | 9879 | 1048 |
| GENERAL & ADMIN EXP | GENADX | 1300152 | 470927 | 186375 | 210647 | 25667 | 19130 | 29108 | 1048 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 596038 | 206345 | 102394 | 85926 | 7942 | 10082 | 0 | 1048 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 5118 | 1764 | 876 | 735 | 68 | 86 | 0 | 1048 |
| NON-OPERATING INC & EXP | NONOPX | 1079 | 385 | 191 | 160 | 15 | 19 | 0 | 1048 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 564524 | 189157 | 93865 | 78769 | 7280 | 9243 | 0 | 1048 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 987735 | 215583 | 135532 | 45184 | 16727 | 18139 | 0 | 1049 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - GENERAL SUPPORT FACILITIES | GSF | 3624005 | 1009086 | 634391 | 211496 | 78292 | 84906 | 0 | 1049 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10199098 | 4211295 | 1050793 | 1925022 | 477298 | 758183 | 0 | 1049 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - - COE CAT 3 | COE3 | 3282533 | 1925022 | 0 | 1925022 | 0 | 0 | 0 | 1049 |
| - - COE CAT 4.11 | COE411 | 666890 | 666890 | 0 | 0 | 0 | 666890 | 0 | 1049 |
| - - COE CAT 4.12 | COE412 | 1152021 | 224031 | 0 | 0 | 152151 | 71880 | 0 | 1049 |
| - - COE CAT 4.13 | COE413 | 4206263 | 1053884 | 1050793 | 0 | 0 | 3092 | 0 | 1049 |
| - - COE CAT 4.2 | COE42 | 891391 | 341468 | 0 | 0 | 325147 | 16321 | 0 | 1049 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - CABLE & WIRE FACILITIES | CWF | 22786356 | 4973338 | 4723395 | 0 | 235315 | 14628 | 0 | 1049 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - - C&WF CAT 1.2 | CWF12 | 14628 | 14628 | 0 | 0 | 0 | 14628 | 0 | 1049 |
| - - C&WF CAT 1.3 | CWF13 | 18893581 | 4723395 | 4723395 | 0 | 0 | 0 | 0 | 1049 |
| - - C&WF CAT 2 | CWF2 | 1670536 | 235315 | 0 | 0 | 235315 | 0 | 0 | 1049 |
| - - C&WF CAT 3 | CWF3 | 2207611 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| - INTANGIBLES | INTANG | 3792 | 1056 | 664 | 221 | 82 | 89 | 0 | 1049 |
| TELCOM PLANT-OTHER | PLTOTH | 1185729 | 330160 | 207565 | 69199 | 25616 | 27780 | 0 | 1049 |
| ACCUM DEPRECIATION | ACCDEP | 20316809 | 5949740 | 3399724 | 1470395 | 493417 | 586203 | 0 | 1049 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| NETWORK SUPPORT EXP | NETSPX | 52091 | 14504 | 9119 | 3040 | 1125 | 1220 | 0 | 1049 |
| GENERAL SUPPORT EXP | GSFX | 159349 | 44370 | 27894 | 9300 | 3443 | 3733 | 0 | 1049 |
| COE EXPENSE | COEX | 723053 | 298555 | 41228 | 208852 | 18727 | 29748 | 0 | 1049 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1049 |
| C&WF EXPENSE | CWFX | 566416 | 123626 | 117413 | 0 | 5849 | 364 | 0 | 1049 |
| OTHER PROP & PL EXP | OTHPPX | 37800 | 10525 | 6617 | 2206 | 817 | 886 | 0 | 1049 |
| NETWORK OPERATIONS EXP | NETOPX | 357595 | 99571 | 62598 | 20869 | 7725 | 8378 | 0 | 1049 |
| DEPREC & AMORT EXP | DEPAMX | 2395997 | 732457 | 384543 | 200944 | 64762 | 82207 | 0 | 1049 |
| MARKETING EXPENSE | MRKTX | 4800 | 4800 | 3018 | 1006 | 372 | 404 | 0 | 1049 |
| SERVICES EXPENSE | SERVX | 736464 | 55107 | 28567 | 18048 | 724 | 785 | 6983 | 1049 |
| - CABSX EXPENSE | CABSX | 6928 | 3464 | 0 | 1955 | 724 | 785 | 0 | 1049 |
| EXEC & PLANNING EXP | EXEPLX | 430274 | 104790 | 47715 | 42382 | 6242 | 7326 | 1124 | 1049 |
| GENERAL & ADMIN EXP | GENADX | 776092 | 211537 | 96322 | 85556 | 12601 | 14789 | 2269 | 1049 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 299202 | 83450 | 52463 | 17490 | 6475 | 7022 | 0 | 1049 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 1918 | 534 | 336 | 112 | 41 | 45 | 0 | 1049 |
| NON-OPERATING INC & EXP | NONOPX | 323 | 85 | 53 | 18 | 7 | 7 | 0 | 1049 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 21267 | 5516 | 3468 | 1156 | 428 | 464 | 0 | 1049 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 377803 | 95212 | 39558 | 35456 | 5332 | 14774 | 93 | 1050 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| - GENERAL SUPPORT FACILITIES | GSF | 2434867 | 891093 | 365790 | 327857 | 49303 | 136610 | 11533 | 1050 |
| - CENTRAL OFFICE EQUIPMENT | COE | 14901517 | 7167780 | 991542 | 4084927 | 501409 | 1589902 | 0 | 1050 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| - - COE CAT 2 | COE2 | 382237 | 209361 | 0 | 0 | 209361 | 0 | 0 | 1050 |
| - - COE CAT 3 | COE3 | 7203695 | 4084927 | 0 | 4084927 | 0 | 0 | 0 | 1050 |
| - - COE CAT 4.11 | COE411 | 998587 | 978305 | 0 | 0 | 0 | 978305 | 0 | 1050 |
| - - COE CAT 4.12 | COE412 | 69337 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| - - COE CAT 4.13 | COE413 | 3989410 | 997466 | 991542 | 0 | 0 | 5924 | 0 | 1050 |
| - - COE CAT 4.2 | COE42 | 1761632 | 803850 | 0 | 0 | 198177 | 605673 | 0 | 1050 |
| - - COE CAT 4.3 | COE43 | 496619 | 93871 | 0 | 0 | 93871 | 0 | 0 | 1050 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| - CABLE & WIRE FACILITIES | CWF | 15042985 | 3791069 | 3566011 | 0 | 112883 | 112175 | 0 | 1050 |
| - - C&WF CAT 1.1 | CWF11 | 62281 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| - - C&WF CAT 1.2 | CWF12 | 21307 | 21307 | 0 | 0 | 0 | 21307 | 0 | 1050 |
| - - C&WF CAT 1.3 | CWF13 | 14264044 | 3566011 | 3566011 | 0 | 0 | 0 | 0 | 1050 |
| - - C&WF CAT 2 | CWF2 | 282187 | 53523 | 0 | 0 | 0 | 53523 | 0 | 1050 |
| - - C&WF CAT 3 | CWF3 | 259056 | 121098 | 0 | 0 | 83753 | 37345 | 0 | 1050 |
| - - C&WF CAT 4 | CWF4 | 154110 | 29130 | 0 | 0 | 29130 | 0 | 0 | 1050 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| TELCOM PLANT-OTHER | PLTOTH | 1151811 | 421120 | 175135 | 156973 | 23606 | 65406 | 0 | 1050 |
| ACCUM DEPRECIATION | ACCDEP | 15134565 | 5599457 | 2255543 | 2132455 | 317228 | 887417 | 6814 | 1050 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| NETWORK SUPPORT EXP | NETSPX | 5834 | 2135 | 887 | 795 | 120 | 331 | 2 | 1050 |
| GENERAL SUPPORT EXP | GSFX | 836440 | 306114 | 125658 | 112627 | 16937 | 46929 | 3962 | 1050 |
| COE EXPENSE | COEX | 452418 | 217618 | 0 | 207008 | 10610 | 0 | 0 | 1050 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| C&WF EXPENSE | CWFX | 702187 | 176962 | 166457 | 0 | 5269 | 5236 | 0 | 1050 |
| OTHER PROP & PL EXP | OTHPPX | 6142 | 2248 | 935 | 838 | 126 | 349 | 0 | 1050 |
| NETWORK OPERATIONS EXP | NETOPX | 459195 | 168053 | 69889 | 62642 | 9420 | 26101 | 0 | 1050 |
| DEPREC & AMORT EXP | DEPAMX | 2386150 | 936196 | 316319 | 391064 | 57044 | 171333 | 436 | 1050 |
| MARKETING EXPENSE | MRKTX | 322950 | 97163 | 40369 | 36182 | 5441 | 15076 | 95 | 1050 |
| SERVICES EXPENSE | SERVX | 618837 | 205483 | 34737 | 46059 | 6926 | 11056 | 106705 | 1050 |
| - CABSX EXPENSE | CABSX | 81932 | 40966 | 0 | 26142 | 3931 | 10893 | 0 | 1050 |
| EXEC & PLANNING EXP | EXEPLX | 556579 | 188448 | 77094 | 70446 | 8289 | 15880 | 16739 | 1050 |
| GENERAL & ADMIN EXP | GENADX | 772919 | 282183 | 115441 | 105487 | 12412 | 23779 | 25065 | 1050 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 220634 | 80667 | 33548 | 30069 | 4522 | 12529 | 0 | 1050 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1050 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 304155 | 109632 | 45549 | 40826 | 6139 | 17011 | 107 | 1050 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 26986 | 7535 | 2564 | 3723 | 375 | 872 | 0 | 1051 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - GENERAL SUPPORT FACILITIES | GSF | 1511065 | 594640 | 202333 | 293859 | 29633 | 68815 | 0 | 1051 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2494969 | 1287702 | 85405 | 1005528 | 80353 | 116416 | 0 | 1051 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - - COE CAT 3 | COE3 | 1641675 | 1005528 | 0 | 1005528 | 0 | 0 | 0 | 1051 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - - COE CAT 4.12 | COE412 | 185835 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - - COE CAT 4.13 | COE413 | 345342 | 86801 | 85405 | 0 | 0 | 1395 | 0 | 1051 |
| - - COE CAT 4.2 | COE42 | 322117 | 195374 | 0 | 0 | 80353 | 115021 | 0 | 1051 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - CABLE & WIRE FACILITIES | CWF | 2675606 | 747044 | 606941 | 0 | 21046 | 119057 | 0 | 1051 |
| - - C&WF CAT 1.1 | CWF11 | 16523 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - - C&WF CAT 1.2 | CWF12 | 9914 | 9914 | 0 | 0 | 0 | 9914 | 0 | 1051 |
| - - C&WF CAT 1.3 | CWF13 | 2427762 | 606941 | 606941 | 0 | 0 | 0 | 0 | 1051 |
| - - C&WF CAT 2 | CWF2 | 176710 | 107973 | 0 | 0 | 0 | 107973 | 0 | 1051 |
| - - C&WF CAT 3 | CWF3 | 44697 | 22217 | 0 | 0 | 21046 | 1171 | 0 | 1051 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| TELCOM PLANT-OTHER | PLTOTH | 40509 | 15941 | 5424 | 7878 | 794 | 1845 | 0 | 1051 |
| ACCUM DEPRECIATION | ACCDEP | 4118725 | 1654092 | 539808 | 873420 | 69535 | 171329 | 0 | 1051 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| NET DEFERRED FIT | NTDFIT | 310469 | 122440 | 41194 | 60655 | 6272 | 14318 | 0 | 1051 |
| NETWORK SUPPORT EXP | NETSPX | 286 | 113 | 38 | 56 | 6 | 13 | 0 | 1051 |
| GENERAL SUPPORT EXP | GSFX | 129238 | 50858 | 17305 | 25133 | 2534 | 5886 | 0 | 1051 |
| COE EXPENSE | COEX | 427738 | 220764 | 41170 | 61964 | 61511 | 56119 | 0 | 1051 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| C&WF EXPENSE | CWFX | 285930 | 79833 | 64861 | 0 | 2249 | 12723 | 0 | 1051 |
| OTHER PROP & PL EXP | OTHPPX | -1625 | -639 | -218 | -316 | -32 | -74 | 0 | 1051 |
| NETWORK OPERATIONS EXP | NETOPX | 64280 | 25296 | 8607 | 12501 | 1261 | 2927 | 0 | 1051 |
| DEPREC & AMORT EXP | DEPAMX | 353329 | 159808 | 34968 | 108717 | 4732 | 11391 | 0 | 1051 |
| MARKETING EXPENSE | MRKTX | 7713 | 2490 | 847 | 1231 | 124 | 288 | 0 | 1051 |
| SERVICES EXPENSE | SERVX | 381052 | 131835 | 13790 | 45714 | 4611 | 13084 | 54636 | 1051 |
| - CABSX EXPENSE | CABSX | 109827 | 54914 | 0 | 41133 | 4148 | 9632 | 0 | 1051 |
| EXEC & PLANNING EXP | EXEPLX | 157525 | 62137 | 21335 | 16390 | 8097 | 10193 | 6122 | 1051 |
| GENERAL & ADMIN EXP | GENADX | 373008 | 159756 | 54854 | 42140 | 20817 | 26205 | 15739 | 1051 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 60645 | 24176 | 8226 | 11947 | 1205 | 2798 | 0 | 1051 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1051 |
| NON-OPERATING INC & EXP | NONOPX | 8881 | 3714 | 1264 | 1836 | 185 | 430 | 0 | 1051 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 50322 | 19009 | 6468 | 9394 | 947 | 2200 | 0 | 1051 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 313001 | 81722 | 40099 | 33407 | 5428 | 2780 | 7 | 1052 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| - GENERAL SUPPORT FACILITIES | GSF | 7320741 | 2439836 | 1196764 | 997049 | 162010 | 82969 | 1043 | 1052 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13108986 | 5412876 | 1218477 | 3768045 | 207889 | 218464 | 0 | 1052 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| - - COE CAT 2 | COE2 | 361474 | 185237 | 0 | 0 | 185237 | 0 | 0 | 1052 |
| - - COE CAT 3 | COE3 | 6596603 | 3751000 | 0 | 3751000 | 0 | 0 | 0 | 1052 |
| - - COE CAT 4.11 | COE411 | 183133 | 172180 | 0 | 0 | 0 | 172180 | 0 | 1052 |
| - - COE CAT 4.12 | COE412 | 222133 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| - - COE CAT 4.13 | COE413 | 4925545 | 1253699 | 1218477 | 0 | 0 | 35222 | 0 | 1052 |
| - - COE CAT 4.2 | COE42 | 696931 | 11062 | 0 | 0 | 0 | 11062 | 0 | 1052 |
| - - COE CAT 4.3 | COE43 | 91082 | 22652 | 0 | 0 | 22652 | 0 | 0 | 1052 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| - CABLE & WIRE FACILITIES | CWF | 14697914 | 3828448 | 3324790 | 0 | 407147 | 96511 | 0 | 1052 |
| - - C&WF CAT 1.1 | CWF11 | 44788 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| - - C&WF CAT 1.2 | CWF12 | 96107 | 96107 | 0 | 0 | 0 | 96107 | 0 | 1052 |
| - - C&WF CAT 1.3 | CWF13 | 13457583 | 3324790 | 3324790 | 0 | 0 | 0 | 0 | 1052 |
| - - C&WF CAT 2 | CWF2 | 718101 | 367597 | 0 | 0 | 367597 | 0 | 0 | 1052 |
| - - C&WF CAT 3 | CWF3 | 222306 | 404 | 0 | 0 | 0 | 404 | 0 | 1052 |
| - - C&WF CAT 4 | CWF4 | 159029 | 39551 | 0 | 0 | 39551 | 0 | 0 | 1052 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| TELCOM PLANT-OTHER | PLTOTH | 998855 | 332896 | 163344 | 136085 | 22112 | 11324 | 30 | 1052 |
| ACCUM DEPRECIATION | ACCDEP | 19637095 | 6423779 | 3342182 | 2425882 | 461327 | 193466 | 921 | 1052 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| NETWORK SUPPORT EXP | NETSPX | 4853 | 1617 | 794 | 661 | 107 | 55 | 0 | 1052 |
| GENERAL SUPPORT EXP | GSFX | 1334006 | 444594 | 218078 | 181685 | 29522 | 15119 | 190 | 1052 |
| COE EXPENSE | COEX | 605590 | 250844 | 69502 | 159770 | 9111 | 12461 | 0 | 1052 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| C&WF EXPENSE | CWFX | 813862 | 211991 | 184102 | 0 | 22545 | 5344 | 0 | 1052 |
| OTHER PROP & PL EXP | OTHPPX | 129550 | 43176 | 21187 | 17652 | 2868 | 1469 | 0 | 1052 |
| NETWORK OPERATIONS EXP | NETOPX | 357476 | 119139 | 58464 | 48707 | 7914 | 4053 | 0 | 1052 |
| DEPREC & AMORT EXP | DEPAMX | 1980996 | 708257 | 285538 | 357342 | 42245 | 23058 | 74 | 1052 |
| MARKETING EXPENSE | MRKTX | 79028 | 36126 | 17726 | 14768 | 2400 | 1229 | 3 | 1052 |
| SERVICES EXPENSE | SERVX | 429055 | 80839 | 50528 | 24952 | 2451 | 1255 | 1654 | 1052 |
| - CABSX EXPENSE | CABSX | 35901 | 17951 | 0 | 14410 | 2341 | 1199 | 0 | 1052 |
| EXEC & PLANNING EXP | EXEPLX | 804906 | 255981 | 145768 | 86975 | 14926 | 7953 | 358 | 1052 |
| GENERAL & ADMIN EXP | GENADX | 1432066 | 558880 | 318253 | 189891 | 32589 | 17365 | 783 | 1052 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 452184 | 157800 | 75422 | 66627 | 10116 | 5633 | 2 | 1052 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1052 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 369 | 125 | 61 | 51 | 8 | 4 | 0 | 1052 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 1133374 | 312049 | 181718 | 93200 | 3281 | 33851 | 0 | 1053 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - GENERAL SUPPORT FACILITIES | GSF | 5685666 | 1920678 | 1118481 | 573648 | 20196 | 208352 | 0 | 1053 |
| - CENTRAL OFFICE EQUIPMENT | COE | 6889025 | 2848544 | 1013500 | 1536922 | 43477 | 254644 | 0 | 1053 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - - COE CAT 3 | COE3 | 2423174 | 1536922 | 0 | 1536922 | 0 | 0 | 0 | 1053 |
| - - COE CAT 4.11 | COE411 | 152487 | 152487 | 0 | 0 | 0 | 152487 | 0 | 1053 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - - COE CAT 4.13 | COE413 | 4119318 | 1039334 | 1013500 | 0 | 0 | 25834 | 0 | 1053 |
| - - COE CAT 4.2 | COE42 | 194046 | 119800 | 0 | 0 | 43477 | 76323 | 0 | 1053 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - CABLE & WIRE FACILITIES | CWF | 8344058 | 2297352 | 1983143 | 0 | 10633 | 303576 | 0 | 1053 |
| - - C&WF CAT 1.1 | CWF11 | 77256 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - - C&WF CAT 1.2 | CWF12 | 50550 | 50550 | 0 | 0 | 0 | 50550 | 0 | 1053 |
| - - C&WF CAT 1.3 | CWF13 | 7932574 | 1983143 | 1983143 | 0 | 0 | 0 | 0 | 1053 |
| - - C&WF CAT 2 | CWF2 | 257060 | 252652 | 0 | 0 | 0 | 252652 | 0 | 1053 |
| - - C&WF CAT 3 | CWF3 | 26618 | 11006 | 0 | 0 | 10633 | 373 | 0 | 1053 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| - INTANGIBLES | INTANG | 86528 | 29230 | 17022 | 8730 | 307 | 3171 | 0 | 1053 |
| TELCOM PLANT-OTHER | PLTOTH | 474751 | 160376 | 93393 | 47899 | 1686 | 17397 | 0 | 1053 |
| ACCUM DEPRECIATION | ACCDEP | 7057062 | 2555991 | 1273222 | 1041300 | 17818 | 223650 | 0 | 1053 |
| ACCUM AMORTIZATION | ACCAMO | 58043 | 19608 | 11418 | 5856 | 206 | 2127 | 0 | 1053 |
| NET DEFERRED FIT | NTDFIT | 2131065 | 705127 | 429066 | 187464 | 8003 | 80595 | 0 | 1053 |
| NETWORK SUPPORT EXP | NETSPX | 1265 | 427 | 249 | 128 | 4 | 46 | 0 | 1053 |
| GENERAL SUPPORT EXP | GSFX | 197825 | 66827 | 38916 | 19959 | 703 | 7249 | 0 | 1053 |
| COE EXPENSE | COEX | 297095 | 122846 | 50935 | 56929 | 2185 | 12797 | 0 | 1053 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| C&WF EXPENSE | CWFX | 549564 | 151310 | 130616 | 0 | 700 | 19994 | 0 | 1053 |
| OTHER PROP & PL EXP | OTHPPX | 50936 | 17207 | 10020 | 5139 | 181 | 1867 | 0 | 1053 |
| NETWORK OPERATIONS EXP | NETOPX | 421985 | 142551 | 83013 | 42576 | 1499 | 15464 | 0 | 1053 |
| DEPREC & AMORT EXP | DEPAMX | 1296129 | 463218 | 238128 | 176631 | 4245 | 44215 | 0 | 1053 |
| MARKETING EXPENSE | MRKTX | 96423 | 30727 | 17893 | 9177 | 323 | 3333 | 0 | 1053 |
| SERVICES EXPENSE | SERVX | 383560 | 180187 | 70617 | 58647 | 1712 | 5194 | 44017 | 1053 |
| - CABSX EXPENSE | CABSX | 39348 | 19674 | 0 | 14069 | 495 | 5110 | 0 | 1053 |
| EXEC & PLANNING EXP | EXEPLX | 375616 | 134837 | 78442 | 35050 | 1330 | 12004 | 8012 | 1053 |
| GENERAL & ADMIN EXP | GENADX | 617711 | 266749 | 155181 | 69339 | 2631 | 23747 | 15851 | 1053 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 357197 | 118098 | 71806 | 31345 | 1372 | 13574 | 0 | 1053 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1053 |
| NON-OPERATING INC & EXP | NONOPX | 26186 | 10595 | 6170 | 3165 | 111 | 1149 | 0 | 1053 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 60004 | 19246 | 11208 | 5748 | 202 | 2088 | 0 | 1053 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 182454 | 48537 | 23843 | 13379 | 2853 | 8299 | 163 | 1054 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - GENERAL SUPPORT FACILITIES | GSF | 3854261 | 1409910 | 683159 | 383337 | 81753 | 237802 | 23858 | 1054 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5650679 | 3055941 | 425490 | 1574312 | 271145 | 784994 | 0 | 1054 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - - COE CAT 3 | COE3 | 2535169 | 1574312 | 0 | 1574312 | 0 | 0 | 0 | 1054 |
| - - COE CAT 4.11 | COE411 | 581726 | 581726 | 0 | 0 | 0 | 581726 | 0 | 1054 |
| - - COE CAT 4.12 | COE412 | 41312 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - - COE CAT 4.13 | COE413 | 1715430 | 431871 | 425490 | 0 | 0 | 6381 | 0 | 1054 |
| - - COE CAT 4.2 | COE42 | 777042 | 468032 | 0 | 0 | 271145 | 196887 | 0 | 1054 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - CABLE & WIRE FACILITIES | CWF | 9910374 | 2636376 | 2380148 | 0 | 64603 | 191626 | 0 | 1054 |
| - - C&WF CAT 1.1 | CWF11 | 39661 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - - C&WF CAT 1.2 | CWF12 | 35695 | 35695 | 0 | 0 | 0 | 35695 | 0 | 1054 |
| - - C&WF CAT 1.3 | CWF13 | 9520590 | 2380148 | 2380148 | 0 | 0 | 0 | 0 | 1054 |
| - - C&WF CAT 2 | CWF2 | 181276 | 154615 | 0 | 0 | 0 | 154615 | 0 | 1054 |
| - - C&WF CAT 3 | CWF3 | 133152 | 65920 | 0 | 0 | 64603 | 1317 | 0 | 1054 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| - INTANGIBLES | INTANG | 27673 | 10123 | 4973 | 2790 | 595 | 1731 | 34 | 1054 |
| TELCOM PLANT-OTHER | PLTOTH | 923500 | 336686 | 165947 | 93117 | 19859 | 57765 | 0 | 1054 |
| ACCUM DEPRECIATION | ACCDEP | 8676761 | 3152202 | 1566667 | 887816 | 174777 | 508603 | 14340 | 1054 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| NET DEFERRED FIT | NTDFIT | 1935498 | 705614 | 347851 | 194636 | 41734 | 121393 | 0 | 1054 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| GENERAL SUPPORT EXP | GSFX | 312565 | 114338 | 55401 | 31087 | 6630 | 19285 | 1935 | 1054 |
| COE EXPENSE | COEX | 273101 | 147696 | 11659 | 101517 | 13011 | 21510 | 0 | 1054 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| C&WF EXPENSE | CWFX | 164862 | 43857 | 39594 | 0 | 1075 | 3188 | 0 | 1054 |
| OTHER PROP & PL EXP | OTHPPX | 2648 | 969 | 477 | 268 | 57 | 166 | 0 | 1054 |
| NETWORK OPERATIONS EXP | NETOPX | 275293 | 100704 | 49635 | 27851 | 5940 | 17278 | 0 | 1054 |
| DEPREC & AMORT EXP | DEPAMX | 1004892 | 395272 | 163335 | 133635 | 24763 | 71943 | 1596 | 1054 |
| MARKETING EXPENSE | MRKTX | 179675 | 53177 | 26122 | 14658 | 3126 | 9093 | 179 | 1054 |
| SERVICES EXPENSE | SERVX | 466239 | 134854 | 33677 | 18428 | 3930 | 6445 | 72374 | 1054 |
| - CABSX EXPENSE | CABSX | 37672 | 18836 | 0 | 10273 | 2191 | 6373 | 0 | 1054 |
| EXEC & PLANNING EXP | EXEPLX | 1025355 | 362327 | 142192 | 112562 | 19612 | 44700 | 43262 | 1054 |
| GENERAL & ADMIN EXP | GENADX | 572207 | 232280 | 91156 | 72161 | 12573 | 28656 | 27734 | 1054 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 168957 | 62093 | 30605 | 17173 | 3662 | 10653 | 0 | 1054 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1054 |
| NON-OPERATING INC & EXP | NONOPX | 2176 | 810 | 398 | 223 | 48 | 138 | 3 | 1054 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 158877 | 58176 | 28577 | 16036 | 3420 | 9948 | 195 | 1054 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 320402 | 117108 | 35357 | 34207 | 24179 | 23365 | 0 | 1055 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| - GENERAL SUPPORT FACILITIES | GSF | 8345851 | 4083834 | 1233000 | 1192879 | 843175 | 814781 | 0 | 1055 |
| - CENTRAL OFFICE EQUIPMENT | COE | 15399594 | 10458085 | 972533 | 5586435 | 3508241 | 390876 | 0 | 1055 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| - - COE CAT 2 | COE2 | 97052 | 55503 | 0 | 0 | 55503 | 0 | 0 | 1055 |
| - - COE CAT 3 | COE3 | 6572276 | 5511025 | 0 | 5511025 | 0 | 0 | 0 | 1055 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| - - COE CAT 4.12 | COE412 | 253861 | 2 | 0 | 0 | 2 | 0 | 0 | 1055 |
| - - COE CAT 4.13 | COE413 | 4239990 | 1235423 | 972533 | 0 | 0 | 262890 | 0 | 1055 |
| - - COE CAT 4.2 | COE42 | 3848657 | 3445565 | 0 | 0 | 3317579 | 127986 | 0 | 1055 |
| - - COE CAT 4.3 | COE43 | 260500 | 135158 | 0 | 0 | 135158 | 0 | 0 | 1055 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| - CABLE & WIRE FACILITIES | CWF | 24212897 | 8849891 | 4879740 | 0 | 493777 | 3476374 | 0 | 1055 |
| - - C&WF CAT 1.1 | CWF11 | 436367 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| - - C&WF CAT 1.2 | CWF12 | 1319064 | 1319064 | 0 | 0 | 0 | 1319064 | 0 | 1055 |
| - - C&WF CAT 1.3 | CWF13 | 19518958 | 4879740 | 4879740 | 0 | 0 | 0 | 0 | 1055 |
| - - C&WF CAT 2 | CWF2 | 55145 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| - - C&WF CAT 3 | CWF3 | 2750097 | 2581944 | 0 | 0 | 424634 | 2157310 | 0 | 1055 |
| - - C&WF CAT 4 | CWF4 | 133266 | 69144 | 0 | 0 | 69144 | 0 | 0 | 1055 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| TELCOM PLANT-OTHER | PLTOTH | 1228660 | 601214 | 181520 | 175613 | 124131 | 119950 | 0 | 1055 |
| ACCUM DEPRECIATION | ACCDEP | 27302105 | 14170010 | 3681422 | 4835423 | 3288744 | 2364421 | 0 | 1055 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| NETWORK SUPPORT EXP | NETSPX | 5717 | 2797 | 845 | 817 | 578 | 558 | 0 | 1055 |
| GENERAL SUPPORT EXP | GSFX | 60297 | 29505 | 8908 | 8618 | 6092 | 5887 | 0 | 1055 |
| COE EXPENSE | COEX | 813865 | 556693 | 22878 | 439091 | 85528 | 9195 | 0 | 1055 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| C&WF EXPENSE | CWFX | 177877 | 65015 | 35848 | 0 | 3627 | 25539 | 0 | 1055 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| NETWORK OPERATIONS EXP | NETOPX | 403123 | 197258 | 59557 | 57619 | 40727 | 39356 | 0 | 1055 |
| DEPREC & AMORT EXP | DEPAMX | 3476407 | 1806567 | 467580 | 607992 | 431979 | 299016 | 0 | 1055 |
| MARKETING EXPENSE | MRKTX | 46354 | 11216 | 3386 | 3276 | 2316 | 2238 | 0 | 1055 |
| SERVICES EXPENSE | SERVX | 1096722 | 220003 | 9068 | 47570 | 25966 | 25091 | 112309 | 1055 |
| - CABSX EXPENSE | CABSX | 172112 | 86056 | 0 | 36009 | 25452 | 24595 | 0 | 1055 |
| EXEC & PLANNING EXP | EXEPLX | 496276 | 204358 | 26523 | 105152 | 31118 | 20363 | 21202 | 1055 |
| GENERAL & ADMIN EXP | GENADX | 892637 | 367572 | 47705 | 189134 | 55971 | 36626 | 38136 | 1055 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 284097 | 139016 | 41972 | 40606 | 28702 | 27736 | 0 | 1055 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |
| NON-OPERATING INC & EXP | NONOPX | 12256 | 5366 | 1620 | 1568 | 1108 | 1071 | 0 | 1055 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 984356 | 0 | 0 | 0 | 0 | 0 | 0 | 1055 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 63200 | 23732 | 7663 | 7768 | 2734 | 5567 | 0 | 1056 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| - GENERAL SUPPORT FACILITIES | GSF | 963693 | 432020 | 139496 | 141415 | 49770 | 101339 | 0 | 1056 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2655354 | 1393029 | 157897 | 861255 | 95725 | 278153 | 0 | 1056 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| - - COE CAT 3 | COE3 | 1494352 | 796645 | 0 | 796645 | 0 | 0 | 0 | 1056 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| - - COE CAT 4.12 | COE412 | 17784 | 17784 | 0 | 0 | 17784 | 0 | 0 | 1056 |
| - - COE CAT 4.13 | COE413 | 652715 | 179025 | 157897 | 0 | 0 | 21128 | 0 | 1056 |
| - - COE CAT 4.2 | COE42 | 374261 | 320478 | 0 | 0 | 63454 | 257025 | 0 | 1056 |
| - - COE CAT 4.3 | COE43 | 24860 | 14488 | 0 | 0 | 14488 | 0 | 0 | 1056 |
| - INFORMATION ORIG/TERM | IOT | 10168 | 2542 | 2542 | 0 | 0 | 0 | 0 | 1056 |
| - CABLE & WIRE FACILITIES | CWF | 3643914 | 1368318 | 752862 | 0 | 230127 | 385329 | 0 | 1056 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| - - C&WF CAT 1.2 | CWF12 | 100739 | 100739 | 0 | 0 | 0 | 100739 | 0 | 1056 |
| - - C&WF CAT 1.3 | CWF13 | 3011448 | 752862 | 752862 | 0 | 0 | 0 | 0 | 1056 |
| - - C&WF CAT 2 | CWF2 | 21500 | 21500 | 0 | 0 | 21500 | 0 | 0 | 1056 |
| - - C&WF CAT 3 | CWF3 | 483059 | 477385 | 0 | 0 | 192795 | 284590 | 0 | 1056 |
| - - C&WF CAT 4 | CWF4 | 27168 | 15833 | 0 | 0 | 15833 | 0 | 0 | 1056 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| TELCOM PLANT-OTHER | PLTOTH | 209812 | 94058 | 30371 | 30788 | 10836 | 22063 | 0 | 1056 |
| ACCUM DEPRECIATION | ACCDEP | 5208595 | 2428036 | 674153 | 955920 | 253531 | 544431 | 0 | 1056 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| NETWORK SUPPORT EXP | NETSPX | 6718 | 3012 | 972 | 986 | 347 | 706 | 0 | 1056 |
| GENERAL SUPPORT EXP | GSFX | 153742 | 68922 | 22254 | 22561 | 7940 | 16167 | 0 | 1056 |
| COE EXPENSE | COEX | 120922 | 66379 | 0 | 66379 | 0 | 0 | 0 | 1056 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| C&WF EXPENSE | CWFX | 217532 | 81685 | 44944 | 0 | 13738 | 23003 | 0 | 1056 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| NETWORK OPERATIONS EXP | NETOPX | 9345 | 4189 | 1353 | 1371 | 483 | 983 | 0 | 1056 |
| DEPREC & AMORT EXP | DEPAMX | 481458 | 224005 | 62561 | 88194 | 23384 | 49866 | 0 | 1056 |
| MARKETING EXPENSE | MRKTX | 935 | 250 | 81 | 82 | 29 | 59 | 0 | 1056 |
| SERVICES EXPENSE | SERVX | 114627 | 30501 | 4521 | 7878 | 2772 | 5645 | 9685 | 1056 |
| - CABSX EXPENSE | CABSX | 32279 | 16140 | 0 | 7802 | 2746 | 5591 | 0 | 1056 |
| EXEC & PLANNING EXP | EXEPLX | 146905 | 59891 | 17414 | 23317 | 5946 | 10939 | 2275 | 1056 |
| GENERAL & ADMIN EXP | GENADX | 313900 | 127971 | 37209 | 49824 | 12704 | 23373 | 4862 | 1056 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 106135 | 31963 | 10320 | 10462 | 3682 | 7497 | 0 | 1056 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1056 |
| NON-OPERATING INC & EXP | NONOPX | 7348 | 3263 | 1054 | 1068 | 376 | 765 | 0 | 1056 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 16602 | 6749 | 2179 | 2209 | 778 | 1583 | 0 | 1056 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 51601 | 18913 | 6124 | 4103 | 1727 | 6960 | 0 | 1057 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - GENERAL SUPPORT FACILITIES | GSF | 1152721 | 479535 | 155264 | 104024 | 43785 | 176462 | 0 | 1057 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4278028 | 2174445 | 431621 | 962479 | 76818 | 703527 | 0 | 1057 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - - COE CAT 3 | COE3 | 1588510 | 917141 | 0 | 917141 | 0 | 0 | 0 | 1057 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - - COE CAT 4.13 | COE413 | 1816465 | 517945 | 431621 | 0 | 0 | 86324 | 0 | 1057 |
| - - COE CAT 4.2 | COE42 | 784778 | 683781 | 0 | 0 | 66578 | 617203 | 0 | 1057 |
| - - COE CAT 4.3 | COE43 | 19306 | 10240 | 0 | 0 | 10240 | 0 | 0 | 1057 |
| - INFORMATION ORIG/TERM | IOT | 3284 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - CABLE & WIRE FACILITIES | CWF | 6886557 | 2426081 | 1072618 | 0 | 347383 | 1006080 | 0 | 1057 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - - C&WF CAT 1.3 | CWF13 | 5432177 | 1330049 | 1072618 | 0 | 0 | 257431 | 0 | 1057 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - - C&WF CAT 3 | CWF3 | 1426298 | 1081137 | 0 | 0 | 332488 | 748649 | 0 | 1057 |
| - - C&WF CAT 4 | CWF4 | 28082 | 14896 | 0 | 0 | 14896 | 0 | 0 | 1057 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| TELCOM PLANT-OTHER | PLTOTH | 9226 | 3838 | 1243 | 833 | 350 | 1412 | 0 | 1057 |
| ACCUM DEPRECIATION | ACCDEP | 8871147 | 3797382 | 1170241 | 914983 | 316086 | 1396072 | 0 | 1057 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| NET DEFERRED FIT | NTDFIT | 150797 | 62906 | 20138 | 14271 | 5698 | 22799 | 0 | 1057 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| GENERAL SUPPORT EXP | GSFX | 33887 | 14097 | 4564 | 3058 | 1287 | 5188 | 0 | 1057 |
| COE EXPENSE | COEX | 120068 | 62301 | 2169 | 56212 | 386 | 3535 | 0 | 1057 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| C&WF EXPENSE | CWFX | 135467 | 47724 | 21100 | 0 | 6833 | 19791 | 0 | 1057 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1057 |
| NETWORK OPERATIONS EXP | NETOPX | 110073 | 45791 | 14826 | 9933 | 4181 | 16850 | 0 | 1057 |
| DEPREC & AMORT EXP | DEPAMX | 697373 | 297911 | 83800 | 100096 | 24929 | 89086 | 0 | 1057 |
| MARKETING EXPENSE | MRKTX | 11209 | 2034 | 658 | 441 | 186 | 748 | 0 | 1057 |
| SERVICES EXPENSE | SERVX | 90532 | 24585 | 2107 | 4898 | 2179 | 6466 | 8934 | 1057 |
| - CABSX EXPENSE | CABSX | 23524 | 11762 | 0 | 3773 | 1588 | 6401 | 0 | 1057 |
| EXEC & PLANNING EXP | EXEPLX | 51071 | 19967 | 4615 | 7573 | 1529 | 5342 | 908 | 1057 |
| GENERAL & ADMIN EXP | GENADX | 262099 | 128078 | 29603 | 48579 | 9810 | 34265 | 5822 | 1057 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 91893 | 37670 | 12783 | 7267 | 3742 | 13878 | 0 | 1057 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 468 | 195 | 63 | 42 | 18 | 72 | 0 | 1057 |
| NON-OPERATING INC & EXP | NONOPX | 190 | 92 | 30 | 20 | 8 | 34 | 0 | 1057 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 104741 | 40949 | 13259 | 8883 | 3739 | 15069 | 0 | 1057 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 25699 | 6645 | 3457 | 2017 | 431 | 741 | 0 | 1058 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| - GENERAL SUPPORT FACILITIES | GSF | 959774 | 312990 | 162795 | 94979 | 20302 | 34913 | 0 | 1058 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3852058 | 2020648 | 257079 | 1501652 | 84797 | 177120 | 0 | 1058 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| - - COE CAT 3 | COE3 | 2371155 | 1501652 | 0 | 1501652 | 0 | 0 | 0 | 1058 |
| - - COE CAT 4.11 | COE411 | 109793 | 109793 | 0 | 0 | 0 | 109793 | 0 | 1058 |
| - - COE CAT 4.12 | COE412 | 9893 | 9893 | 0 | 0 | 0 | 9893 | 0 | 1058 |
| - - COE CAT 4.13 | COE413 | 1079391 | 276976 | 257079 | 0 | 0 | 19897 | 0 | 1058 |
| - - COE CAT 4.2 | COE42 | 191093 | 99553 | 0 | 0 | 62017 | 37536 | 0 | 1058 |
| - - COE CAT 4.3 | COE43 | 90733 | 22780 | 0 | 0 | 22780 | 0 | 0 | 1058 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| - CABLE & WIRE FACILITIES | CWF | 11322300 | 2927826 | 2316762 | 0 | 236192 | 374873 | 0 | 1058 |
| - - C&WF CAT 1.1 | CWF11 | 280988 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| - - C&WF CAT 1.2 | CWF12 | 179314 | 179314 | 0 | 0 | 0 | 179314 | 0 | 1058 |
| - - C&WF CAT 1.3 | CWF13 | 9267047 | 2316762 | 2316762 | 0 | 0 | 0 | 0 | 1058 |
| - - C&WF CAT 2 | CWF2 | 214501 | 141602 | 0 | 0 | 0 | 141602 | 0 | 1058 |
| - - C&WF CAT 3 | CWF3 | 924694 | 175723 | 0 | 0 | 121767 | 53956 | 0 | 1058 |
| - - C&WF CAT 4 | CWF4 | 455756 | 114425 | 0 | 0 | 114425 | 0 | 0 | 1058 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| TELCOM PLANT-OTHER | PLTOTH | 63037 | 20557 | 10692 | 6238 | 1333 | 2293 | 0 | 1058 |
| ACCUM DEPRECIATION | ACCDEP | 10257647 | 3289427 | 1776430 | 871119 | 233422 | 408457 | 0 | 1058 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| NET DEFERRED FIT | NTDFIT | 437192 | 142572 | 74156 | 43264 | 9248 | 15904 | 0 | 1058 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| GENERAL SUPPORT EXP | GSFX | 54200 | 17675 | 9193 | 5364 | 1147 | 1972 | 0 | 1058 |
| COE EXPENSE | COEX | 197464 | 103582 | 11298 | 80773 | 3727 | 7784 | 0 | 1058 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| C&WF EXPENSE | CWFX | 107657 | 27839 | 22029 | 0 | 2246 | 3564 | 0 | 1058 |
| OTHER PROP & PL EXP | OTHPPX | 148 | 48 | 25 | 15 | 3 | 5 | 0 | 1058 |
| NETWORK OPERATIONS EXP | NETOPX | 94292 | 30749 | 15993 | 9331 | 1995 | 3430 | 0 | 1058 |
| DEPREC & AMORT EXP | DEPAMX | 1068590 | 388172 | 160196 | 167800 | 21742 | 38435 | 0 | 1058 |
| MARKETING EXPENSE | MRKTX | 1444 | 612 | 318 | 186 | 40 | 68 | 0 | 1058 |
| SERVICES EXPENSE | SERVX | 325089 | 81527 | 14496 | 21474 | 2906 | 3478 | 39173 | 1058 |
| - CABSX EXPENSE | CABSX | 29260 | 14630 | 0 | 9252 | 1978 | 3401 | 0 | 1058 |
| EXEC & PLANNING EXP | EXEPLX | 77524 | 26090 | 9750 | 10144 | 1046 | 1758 | 3392 | 1058 |
| GENERAL & ADMIN EXP | GENADX | 175109 | 83108 | 31063 | 32312 | 3327 | 5600 | 10805 | 1058 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 184368 | 59938 | 30184 | 20112 | 3584 | 6057 | 0 | 1058 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1058 |
| NON-OPERATING INC & EXP | NONOPX | 3200 | 1383 | 719 | 420 | 90 | 154 | 0 | 1058 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 87036 | 29232 | 15205 | 8871 | 1896 | 3261 | 0 | 1058 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 69381 | 17624 | 11302 | 3998 | 247 | 2065 | 12 | 1059 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - GENERAL SUPPORT FACILITIES | GSF | 2781580 | 822379 | 524766 | 185628 | 11484 | 95862 | 4639 | 1059 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7269156 | 2650376 | 728592 | 1310048 | 82488 | 529248 | 0 | 1059 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - - COE CAT 3 | COE3 | 3269236 | 1286770 | 0 | 1286770 | 0 | 0 | 0 | 1059 |
| - - COE CAT 4.11 | COE411 | 465253 | 428928 | 0 | 0 | 0 | 428928 | 0 | 1059 |
| - - COE CAT 4.12 | COE412 | 28439 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - - COE CAT 4.13 | COE413 | 3030618 | 746029 | 728592 | 0 | 0 | 17437 | 0 | 1059 |
| - - COE CAT 4.2 | COE42 | 438415 | 165371 | 0 | 0 | 82488 | 82882 | 0 | 1059 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - CABLE & WIRE FACILITIES | CWF | 12597594 | 3199988 | 3040683 | 0 | 0 | 159305 | 0 | 1059 |
| - - C&WF CAT 1.1 | CWF11 | 123465 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - - C&WF CAT 1.2 | CWF12 | 21788 | 21788 | 0 | 0 | 0 | 21788 | 0 | 1059 |
| - - C&WF CAT 1.3 | CWF13 | 12162731 | 3040683 | 3040683 | 0 | 0 | 0 | 0 | 1059 |
| - - C&WF CAT 2 | CWF2 | 240071 | 119559 | 0 | 0 | 0 | 119559 | 0 | 1059 |
| - - C&WF CAT 3 | CWF3 | 49538 | 17958 | 0 | 0 | 0 | 17958 | 0 | 1059 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| - TANGIBLES | TANGIB | 149130 | 149130 | 0 | 0 | 0 | 149130 | 0 | 1059 |
| - INTANGIBLES | INTANG | 228820 | 68705 | 44060 | 15585 | 964 | 8049 | 48 | 1059 |
| TELCOM PLANT-OTHER | PLTOTH | 89619 | 26909 | 16884 | 5972 | 369 | 3665 | 18 | 1059 |
| ACCUM DEPRECIATION | ACCDEP | 12404207 | 3718823 | 2377719 | 747478 | 49822 | 540962 | 2842 | 1059 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| NET DEFERRED FIT | NTDFIT | 1414953 | 418207 | 268185 | 94982 | 5876 | 49164 | 0 | 1059 |
| NETWORK SUPPORT EXP | NETSPX | 20765 | 6139 | 3937 | 1393 | 86 | 719 | 4 | 1059 |
| GENERAL SUPPORT EXP | GSFX | 64211 | 18984 | 12114 | 4285 | 265 | 2213 | 107 | 1059 |
| COE EXPENSE | COEX | 84767 | 31178 | 3954 | 23903 | 448 | 2872 | 0 | 1059 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| C&WF EXPENSE | CWFX | 569408 | 144639 | 137438 | 0 | 0 | 7201 | 0 | 1059 |
| OTHER PROP & PL EXP | OTHPPX | -1 | -0 | -0 | -0 | -0 | -0 | 0 | 1059 |
| NETWORK OPERATIONS EXP | NETOPX | 531098 | 157020 | 100764 | 35644 | 2205 | 18407 | 0 | 1059 |
| DEPREC & AMORT EXP | DEPAMX | 1522078 | 505917 | 249875 | 141173 | 7952 | 106701 | 215 | 1059 |
| MARKETING EXPENSE | MRKTX | 373409 | 77161 | 49482 | 17504 | 1083 | 9039 | 53 | 1059 |
| SERVICES EXPENSE | SERVX | 658954 | 150295 | 33518 | 28558 | 1767 | 10988 | 75464 | 1059 |
| - CABSX EXPENSE | CABSX | 52983 | 26492 | 0 | 16785 | 1038 | 8668 | 0 | 1059 |
| EXEC & PLANNING EXP | EXEPLX | 187439 | 47357 | 30682 | 7599 | 400 | 3512 | 5164 | 1059 |
| GENERAL & ADMIN EXP | GENADX | 982699 | 256331 | 166071 | 41132 | 2164 | 19012 | 27953 | 1059 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 227914 | 70333 | 43757 | 16912 | 991 | 8651 | 21 | 1059 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1059 |
| NON-OPERATING INC & EXP | NONOPX | 725 | 188 | 121 | 43 | 3 | 22 | 0 | 1059 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 101119 | 30457 | 19532 | 6909 | 427 | 3568 | 21 | 1059 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 977913 | 285948 | 139137 | 54578 | 9266 | 82190 | 777 | 1060 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| - GENERAL SUPPORT FACILITIES | GSF | 7483774 | 2520591 | 1192537 | 467787 | 79420 | 704448 | 76398 | 1060 |
| - CENTRAL OFFICE EQUIPMENT | COE | 31890868 | 12329558 | 2574470 | 4529375 | 703134 | 4522579 | 0 | 1060 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| - - COE CAT 3 | COE3 | 13857317 | 4158461 | 0 | 4158461 | 0 | 0 | 0 | 1060 |
| - - COE CAT 4.11 | COE411 | 2288519 | 2288519 | 0 | 0 | 0 | 2288519 | 0 | 1060 |
| - - COE CAT 4.12 | COE412 | 26599 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| - - COE CAT 4.13 | COE413 | 10525725 | 2616213 | 2574470 | 0 | 0 | 41743 | 0 | 1060 |
| - - COE CAT 4.2 | COE42 | 4246195 | 2818993 | 0 | 0 | 626676 | 2192317 | 0 | 1060 |
| - - COE CAT 4.3 | COE43 | 371955 | 76458 | 0 | 0 | 76458 | 0 | 0 | 1060 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| - CABLE & WIRE FACILITIES | CWF | 44128996 | 12903585 | 9917911 | 0 | 128828 | 2856846 | 0 | 1060 |
| - - C&WF CAT 1.1 | CWF11 | 716941 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| - - C&WF CAT 1.2 | CWF12 | 160809 | 160809 | 0 | 0 | 0 | 160809 | 0 | 1060 |
| - - C&WF CAT 1.3 | CWF13 | 39671644 | 9917911 | 9917911 | 0 | 0 | 0 | 0 | 1060 |
| - - C&WF CAT 2 | CWF2 | 3239891 | 2689022 | 0 | 0 | 0 | 2689022 | 0 | 1060 |
| - - C&WF CAT 3 | CWF3 | 182824 | 103593 | 0 | 0 | 96579 | 7014 | 0 | 1060 |
| - - C&WF CAT 4 | CWF4 | 156886 | 32249 | 0 | 0 | 32249 | 0 | 0 | 1060 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| TELCOM PLANT-OTHER | PLTOTH | 111 | 37 | 18 | 7 | 1 | 11 | 0 | 1060 |
| ACCUM DEPRECIATION | ACCDEP | 43501879 | 14728422 | 5759185 | 5035086 | 398515 | 3486532 | 49105 | 1060 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| NET DEFERRED FIT | NTDFIT | 3103262 | 1042419 | 508591 | 199412 | 33888 | 300528 | 0 | 1060 |
| NETWORK SUPPORT EXP | NETSPX | 44087 | 14849 | 7225 | 2834 | 481 | 4268 | 40 | 1060 |
| GENERAL SUPPORT EXP | GSFX | 660636 | 222507 | 105272 | 41294 | 7011 | 62186 | 6744 | 1060 |
| COE EXPENSE | COEX | 1579380 | 628985 | 62702 | 427671 | 28463 | 110149 | 0 | 1060 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| C&WF EXPENSE | CWFX | 1243997 | 363752 | 279586 | 0 | 3632 | 80535 | 0 | 1060 |
| OTHER PROP & PL EXP | OTHPPX | 22957 | 7732 | 3773 | 1480 | 251 | 2228 | 0 | 1060 |
| NETWORK OPERATIONS EXP | NETOPX | 1828447 | 615835 | 300470 | 117863 | 20011 | 177492 | 0 | 1060 |
| DEPREC & AMORT EXP | DEPAMX | 7204246 | 2610281 | 1260349 | 174628 | 135343 | 1034745 | 5216 | 1060 |
| MARKETING EXPENSE | MRKTX | 671086 | 144032 | 70083 | 27491 | 4667 | 41399 | 391 | 1060 |
| SERVICES EXPENSE | SERVX | 1957269 | 532813 | 77091 | 65985 | 11203 | 86733 | 291801 | 1060 |
| - CABSX EXPENSE | CABSX | 302410 | 151205 | 0 | 56511 | 9594 | 85100 | 0 | 1060 |
| EXEC & PLANNING EXP | EXEPLX | 879730 | 276168 | 114017 | 68344 | 7559 | 56401 | 29846 | 1060 |
| GENERAL & ADMIN EXP | GENADX | 1314241 | 596268 | 246173 | 147560 | 16320 | 121775 | 64440 | 1060 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 1020451 | 435457 | 232821 | 50822 | 15287 | 136296 | 230 | 1060 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1060 |
| NON-OPERATING INC & EXP | NONOPX | 57923 | 23033 | 11208 | 4396 | 746 | 6620 | 63 | 1060 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 552617 | 184373 | 89712 | 35191 | 5975 | 52994 | 501 | 1060 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 23019 | 6120 | 1720 | 2886 | 653 | 862 | 0 | 1061 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - GENERAL SUPPORT FACILITIES | GSF | 421815 | 160471 | 45085 | 75660 | 17116 | 22610 | 0 | 1061 |
| - CENTRAL OFFICE EQUIPMENT | COE | 697439 | 337781 | 14790 | 238551 | 30511 | 53929 | 0 | 1061 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - - COE CAT 3 | COE3 | 453244 | 238551 | 0 | 238551 | 0 | 0 | 0 | 1061 |
| - - COE CAT 4.11 | COE411 | 32551 | 32551 | 0 | 0 | 0 | 32551 | 0 | 1061 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - - COE CAT 4.13 | COE413 | 59836 | 15128 | 14790 | 0 | 0 | 338 | 0 | 1061 |
| - - COE CAT 4.2 | COE42 | 151808 | 51551 | 0 | 0 | 30511 | 21040 | 0 | 1061 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - CABLE & WIRE FACILITIES | CWF | 632515 | 168174 | 127359 | 0 | 23455 | 17360 | 0 | 1061 |
| - - C&WF CAT 1.1 | CWF11 | 2907 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - - C&WF CAT 1.2 | CWF12 | 2907 | 2907 | 0 | 0 | 0 | 2907 | 0 | 1061 |
| - - C&WF CAT 1.3 | CWF13 | 509436 | 127359 | 127359 | 0 | 0 | 0 | 0 | 1061 |
| - - C&WF CAT 2 | CWF2 | 16702 | 13303 | 0 | 0 | 0 | 13303 | 0 | 1061 |
| - - C&WF CAT 3 | CWF3 | 100563 | 24605 | 0 | 0 | 23455 | 1150 | 0 | 1061 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| - INTANGIBLES | INTANG | 70 | 27 | 7 | 13 | 3 | 4 | 0 | 1061 |
| TELCOM PLANT-OTHER | PLTOTH | 520967 | 198192 | 55682 | 93445 | 21140 | 27925 | 0 | 1061 |
| ACCUM DEPRECIATION | ACCDEP | 1245705 | 502407 | 110023 | 271466 | 50127 | 70791 | 0 | 1061 |
| ACCUM AMORTIZATION | ACCAMO | 70 | 27 | 7 | 13 | 3 | 4 | 0 | 1061 |
| NET DEFERRED FIT | NTDFIT | 107354 | 40841 | 11474 | 19256 | 4356 | 5754 | 0 | 1061 |
| NETWORK SUPPORT EXP | NETSPX | 1500 | 571 | 160 | 269 | 61 | 80 | 0 | 1061 |
| GENERAL SUPPORT EXP | GSFX | 18997 | 7227 | 2030 | 3407 | 771 | 1018 | 0 | 1061 |
| COE EXPENSE | COEX | 50482 | 24449 | 1150 | 16734 | 2372 | 4193 | 0 | 1061 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1061 |
| C&WF EXPENSE | CWFX | 43247 | 11499 | 8708 | 0 | 1604 | 1187 | 0 | 1061 |
| OTHER PROP & PL EXP | OTHPPX | 910 | 346 | 97 | 163 | 37 | 49 | 0 | 1061 |
| NETWORK OPERATIONS EXP | NETOPX | 6294 | 2394 | 673 | 1129 | 255 | 337 | 0 | 1061 |
| DEPREC & AMORT EXP | DEPAMX | 97178 | 36638 | 10601 | 16390 | 4132 | 5516 | 0 | 1061 |
| MARKETING EXPENSE | MRKTX | 2037 | 494 | 139 | 233 | 53 | 70 | 0 | 1061 |
| SERVICES EXPENSE | SERVX | 39331 | 18248 | 4623 | 6209 | 1400 | 383 | 5633 | 1061 |
| - CABSX EXPENSE | CABSX | 3900 | 1950 | 0 | 1279 | 289 | 382 | 0 | 1061 |
| EXEC & PLANNING EXP | EXEPLX | 59410 | 23986 | 6465 | 10349 | 2410 | 2691 | 2071 | 1061 |
| GENERAL & ADMIN EXP | GENADX | 99395 | 53406 | 14394 | 23043 | 5365 | 5991 | 4612 | 1061 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 28617 | 10511 | 3311 | 4559 | 1161 | 1481 | 0 | 1061 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 713 | 271 | 76 | 128 | 29 | 38 | 0 | 1061 |
| NON-OPERATING INC & EXP | NONOPX | 240 | 117 | 33 | 55 | 12 | 16 | 0 | 1061 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 8650 | 3023 | 1128 | 1115 | 353 | 426 | 0 | 1061 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 12332 | 3481 | 1836 | 713 | 214 | 718 | 0 | 1062 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| - GENERAL SUPPORT FACILITIES | GSF | 1941107 | 641052 | 338049 | 131287 | 39455 | 132261 | 0 | 1062 |
| - CENTRAL OFFICE EQUIPMENT | COE | 6227251 | 2619425 | 640985 | 1214347 | 137396 | 626696 | 0 | 1062 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| - - COE CAT 3 | COE3 | 2389863 | 1214347 | 0 | 1214347 | 0 | 0 | 0 | 1062 |
| - - COE CAT 4.11 | COE411 | 481746 | 481746 | 0 | 0 | 0 | 481746 | 0 | 1062 |
| - - COE CAT 4.12 | COE412 | 65978 | 21845 | 0 | 0 | 0 | 21845 | 0 | 1062 |
| - - COE CAT 4.13 | COE413 | 2615601 | 672379 | 640985 | 0 | 0 | 31394 | 0 | 1062 |
| - - COE CAT 4.2 | COE42 | 258593 | 142857 | 0 | 0 | 51145 | 91712 | 0 | 1062 |
| - - COE CAT 4.3 | COE43 | 415470 | 86251 | 0 | 0 | 86251 | 0 | 0 | 1062 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| - CABLE & WIRE FACILITIES | CWF | 11727131 | 3310026 | 2485823 | 0 | 227547 | 596656 | 0 | 1062 |
| - - C&WF CAT 1.1 | CWF11 | 78597 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| - - C&WF CAT 1.2 | CWF12 | 121748 | 121748 | 0 | 0 | 0 | 121748 | 0 | 1062 |
| - - C&WF CAT 1.3 | CWF13 | 9943293 | 2485823 | 2485823 | 0 | 0 | 0 | 0 | 1062 |
| - - C&WF CAT 2 | CWF2 | 168344 | 97100 | 0 | 0 | 0 | 97100 | 0 | 1062 |
| - - C&WF CAT 3 | CWF3 | 588140 | 433668 | 0 | 0 | 55861 | 377808 | 0 | 1062 |
| - - C&WF CAT 4 | CWF4 | 827009 | 171686 | 0 | 0 | 171686 | 0 | 0 | 1062 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| - INTANGIBLES | INTANG | 970193 | 320407 | 168962 | 65619 | 19720 | 66106 | 0 | 1062 |
| TELCOM PLANT-OTHER | PLTOTH | 37286 | 12314 | 6493 | 2522 | 758 | 2541 | 0 | 1062 |
| ACCUM DEPRECIATION | ACCDEP | 12944201 | 4224665 | 2303803 | 748938 | 269127 | 902797 | 0 | 1062 |
| ACCUM AMORTIZATION | ACCAMO | 64716 | 21373 | 11270 | 4377 | 1315 | 4410 | 0 | 1062 |
| NET DEFERRED FIT | NTDFIT | 561698 | 262172 | 35911 | 154397 | 11845 | 60020 | 0 | 1062 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| GENERAL SUPPORT EXP | GSFX | 21420 | 7074 | 3730 | 1449 | 435 | 1459 | 0 | 1062 |
| COE EXPENSE | COEX | 304436 | 128058 | 26652 | 69634 | 5713 | 26058 | 0 | 1062 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| C&WF EXPENSE | CWFX | 488180 | 137791 | 103480 | 0 | 9472 | 24838 | 0 | 1062 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| NETWORK OPERATIONS EXP | NETOPX | 101822 | 33627 | 17733 | 6887 | 2070 | 6938 | 0 | 1062 |
| DEPREC & AMORT EXP | DEPAMX | 1020559 | 366221 | 151690 | 127180 | 19174 | 68177 | 0 | 1062 |
| MARKETING EXPENSE | MRKTX | 47913 | 17341 | 9145 | 3552 | 1067 | 3578 | 0 | 1062 |
| SERVICES EXPENSE | SERVX | 331957 | 89785 | 7041 | 12542 | 3757 | 12594 | 53852 | 1062 |
| - CABSX EXPENSE | CABSX | 57330 | 28665 | 0 | 12420 | 3733 | 12512 | 0 | 1062 |
| EXEC & PLANNING EXP | EXEPLX | 590217 | 188324 | 95515 | 35503 | 8498 | 28483 | 20326 | 1062 |
| GENERAL & ADMIN EXP | GENADX | 312829 | 129538 | 65699 | 24420 | 5845 | 19592 | 13981 | 1062 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 496108 | 164802 | 87370 | 34025 | 10058 | 33349 | 0 | 1062 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1062 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 274603 | 89675 | 47289 | 18365 | 5519 | 18502 | 0 | 1062 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 121292 | 30806 | 20981 | 3941 | 2667 | 3154 | 63 | 1063 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| - GENERAL SUPPORT FACILITIES | GSF | 2320144 | 659788 | 441904 | 83004 | 56176 | 66437 | 12267 | 1063 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4434757 | 1697489 | 520586 | 685042 | 102439 | 389423 | 0 | 1063 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| - - COE CAT 3 | COE3 | 1500034 | 685042 | 0 | 685042 | 0 | 0 | 0 | 1063 |
| - - COE CAT 4.11 | COE411 | 353829 | 350706 | 0 | 0 | 0 | 350706 | 0 | 1063 |
| - - COE CAT 4.12 | COE412 | 15973 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| - - COE CAT 4.13 | COE413 | 2116363 | 538314 | 520586 | 0 | 0 | 17728 | 0 | 1063 |
| - - COE CAT 4.2 | COE42 | 192992 | 69623 | 0 | 0 | 48634 | 20989 | 0 | 1063 |
| - - COE CAT 4.3 | COE43 | 255566 | 53804 | 0 | 0 | 53804 | 0 | 0 | 1063 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| - CABLE & WIRE FACILITIES | CWF | 14357613 | 3646570 | 3126492 | 0 | 361190 | 158888 | 0 | 1063 |
| - - C&WF CAT 1.1 | CWF11 | 97838 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| - - C&WF CAT 1.2 | CWF12 | 106471 | 106471 | 0 | 0 | 0 | 106471 | 0 | 1063 |
| - - C&WF CAT 1.3 | CWF13 | 12505968 | 3126492 | 3126492 | 0 | 0 | 0 | 0 | 1063 |
| - - C&WF CAT 2 | CWF2 | 97881 | 16240 | 0 | 0 | 0 | 16240 | 0 | 1063 |
| - - C&WF CAT 3 | CWF3 | 503025 | 177062 | 0 | 0 | 140885 | 36177 | 0 | 1063 |
| - - C&WF CAT 4 | CWF4 | 1046431 | 220305 | 0 | 0 | 220305 | 0 | 0 | 1063 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| - INTANGIBLES | INTANG | 658 | 187 | 127 | 24 | 16 | 19 | 0 | 1063 |
| TELCOM PLANT-OTHER | PLTOTH | 1074234 | 304860 | 208053 | 39079 | 26448 | 31279 | 0 | 1063 |
| ACCUM DEPRECIATION | ACCDEP | 10916438 | 3219403 | 2041788 | 464965 | 273794 | 429123 | 9732 | 1063 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| GENERAL SUPPORT EXP | GSFX | 124174 | 35312 | 23651 | 4442 | 3007 | 3556 | 657 | 1063 |
| COE EXPENSE | COEX | 176204 | 67445 | 7210 | 53424 | 1419 | 5393 | 0 | 1063 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| C&WF EXPENSE | CWFX | 226974 | 57647 | 49426 | 0 | 5710 | 2512 | 0 | 1063 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| NETWORK OPERATIONS EXP | NETOPX | 217880 | 61959 | 42284 | 7942 | 5375 | 6357 | 0 | 1063 |
| DEPREC & AMORT EXP | DEPAMX | 1208062 | 385106 | 193753 | 121113 | 26251 | 43037 | 953 | 1063 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| SERVICES EXPENSE | SERVX | 334702 | 77639 | 18712 | 17022 | 7914 | 8576 | 25415 | 1063 |
| - CABSX EXPENSE | CABSX | 48413 | 24207 | 0 | 9772 | 6614 | 7822 | 0 | 1063 |
| EXEC & PLANNING EXP | EXEPLX | 213230 | 59053 | 31044 | 14617 | 4134 | 4658 | 4601 | 1063 |
| GENERAL & ADMIN EXP | GENADX | 374189 | 153285 | 80583 | 37941 | 10730 | 12090 | 11942 | 1063 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 177641 | 50533 | 34487 | 6478 | 4384 | 5185 | 0 | 1063 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1063 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 431674 | 118350 | 80604 | 15140 | 10247 | 12118 | 242 | 1063 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 15592 | 3973 | 2824 | 870 | 138 | 142 | 0 | 1064 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - GENERAL SUPPORT FACILITIES | GSF | 810088 | 227950 | 162007 | 49898 | 7895 | 8150 | 0 | 1064 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3595706 | 1130340 | 577967 | 496403 | 29733 | 26237 | 0 | 1064 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - - COE CAT 2 | COE2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - - COE CAT 3 | COE3 | 1098869 | 496403 | 0 | 496403 | 0 | 0 | 0 | 1064 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - - COE CAT 4.13 | COE413 | 2341347 | 601830 | 577967 | 0 | 0 | 23863 | 0 | 1064 |
| - - COE CAT 4.2 | COE42 | 59350 | 17630 | 0 | 0 | 15256 | 2374 | 0 | 1064 |
| - - COE CAT 4.3 | COE43 | 96139 | 14477 | 0 | 0 | 14477 | 0 | 0 | 1064 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - CABLE & WIRE FACILITIES | CWF | 4463285 | 1137373 | 1033724 | 0 | 48804 | 54846 | 0 | 1064 |
| - - C&WF CAT 1.1 | CWF11 | 10042 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - - C&WF CAT 1.2 | CWF12 | 42680 | 42680 | 0 | 0 | 0 | 42680 | 0 | 1064 |
| - - C&WF CAT 1.3 | CWF13 | 4134894 | 1033724 | 1033724 | 0 | 0 | 0 | 0 | 1064 |
| - - C&WF CAT 2 | CWF2 | 10112 | 1412 | 0 | 0 | 0 | 1412 | 0 | 1064 |
| - - C&WF CAT 3 | CWF3 | 151606 | 49271 | 0 | 0 | 38517 | 10754 | 0 | 1064 |
| - - C&WF CAT 4 | CWF4 | 113951 | 10287 | 0 | 0 | 10287 | 0 | 0 | 1064 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| TELCOM PLANT-OTHER | PLTOTH | 134972 | 37980 | 26993 | 8314 | 1315 | 1358 | 0 | 1064 |
| ACCUM DEPRECIATION | ACCDEP | 3497777 | 1022737 | 653743 | 304617 | 32312 | 32065 | 0 | 1064 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| GENERAL SUPPORT EXP | GSFX | 42523 | 11966 | 8504 | 2619 | 414 | 428 | 0 | 1064 |
| COE EXPENSE | COEX | 92389 | 29043 | 18257 | 9018 | 939 | 829 | 0 | 1064 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| C&WF EXPENSE | CWFX | 132746 | 33827 | 30745 | 0 | 1452 | 1631 | 0 | 1064 |
| OTHER PROP & PL EXP | OTHPPX | 5822 | 1638 | 1164 | 359 | 57 | 59 | 0 | 1064 |
| NETWORK OPERATIONS EXP | NETOPX | 39704 | 11172 | 7940 | 2446 | 387 | 399 | 0 | 1064 |
| DEPREC & AMORT EXP | DEPAMX | 627520 | 181326 | 119876 | 49607 | 5878 | 5966 | 0 | 1064 |
| MARKETING EXPENSE | MRKTX | 28265 | 5653 | 4018 | 1237 | 196 | 202 | 0 | 1064 |
| SERVICES EXPENSE | SERVX | 163575 | 39862 | 4270 | 12987 | 1988 | 1838 | 18779 | 1064 |
| - CABSX EXPENSE | CABSX | 29359 | 14680 | 0 | 11108 | 1757 | 1814 | 0 | 1064 |
| EXEC & PLANNING EXP | EXEPLX | 149085 | 39030 | 23226 | 7776 | 1474 | 1461 | 5094 | 1064 |
| GENERAL & ADMIN EXP | GENADX | 104873 | 38757 | 23063 | 7722 | 1463 | 1451 | 5058 | 1064 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 53551 | 15273 | 10855 | 3343 | 529 | 546 | 0 | 1064 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1064 |
| NON-OPERATING INC & EXP | NONOPX | 13225 | 4051 | 2879 | 887 | 140 | 145 | 0 | 1064 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 197976 | 54324 | 38609 | 11892 | 1881 | 1942 | 0 | 1064 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 48493 | 17216 | 5008 | 7524 | 1058 | 3625 | 0 | 1065 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - GENERAL SUPPORT FACILITIES | GSF | 786223 | 393715 | 114541 | 172064 | 24196 | 82913 | 0 | 1065 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1362734 | 922825 | 85736 | 675848 | 32372 | 128869 | 0 | 1065 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - - COE CAT 3 | COE3 | 793395 | 642657 | 0 | 642657 | 0 | 0 | 0 | 1065 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - - COE CAT 4.12 | COE412 | 3640 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - - COE CAT 4.13 | COE413 | 364220 | 107012 | 85736 | 0 | 0 | 21276 | 0 | 1065 |
| - - COE CAT 4.2 | COE42 | 153154 | 139965 | 0 | 0 | 32372 | 107593 | 0 | 1065 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - CABLE & WIRE FACILITIES | CWF | 1877115 | 666396 | 386262 | 0 | 67335 | 212799 | 0 | 1065 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - - C&WF CAT 1.2 | CWF12 | 95852 | 95852 | 0 | 0 | 0 | 95852 | 0 | 1065 |
| - - C&WF CAT 1.3 | CWF13 | 1545049 | 386262 | 386262 | 0 | 0 | 0 | 0 | 1065 |
| - - C&WF CAT 2 | CWF2 | 18052 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - - C&WF CAT 3 | CWF3 | 218162 | 184282 | 0 | 0 | 67335 | 116946 | 0 | 1065 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| - INTANGIBLES | INTANG | 1860 | 931 | 271 | 407 | 57 | 196 | 0 | 1065 |
| TELCOM PLANT-OTHER | PLTOTH | 152953 | 76594 | 22283 | 33474 | 4707 | 16130 | 0 | 1065 |
| ACCUM DEPRECIATION | ACCDEP | 2143810 | 1073086 | 312349 | 472217 | 65355 | 223165 | 0 | 1065 |
| ACCUM AMORTIZATION | ACCAMO | 1860 | 931 | 271 | 407 | 57 | 196 | 0 | 1065 |
| NET DEFERRED FIT | NTDFIT | 251911 | 126435 | 36595 | 55264 | 7793 | 26784 | 0 | 1065 |
| NETWORK SUPPORT EXP | NETSPX | 2595 | 1299 | 378 | 568 | 80 | 274 | 0 | 1065 |
| GENERAL SUPPORT EXP | GSFX | 29267 | 14656 | 4264 | 6405 | 901 | 3086 | 0 | 1065 |
| COE EXPENSE | COEX | 102854 | 72156 | 120 | 71812 | 45 | 180 | 0 | 1065 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| C&WF EXPENSE | CWFX | 62639 | 22238 | 12890 | 0 | 2247 | 7101 | 0 | 1065 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| NETWORK OPERATIONS EXP | NETOPX | 11768 | 5893 | 1714 | 2575 | 362 | 1241 | 0 | 1065 |
| DEPREC & AMORT EXP | DEPAMX | 272269 | 148695 | 34678 | 75748 | 8353 | 29916 | 0 | 1065 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| SERVICES EXPENSE | SERVX | 72700 | 20845 | 7982 | 3963 | 557 | 1910 | 6433 | 1065 |
| - CABSX EXPENSE | CABSX | 12640 | 6320 | 0 | 3895 | 548 | 1877 | 0 | 1065 |
| EXEC & PLANNING EXP | EXEPLX | 136163 | 65985 | 13163 | 41069 | 2018 | 6638 | 3096 | 1065 |
| GENERAL & ADMIN EXP | GENADX | 142355 | 87142 | 17384 | 54237 | 2665 | 8767 | 4089 | 1065 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 74842 | 37458 | 10893 | 16326 | 2310 | 7929 | 0 | 1065 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1065 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 21982 | 11010 | 3203 | 4774 | 683 | 2349 | 0 | 1065 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 1927 | 648 | 142 | 366 | 129 | 10 | 1 | 1066 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - GENERAL SUPPORT FACILITIES | GSF | 1411234 | 749332 | 163731 | 423069 | 149183 | 11189 | 2160 | 1066 |
| - CENTRAL OFFICE EQUIPMENT | COE | 568399 | 465023 | 1494 | 422682 | 39795 | 1052 | 0 | 1066 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - - COE CAT 3 | COE3 | 497273 | 422682 | 0 | 422682 | 0 | 0 | 0 | 1066 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - - COE CAT 4.13 | COE413 | 6069 | 1545 | 1494 | 0 | 0 | 51 | 0 | 1066 |
| - - COE CAT 4.2 | COE42 | 65057 | 40796 | 0 | 0 | 39795 | 1001 | 0 | 1066 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - CABLE & WIRE FACILITIES | CWF | 837480 | 281466 | 162087 | 0 | 109252 | 10127 | 0 | 1066 |
| - - C&WF CAT 1.1 | CWF11 | 4456 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - - C&WF CAT 1.2 | CWF12 | 5570 | 5570 | 0 | 0 | 0 | 5570 | 0 | 1066 |
| - - C&WF CAT 1.3 | CWF13 | 648347 | 162087 | 162087 | 0 | 0 | 0 | 0 | 1066 |
| - - C&WF CAT 2 | CWF2 | 2985 | 2985 | 0 | 0 | 0 | 2985 | 0 | 1066 |
| - - C&WF CAT 3 | CWF3 | 176122 | 110824 | 0 | 0 | 109252 | 1572 | 0 | 1066 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| - INTANGIBLES | INTANG | 701 | 372 | 81 | 210 | 74 | 6 | 1 | 1066 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| ACCUM DEPRECIATION | ACCDEP | 1978885 | 1014892 | 243856 | 537154 | 216054 | 16513 | 1314 | 1066 |
| ACCUM AMORTIZATION | ACCAMO | 648 | 344 | 75 | 195 | 69 | 5 | 0 | 1066 |
| NET DEFERRED FIT | NTDFIT | 5725 | 2984 | 683 | 1631 | 623 | 47 | 0 | 1066 |
| NETWORK SUPPORT EXP | NETSPX | 6526 | 3465 | 758 | 1959 | 691 | 52 | 5 | 1066 |
| GENERAL SUPPORT EXP | GSFX | 14232 | 7557 | 1651 | 4267 | 1504 | 113 | 22 | 1066 |
| COE EXPENSE | COEX | 218436 | 178709 | 2013 | 121662 | 53616 | 1418 | 0 | 1066 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| C&WF EXPENSE | CWFX | 21242 | 7139 | 4111 | 0 | 2771 | 257 | 0 | 1066 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| NETWORK OPERATIONS EXP | NETOPX | 9031 | 4795 | 1051 | 2715 | 957 | 72 | 0 | 1066 |
| DEPREC & AMORT EXP | DEPAMX | 158002 | 100324 | 11816 | 72576 | 14903 | 910 | 120 | 1066 |
| MARKETING EXPENSE | MRKTX | 26083 | 11094 | 2428 | 6273 | 2212 | 166 | 16 | 1066 |
| SERVICES EXPENSE | SERVX | 90780 | 35330 | 4260 | 17193 | 6062 | 311 | 7504 | 1066 |
| - CABSX EXPENSE | CABSX | 32398 | 16199 | 0 | 11746 | 4142 | 311 | 0 | 1066 |
| EXEC & PLANNING EXP | EXEPLX | 135346 | 87769 | 5757 | 54507 | 23991 | 845 | 2670 | 1066 |
| GENERAL & ADMIN EXP | GENADX | 178647 | 125795 | 8251 | 78122 | 34385 | 1211 | 3827 | 1066 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 43361 | 23456 | 4883 | 13706 | 4521 | 336 | 10 | 1066 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |
| NON-OPERATING INC & EXP | NONOPX | 6299 | 4284 | 937 | 2422 | 854 | 64 | 6 | 1066 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1066 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 617537 | 221807 | 67837 | 70651 | 6255 | 75896 | 1167 | 1067 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - GENERAL SUPPORT FACILITIES | GSF | 5896294 | 2891675 | 860121 | 895800 | 79305 | 962304 | 94146 | 1067 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13486624 | 8858523 | 1104268 | 4803443 | 276466 | 2674346 | 0 | 1067 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - - COE CAT 3 | COE3 | 5648781 | 4803443 | 0 | 4803443 | 0 | 0 | 0 | 1067 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - - COE CAT 4.12 | COE412 | 33836 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - - COE CAT 4.13 | COE413 | 4716583 | 1365037 | 1104268 | 0 | 0 | 260770 | 0 | 1067 |
| - - COE CAT 4.2 | COE42 | 2782264 | 2614207 | 0 | 0 | 200631 | 2413576 | 0 | 1067 |
| - - COE CAT 4.3 | COE43 | 305160 | 75835 | 0 | 0 | 75835 | 0 | 0 | 1067 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - CABLE & WIRE FACILITIES | CWF | 17101020 | 6142347 | 3507861 | 0 | 148780 | 2485705 | 0 | 1067 |
| - - C&WF CAT 1.1 | CWF11 | 123072 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - - C&WF CAT 1.2 | CWF12 | 828372 | 828372 | 0 | 0 | 0 | 828372 | 0 | 1067 |
| - - C&WF CAT 1.3 | CWF13 | 14031444 | 3507861 | 3507861 | 0 | 0 | 0 | 0 | 1067 |
| - - C&WF CAT 2 | CWF2 | 12605 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - - C&WF CAT 3 | CWF3 | 1976186 | 1773971 | 0 | 0 | 116638 | 1657333 | 0 | 1067 |
| - - C&WF CAT 4 | CWF4 | 129340 | 32142 | 0 | 0 | 32142 | 0 | 0 | 1067 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| - INTANGIBLES | INTANG | 15342 | 7524 | 2301 | 2397 | 212 | 2575 | 40 | 1067 |
| TELCOM PLANT-OTHER | PLTOTH | 1515466 | 739308 | 227306 | 236735 | 20958 | 254310 | 0 | 1067 |
| ACCUM DEPRECIATION | ACCDEP | 17240616 | 8386875 | 2607360 | 3020530 | 191008 | 2510164 | 57814 | 1067 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| NET DEFERRED FIT | NTDFIT | 45130 | 21792 | 6847 | 6538 | 644 | 7763 | 0 | 1067 |
| NETWORK SUPPORT EXP | NETSPX | 901 | 442 | 135 | 141 | 12 | 151 | 2 | 1067 |
| GENERAL SUPPORT EXP | GSFX | 214357 | 105126 | 31269 | 32566 | 2883 | 34984 | 3423 | 1067 |
| COE EXPENSE | COEX | 768057 | 504489 | 55353 | 301221 | 13858 | 134056 | 0 | 1067 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| C&WF EXPENSE | CWFX | 669900 | 240615 | 137414 | 0 | 5828 | 97373 | 0 | 1067 |
| OTHER PROP & PL EXP | OTHPPX | 11355 | 5569 | 1712 | 1783 | 158 | 1916 | 0 | 1067 |
| NETWORK OPERATIONS EXP | NETOPX | 499941 | 245182 | 75383 | 78510 | 6950 | 84339 | 0 | 1067 |
| DEPREC & AMORT EXP | DEPAMX | 2229239 | 1218679 | 282340 | 560205 | 29224 | 342177 | 4733 | 1067 |
| MARKETING EXPENSE | MRKTX | 160984 | 23941 | 7322 | 7626 | 675 | 8192 | 126 | 1067 |
| SERVICES EXPENSE | SERVX | 725397 | 211144 | 33325 | 12743 | 1062 | 13052 | 150962 | 1067 |
| - CABSX EXPENSE | CABSX | 50534 | 25267 | 0 | 11683 | 1034 | 12550 | 0 | 1067 |
| EXEC & PLANNING EXP | EXEPLX | 334973 | 145335 | 44779 | 43938 | 3177 | 37819 | 15622 | 1067 |
| GENERAL & ADMIN EXP | GENADX | 1145083 | 546249 | 168303 | 165145 | 11943 | 142144 | 58715 | 1067 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 71482 | 35810 | 11010 | 11467 | 1015 | 12318 | 0 | 1067 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1067 |
| NON-OPERATING INC & EXP | NONOPX | 33101 | 15467 | 4730 | 4927 | 436 | 5292 | 81 | 1067 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 40013 | 19756 | 5964 | 5649 | 641 | 7423 | 79 | 1067 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 10519 | 3019 | 1327 | 1196 | 37 | 459 | 0 | 1068 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - GENERAL SUPPORT FACILITIES | GSF | 204900 | 73380 | 32246 | 29074 | 901 | 11158 | 0 | 1068 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2081554 | 902552 | 162088 | 608680 | 13993 | 117791 | 0 | 1068 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - - COE CAT 3 | COE3 | 1262533 | 608680 | 0 | 608680 | 0 | 0 | 0 | 1068 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - - COE CAT 4.12 | COE412 | 2962 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - - COE CAT 4.13 | COE413 | 685642 | 192598 | 162088 | 0 | 0 | 30511 | 0 | 1068 |
| - - COE CAT 4.2 | COE42 | 130417 | 101274 | 0 | 0 | 13993 | 87281 | 0 | 1068 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - CABLE & WIRE FACILITIES | CWF | 2208091 | 633673 | 512992 | 0 | 4875 | 115807 | 0 | 1068 |
| - - C&WF CAT 1.1 | CWF11 | 21458 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - - C&WF CAT 1.2 | CWF12 | 96563 | 96563 | 0 | 0 | 0 | 96563 | 0 | 1068 |
| - - C&WF CAT 1.3 | CWF13 | 2051967 | 512992 | 512992 | 0 | 0 | 0 | 0 | 1068 |
| - - C&WF CAT 2 | CWF2 | 3045 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - - C&WF CAT 3 | CWF3 | 35057 | 24118 | 0 | 0 | 4875 | 19243 | 0 | 1068 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| TELCOM PLANT-OTHER | PLTOTH | 6131 | 2196 | 965 | 870 | 27 | 334 | 0 | 1068 |
| ACCUM DEPRECIATION | ACCDEP | 3290508 | 1186497 | 509298 | 483121 | 14715 | 179363 | 0 | 1068 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| NET DEFERRED FIT | NTDFIT | 155170 | 54225 | 26587 | 16728 | 872 | 10038 | 0 | 1068 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| GENERAL SUPPORT EXP | GSFX | 2753 | 986 | 433 | 391 | 12 | 150 | 0 | 1068 |
| COE EXPENSE | COEX | 82228 | 35654 | 3148 | 29945 | 272 | 2288 | 0 | 1068 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| C&WF EXPENSE | CWFX | 42652 | 12240 | 9909 | 0 | 94 | 2237 | 0 | 1068 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| NETWORK OPERATIONS EXP | NETOPX | 44998 | 16115 | 7082 | 6385 | 198 | 2450 | 0 | 1068 |
| DEPREC & AMORT EXP | DEPAMX | 311320 | 117813 | 42468 | 56316 | 1605 | 17423 | 0 | 1068 |
| MARKETING EXPENSE | MRKTX | 3044 | 495 | 218 | 196 | 6 | 75 | 0 | 1068 |
| SERVICES EXPENSE | SERVX | 32533 | 9978 | 1151 | 3865 | 120 | 1467 | 3374 | 1068 |
| - CABSX EXPENSE | CABSX | 10552 | 5276 | 0 | 3729 | 116 | 1431 | 0 | 1068 |
| EXEC & PLANNING EXP | EXEPLX | 27776 | 10069 | 2928 | 5441 | 94 | 1157 | 450 | 1068 |
| GENERAL & ADMIN EXP | GENADX | 121275 | 57962 | 16852 | 31322 | 539 | 6657 | 2591 | 1068 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 15438 | 5583 | 2567 | 2114 | 64 | 838 | 0 | 1068 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1068 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 42150 | 14826 | 6869 | 5561 | 169 | 2226 | 0 | 1068 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 31929 | 9237 | 4232 | 2737 | 826 | 1442 | 0 | 1069 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - GENERAL SUPPORT FACILITIES | GSF | 803332 | 316631 | 145067 | 93834 | 28304 | 49427 | 0 | 1069 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4796533 | 2357204 | 649757 | 1080138 | 291435 | 335875 | 0 | 1069 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - - COE CAT 3 | COE3 | 1270750 | 1080138 | 0 | 1080138 | 0 | 0 | 0 | 1069 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - - COE CAT 4.12 | COE412 | 50892 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - - COE CAT 4.13 | COE413 | 2622825 | 661379 | 649757 | 0 | 0 | 11623 | 0 | 1069 |
| - - COE CAT 4.2 | COE42 | 852066 | 615687 | 0 | 0 | 291435 | 324252 | 0 | 1069 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - CABLE & WIRE FACILITIES | CWF | 4450781 | 1287599 | 1020137 | 0 | 34378 | 233084 | 0 | 1069 |
| - - C&WF CAT 1.1 | CWF11 | 19117 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - - C&WF CAT 1.2 | CWF12 | 18248 | 18248 | 0 | 0 | 0 | 18248 | 0 | 1069 |
| - - C&WF CAT 1.3 | CWF13 | 4080549 | 1020137 | 1020137 | 0 | 0 | 0 | 0 | 1069 |
| - - C&WF CAT 2 | CWF2 | 264613 | 210776 | 0 | 0 | 0 | 210776 | 0 | 1069 |
| - - C&WF CAT 3 | CWF3 | 68255 | 38438 | 0 | 0 | 34378 | 4060 | 0 | 1069 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| ACCUM DEPRECIATION | ACCDEP | 4419467 | 1772461 | 783968 | 550654 | 163441 | 274398 | 0 | 1069 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| NET DEFERRED FIT | NTDFIT | 1192551 | 517277 | 197501 | 221565 | 34043 | 64169 | 0 | 1069 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| GENERAL SUPPORT EXP | GSFX | 60295 | 23765 | 10888 | 7043 | 2124 | 3710 | 0 | 1069 |
| COE EXPENSE | COEX | 157067 | 77189 | 4135 | 69061 | 1855 | 2138 | 0 | 1069 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| C&WF EXPENSE | CWFX | 482702 | 139644 | 110637 | 0 | 3728 | 25279 | 0 | 1069 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| NETWORK OPERATIONS EXP | NETOPX | 53049 | 21218 | 9721 | 6288 | 1897 | 3313 | 0 | 1069 |
| DEPREC & AMORT EXP | DEPAMX | 681402 | 314123 | 104376 | 148262 | 23643 | 37842 | 0 | 1069 |
| MARKETING EXPENSE | MRKTX | 52874 | 29346 | 13445 | 8697 | 2623 | 4581 | 0 | 1069 |
| SERVICES EXPENSE | SERVX | 498248 | 262064 | 120505 | 77858 | 23485 | 29216 | 11000 | 1069 |
| - CABSX EXPENSE | CABSX | 179805 | 89903 | 0 | 49170 | 14832 | 25900 | 0 | 1069 |
| EXEC & PLANNING EXP | EXEPLX | 255163 | 108606 | 56230 | 31169 | 6589 | 12589 | 2029 | 1069 |
| GENERAL & ADMIN EXP | GENADX | 261696 | 150540 | 77941 | 43204 | 9133 | 17450 | 2813 | 1069 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 97432 | 39312 | 19359 | 9782 | 3658 | 6513 | 0 | 1069 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |
| NON-OPERATING INC & EXP | NONOPX | 1620 | 812 | 372 | 241 | 73 | 127 | 0 | 1069 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1069 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 19977 | 5174 | 3361 | 1294 | 77 | 443 | 0 | 1070 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - GENERAL SUPPORT FACILITIES | GSF | 802684 | 257052 | 166992 | 64270 | 3805 | 21985 | 0 | 1070 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2499120 | 1172512 | 283175 | 686646 | 40655 | 162036 | 0 | 1070 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - - COE CAT 3 | COE3 | 1109309 | 686646 | 0 | 686646 | 0 | 0 | 0 | 1070 |
| - - COE CAT 4.11 | COE411 | 65420 | 65420 | 0 | 0 | 0 | 65420 | 0 | 1070 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - - COE CAT 4.13 | COE413 | 1146443 | 296918 | 283175 | 0 | 0 | 13744 | 0 | 1070 |
| - - COE CAT 4.2 | COE42 | 164231 | 118342 | 0 | 0 | 35470 | 82872 | 0 | 1070 |
| - - COE CAT 4.3 | COE43 | 13717 | 5186 | 0 | 0 | 5186 | 0 | 0 | 1070 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - CABLE & WIRE FACILITIES | CWF | 6076589 | 1573782 | 1500936 | 0 | 0 | 72846 | 0 | 1070 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - - C&WF CAT 1.2 | CWF12 | 72846 | 72846 | 0 | 0 | 0 | 72846 | 0 | 1070 |
| - - C&WF CAT 1.3 | CWF13 | 6003743 | 1500936 | 1500936 | 0 | 0 | 0 | 0 | 1070 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - - C&WF CAT 3 | CWF3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| - TANGIBLES | TANGIB | 64070 | 27649 | 25019 | 0 | 570 | 2060 | 0 | 1070 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| TELCOM PLANT-OTHER | PLTOTH | 2085 | 669 | 436 | 166 | 10 | 57 | 0 | 1070 |
| ACCUM DEPRECIATION | ACCDEP | 6027264 | 2104499 | 1140257 | 702889 | 52595 | 208758 | 0 | 1070 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| NET DEFERRED FIT | NTDFIT | 452283 | 128778 | 104063 | 17258 | 518 | 6939 | 0 | 1070 |
| NETWORK SUPPORT EXP | NETSPX | 3210 | 1028 | 668 | 257 | 15 | 88 | 0 | 1070 |
| GENERAL SUPPORT EXP | GSFX | 86989 | 27857 | 18097 | 6965 | 412 | 2383 | 0 | 1070 |
| COE EXPENSE | COEX | 155566 | 72987 | 9167 | 57258 | 1316 | 5245 | 0 | 1070 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| C&WF EXPENSE | CWFX | 175053 | 45337 | 43239 | 0 | 0 | 2099 | 0 | 1070 |
| OTHER PROP & PL EXP | OTHPPX | 4341 | 1398 | 908 | 350 | 21 | 120 | 0 | 1070 |
| NETWORK OPERATIONS EXP | NETOPX | 115704 | 37053 | 24071 | 9264 | 549 | 3169 | 0 | 1070 |
| DEPREC & AMORT EXP | DEPAMX | 767939 | 272641 | 142689 | 66559 | 20418 | 42975 | 0 | 1070 |
| MARKETING EXPENSE | MRKTX | 43726 | 11445 | 7435 | 2862 | 169 | 979 | 0 | 1070 |
| SERVICES EXPENSE | SERVX | 113374 | 38303 | 8151 | 12363 | 489 | 4876 | 12424 | 1070 |
| - CABSX EXPENSE | CABSX | 17580 | 8790 | 0 | 6273 | 371 | 2146 | 0 | 1070 |
| EXEC & PLANNING EXP | EXEPLX | 44102 | 14992 | 7769 | 5216 | 174 | 1107 | 726 | 1070 |
| GENERAL & ADMIN EXP | GENADX | 159379 | 72093 | 37361 | 25084 | 835 | 5324 | 3489 | 1070 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 72360 | 20430 | 17329 | 1903 | -71 | 1276 | -8 | 1070 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1070 |
| NON-OPERATING INC & EXP | NONOPX | 6767 | 2896 | 1881 | 724 | 43 | 248 | 0 | 1070 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 400 | 109 | 71 | 27 | 2 | 9 | 0 | 1070 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 9133 | 2350 | 1389 | 573 | 148 | 240 | 0 | 1071 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - GENERAL SUPPORT FACILITIES | GSF | 1138481 | 380128 | 224685 | 92712 | 23982 | 38749 | 0 | 1071 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3432422 | 1555322 | 488646 | 714864 | 94135 | 257677 | 0 | 1071 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - - COE CAT 3 | COE3 | 972752 | 714864 | 0 | 714864 | 0 | 0 | 0 | 1071 |
| - - COE CAT 4.11 | COE411 | 225056 | 225056 | 0 | 0 | 0 | 225056 | 0 | 1071 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - - COE CAT 4.13 | COE413 | 2018247 | 494741 | 488646 | 0 | 0 | 6095 | 0 | 1071 |
| - - COE CAT 4.2 | COE42 | 216367 | 120661 | 0 | 0 | 94135 | 26525 | 0 | 1071 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - CABLE & WIRE FACILITIES | CWF | 5345955 | 1375693 | 1243810 | 0 | 90784 | 41099 | 0 | 1071 |
| - - C&WF CAT 1.1 | CWF11 | 146533 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - - C&WF CAT 1.2 | CWF12 | 15515 | 15515 | 0 | 0 | 0 | 15515 | 0 | 1071 |
| - - C&WF CAT 1.3 | CWF13 | 4975238 | 1243810 | 1243810 | 0 | 0 | 0 | 0 | 1071 |
| - - C&WF CAT 2 | CWF2 | 18853 | 18853 | 0 | 0 | 0 | 18853 | 0 | 1071 |
| - - C&WF CAT 3 | CWF3 | 189815 | 97515 | 0 | 0 | 90784 | 6731 | 0 | 1071 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| - INTANGIBLES | INTANG | 316 | 106 | 62 | 26 | 7 | 11 | 0 | 1071 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| ACCUM DEPRECIATION | ACCDEP | 4602688 | 1479992 | 933141 | 340348 | 89072 | 117431 | 0 | 1071 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| NET DEFERRED FIT | NTDFIT | 830347 | 277245 | 163873 | 67619 | 17492 | 28261 | 0 | 1071 |
| NETWORK SUPPORT EXP | NETSPX | 3556 | 1187 | 702 | 290 | 75 | 121 | 0 | 1071 |
| GENERAL SUPPORT EXP | GSFX | 22373 | 7470 | 4415 | 1822 | 471 | 761 | 0 | 1071 |
| COE EXPENSE | COEX | 704137 | 319063 | 46376 | 239298 | 8934 | 24455 | 0 | 1071 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| C&WF EXPENSE | CWFX | 235094 | 60498 | 54698 | 0 | 3992 | 1807 | 0 | 1071 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| NETWORK OPERATIONS EXP | NETOPX | 40276 | 13448 | 7949 | 3280 | 848 | 1371 | 0 | 1071 |
| DEPREC & AMORT EXP | DEPAMX | 608337 | 218590 | 112857 | 67187 | 13418 | 25128 | 0 | 1071 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| SERVICES EXPENSE | SERVX | 105961 | 41177 | 1976 | 13973 | 3323 | 5370 | 16534 | 1071 |
| - CABSX EXPENSE | CABSX | 40152 | 20076 | 0 | 11974 | 3097 | 5005 | 0 | 1071 |
| EXEC & PLANNING EXP | EXEPLX | 62136 | 24854 | 7647 | 13623 | 929 | 1785 | 871 | 1071 |
| GENERAL & ADMIN EXP | GENADX | 299595 | 156864 | 48262 | 85977 | 5865 | 11263 | 5496 | 1071 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 131361 | 44260 | 25384 | 11069 | 2850 | 4957 | 0 | 1071 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1071 |
| NON-OPERATING INC & EXP | NONOPX | 17005 | 8543 | 5049 | 2084 | 539 | 871 | 0 | 1071 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 21428 | 7426 | 4389 | 1811 | 469 | 757 | 0 | 1071 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 16545 | 4678 | 1109 | 1700 | 1189 | 680 | 0 | 1072 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - GENERAL SUPPORT FACILITIES | GSF | 1315497 | 540026 | 128005 | 196237 | 137282 | 78502 | 0 | 1072 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1543053 | 983785 | 9282 | 639189 | 92101 | 243213 | 0 | 1072 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - - COE CAT 3 | COE3 | 965378 | 639189 | 0 | 639189 | 0 | 0 | 0 | 1072 |
| - - COE CAT 4.11 | COE411 | 239887 | 239887 | 0 | 0 | 0 | 239887 | 0 | 1072 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - - COE CAT 4.13 | COE413 | 37365 | 9400 | 9282 | 0 | 0 | 118 | 0 | 1072 |
| - - COE CAT 4.2 | COE42 | 161215 | 47046 | 0 | 0 | 43838 | 3208 | 0 | 1072 |
| - - COE CAT 4.3 | COE43 | 139208 | 48263 | 0 | 0 | 48263 | 0 | 0 | 1072 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - CABLE & WIRE FACILITIES | CWF | 2741821 | 775204 | 407659 | 0 | 355059 | 12485 | 0 | 1072 |
| - - C&WF CAT 1.1 | CWF11 | 5188 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - - C&WF CAT 1.2 | CWF12 | 5188 | 5188 | 0 | 0 | 0 | 5188 | 0 | 1072 |
| - - C&WF CAT 1.3 | CWF13 | 1630637 | 407659 | 407659 | 0 | 0 | 0 | 0 | 1072 |
| - - C&WF CAT 2 | CWF2 | 71182 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - - C&WF CAT 3 | CWF3 | 295543 | 107853 | 0 | 0 | 100555 | 7297 | 0 | 1072 |
| - - C&WF CAT 4 | CWF4 | 734084 | 254504 | 0 | 0 | 254504 | 0 | 0 | 1072 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| TELCOM PLANT-OTHER | PLTOTH | 30981 | 12718 | 3015 | 4622 | 3233 | 1849 | 0 | 1072 |
| ACCUM DEPRECIATION | ACCDEP | 2928596 | 1154889 | 303982 | 380585 | 315191 | 155131 | 0 | 1072 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| NET DEFERRED FIT | NTDFIT | 434186 | 178238 | 42249 | 64769 | 45311 | 25910 | 0 | 1072 |
| NETWORK SUPPORT EXP | NETSPX | 6440 | 2644 | 627 | 961 | 672 | 384 | 0 | 1072 |
| GENERAL SUPPORT EXP | GSFX | 79841 | 32776 | 7769 | 11910 | 8332 | 4764 | 0 | 1072 |
| COE EXPENSE | COEX | 520705 | 331979 | 5457 | 129394 | 54145 | 142983 | 0 | 1072 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| C&WF EXPENSE | CWFX | 302106 | 85415 | 44918 | 0 | 39122 | 1376 | 0 | 1072 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| NETWORK OPERATIONS EXP | NETOPX | 220162 | 90379 | 21423 | 32842 | 22976 | 13138 | 0 | 1072 |
| DEPREC & AMORT EXP | DEPAMX | 338484 | 147730 | 29378 | 59149 | 33995 | 25208 | 0 | 1072 |
| MARKETING EXPENSE | MRKTX | 41682 | 5715 | 1355 | 2077 | 1453 | 831 | 0 | 1072 |
| SERVICES EXPENSE | SERVX | 131566 | 36430 | 1425 | 5026 | 3428 | 1960 | 24590 | 1072 |
| - CABSX EXPENSE | CABSX | 20295 | 10148 | 0 | 4833 | 3381 | 1933 | 0 | 1072 |
| EXEC & PLANNING EXP | EXEPLX | 330261 | 149329 | 22897 | 45857 | 32750 | 41636 | 6189 | 1072 |
| GENERAL & ADMIN EXP | GENADX | 521346 | 269417 | 41310 | 82735 | 59087 | 75119 | 11166 | 1072 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 72873 | 30259 | 6770 | 11517 | 7404 | 4569 | 0 | 1072 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1072 |
| NON-OPERATING INC & EXP | NONOPX | 66488 | 32693 | 7749 | 11880 | 8311 | 4752 | 0 | 1072 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 7804 | 3358 | 796 | 1220 | 854 | 488 | 0 | 1072 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 33194 | 8323 | 4178 | 3355 | 197 | 593 | 1 | 1073 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - GENERAL SUPPORT FACILITIES | GSF | 621633 | 214963 | 107824 | 86578 | 5072 | 15296 | 192 | 1073 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2022960 | 891012 | 220142 | 562721 | 20351 | 87798 | 0 | 1073 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - - COE CAT 3 | COE3 | 982098 | 562721 | 0 | 562721 | 0 | 0 | 0 | 1073 |
| - - COE CAT 4.11 | COE411 | 79374 | 79374 | 0 | 0 | 0 | 79374 | 0 | 1073 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - - COE CAT 4.13 | COE413 | 906892 | 224388 | 220142 | 0 | 0 | 4246 | 0 | 1073 |
| - - COE CAT 4.2 | COE42 | 54596 | 24529 | 0 | 0 | 20351 | 4178 | 0 | 1073 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - CABLE & WIRE FACILITIES | CWF | 2013753 | 504901 | 480665 | 0 | 12618 | 11618 | 0 | 1073 |
| - - C&WF CAT 1.1 | CWF11 | 48206 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - - C&WF CAT 1.2 | CWF12 | 9270 | 9270 | 0 | 0 | 0 | 9270 | 0 | 1073 |
| - - C&WF CAT 1.3 | CWF13 | 1922661 | 480665 | 480665 | 0 | 0 | 0 | 0 | 1073 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - - C&WF CAT 3 | CWF3 | 33616 | 14965 | 0 | 0 | 12618 | 2347 | 0 | 1073 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| ACCUM DEPRECIATION | ACCDEP | 2173960 | 814083 | 327138 | 436299 | 13695 | 36815 | 137 | 1073 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| GENERAL SUPPORT EXP | GSFX | 25047 | 8661 | 4344 | 3488 | 204 | 616 | 8 | 1073 |
| COE EXPENSE | COEX | 211959 | 93357 | 720 | 92283 | 67 | 287 | 0 | 1073 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| C&WF EXPENSE | CWFX | 64112 | 16075 | 15303 | 0 | 402 | 370 | 0 | 1073 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| NETWORK OPERATIONS EXP | NETOPX | 7477 | 2586 | 1298 | 1042 | 61 | 184 | 0 | 1073 |
| DEPREC & AMORT EXP | DEPAMX | 362008 | 129066 | 60929 | 52013 | 3557 | 12554 | 12 | 1073 |
| MARKETING EXPENSE | MRKTX | 717 | 204 | 102 | 82 | 5 | 15 | 0 | 1073 |
| SERVICES EXPENSE | SERVX | 73274 | 25675 | 2556 | 11712 | 686 | 2069 | 8652 | 1073 |
| - CABSX EXPENSE | CABSX | 28485 | 14243 | 0 | 11530 | 676 | 2037 | 0 | 1073 |
| EXEC & PLANNING EXP | EXEPLX | 94576 | 36476 | 7186 | 26025 | 341 | 849 | 2075 | 1073 |
| GENERAL & ADMIN EXP | GENADX | 261265 | 129761 | 25564 | 92582 | 1214 | 3019 | 7382 | 1073 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 47587 | 16589 | 8328 | 6687 | 392 | 1181 | 0 | 1073 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1073 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 55085 | 17667 | 8868 | 7121 | 417 | 1258 | 2 | 1073 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - GENERAL SUPPORT FACILITIES | GSF | 2510796 | 813861 | 433296 | 191524 | 114041 | 75000 | 0 | 1074 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2499945 | 1097570 | 287302 | 519940 | 116745 | 173584 | 0 | 1074 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - - COE CAT 3 | COE3 | 789384 | 519940 | 0 | 519940 | 0 | 0 | 0 | 1074 |
| - - COE CAT 4.11 | COE411 | 160203 | 160203 | 0 | 0 | 0 | 160203 | 0 | 1074 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - - COE CAT 4.13 | COE413 | 1216914 | 292791 | 287302 | 0 | 0 | 5490 | 0 | 1074 |
| - - COE CAT 4.2 | COE42 | 333444 | 124636 | 0 | 0 | 116745 | 7891 | 0 | 1074 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - CABLE & WIRE FACILITIES | CWF | 4316223 | 1111854 | 888987 | 0 | 192846 | 30021 | 0 | 1074 |
| - - C&WF CAT 1.1 | CWF11 | 192519 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - - C&WF CAT 1.2 | CWF12 | 16987 | 16987 | 0 | 0 | 0 | 16987 | 0 | 1074 |
| - - C&WF CAT 1.3 | CWF13 | 3555948 | 888987 | 888987 | 0 | 0 | 0 | 0 | 1074 |
| - - C&WF CAT 2 | CWF2 | 35916 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - - C&WF CAT 3 | CWF3 | 514853 | 205880 | 0 | 0 | 192846 | 13034 | 0 | 1074 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| - INTANGIBLES | INTANG | 1611 | 522 | 278 | 123 | 73 | 48 | 0 | 1074 |
| TELCOM PLANT-OTHER | PLTOTH | 235972 | 76489 | 40722 | 18000 | 10718 | 7049 | 0 | 1074 |
| ACCUM DEPRECIATION | ACCDEP | 4157605 | 1364577 | 708080 | 375531 | 179392 | 101574 | 0 | 1074 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| NET DEFERRED FIT | NTDFIT | 931436 | 301920 | 160741 | 71050 | 42306 | 27823 | 0 | 1074 |
| NETWORK SUPPORT EXP | NETSPX | 16080 | 5212 | 2775 | 1227 | 730 | 480 | 0 | 1074 |
| GENERAL SUPPORT EXP | GSFX | 80023 | 25939 | 13810 | 6104 | 3635 | 2390 | 0 | 1074 |
| COE EXPENSE | COEX | 146583 | 64355 | 3167 | 57988 | 1287 | 1914 | 0 | 1074 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| C&WF EXPENSE | CWFX | 63577 | 16377 | 13095 | 0 | 2841 | 442 | 0 | 1074 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| NETWORK OPERATIONS EXP | NETOPX | 32770 | 10622 | 5655 | 2500 | 1488 | 979 | 0 | 1074 |
| DEPREC & AMORT EXP | DEPAMX | 613395 | 210627 | 99981 | 58383 | 28469 | 23794 | 0 | 1074 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1074 |
| SERVICES EXPENSE | SERVX | 65355 | 27804 | 405 | 5767 | 2939 | 1933 | 16761 | 1074 |
| - CABSX EXPENSE | CABSX | 17937 | 8969 | 0 | 4514 | 2688 | 1767 | 0 | 1074 |
| EXEC & PLANNING EXP | EXEPLX | 172819 | 66799 | 17290 | 32701 | 5742 | 3617 | 7449 | 1074 |
| GENERAL & ADMIN EXP | GENADX | 243770 | 127081 | 32894 | 62213 | 10923 | 6880 | 14171 | 1074 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 111106 | 35084 | 18925 | 7527 | 5074 | 3557 | 0 | 1074 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 2210 | 716 | 381 | 169 | 100 | 66 | 0 | 1074 |
| NON-OPERATING INC & EXP | NONOPX | 43300 | 20152 | 10729 | 4742 | 2824 | 1857 | 0 | 1074 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 56830 | 18206 | 9693 | 4284 | 2551 | 1678 | 0 | 1074 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 55314 | 15242 | 6635 | 4684 | 2373 | 1550 | 0 | 1075 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - GENERAL SUPPORT FACILITIES | GSF | 2546791 | 928340 | 404099 | 285293 | 144556 | 94391 | 0 | 1075 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3528726 | 1714140 | 360116 | 934025 | 192650 | 227348 | 0 | 1075 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - - COE CAT 3 | COE3 | 1315514 | 934025 | 0 | 934025 | 0 | 0 | 0 | 1075 |
| - - COE CAT 4.11 | COE411 | 181253 | 181253 | 0 | 0 | 0 | 181253 | 0 | 1075 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - - COE CAT 4.13 | COE413 | 1519295 | 372060 | 360116 | 0 | 0 | 11944 | 0 | 1075 |
| - - COE CAT 4.2 | COE42 | 512664 | 226802 | 0 | 0 | 192650 | 34151 | 0 | 1075 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - CABLE & WIRE FACILITIES | CWF | 4809244 | 1325164 | 962869 | 0 | 280614 | 81681 | 0 | 1075 |
| - - C&WF CAT 1.1 | CWF11 | 178841 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - - C&WF CAT 1.2 | CWF12 | 31936 | 31936 | 0 | 0 | 0 | 31936 | 0 | 1075 |
| - - C&WF CAT 1.3 | CWF13 | 3851475 | 962869 | 962869 | 0 | 0 | 0 | 0 | 1075 |
| - - C&WF CAT 2 | CWF2 | 92022 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - - C&WF CAT 3 | CWF3 | 654970 | 330359 | 0 | 0 | 280614 | 49745 | 0 | 1075 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| - INTANGIBLES | INTANG | 1047 | 382 | 166 | 117 | 59 | 39 | 0 | 1075 |
| TELCOM PLANT-OTHER | PLTOTH | 718822 | 262020 | 114055 | 80523 | 40800 | 26642 | 0 | 1075 |
| ACCUM DEPRECIATION | ACCDEP | 5618493 | 1987989 | 919529 | 554700 | 319701 | 194058 | 0 | 1075 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| NET DEFERRED FIT | NTDFIT | 779478 | 284130 | 123680 | 87318 | 44243 | 28890 | 0 | 1075 |
| NETWORK SUPPORT EXP | NETSPX | 17891 | 6522 | 2839 | 2004 | 1015 | 663 | 0 | 1075 |
| GENERAL SUPPORT EXP | GSFX | 149436 | 54471 | 23711 | 16740 | 8482 | 5539 | 0 | 1075 |
| COE EXPENSE | COEX | 260857 | 126716 | 8052 | 109272 | 4308 | 5084 | 0 | 1075 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| C&WF EXPENSE | CWFX | 113319 | 31224 | 22688 | 0 | 6612 | 1925 | 0 | 1075 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| NETWORK OPERATIONS EXP | NETOPX | 40632 | 14811 | 6447 | 4552 | 2306 | 1506 | 0 | 1075 |
| DEPREC & AMORT EXP | DEPAMX | 756970 | 290652 | 113204 | 101599 | 43243 | 32607 | 0 | 1075 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1075 |
| SERVICES EXPENSE | SERVX | 118058 | 49519 | 6489 | 12984 | 4049 | 3302 | 22695 | 1075 |
| - CABSX EXPENSE | CABSX | 27575 | 13788 | 0 | 7503 | 3802 | 2482 | 0 | 1075 |
| EXEC & PLANNING EXP | EXEPLX | 219640 | 91617 | 24099 | 46130 | 8485 | 5710 | 7193 | 1075 |
| GENERAL & ADMIN EXP | GENADX | 324618 | 173903 | 45743 | 87562 | 16106 | 10839 | 13653 | 1075 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 145694 | 52908 | 22308 | 17009 | 8103 | 5487 | 0 | 1075 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 8875 | 3235 | 1408 | 994 | 504 | 329 | 0 | 1075 |
| NON-OPERATING INC & EXP | NONOPX | 25300 | 12343 | 5373 | 3793 | 1922 | 1255 | 0 | 1075 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 65266 | 24474 | 10653 | 7521 | 3811 | 2488 | 0 | 1075 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 303072 | 96913 | 31596 | 25792 | 11191 | 28333 | 0 | 1076 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| - GENERAL SUPPORT FACILITIES | GSF | 8944493 | 3824043 | 1246751 | 1017734 | 441570 | 1117988 | 0 | 1076 |
| - CENTRAL OFFICE EQUIPMENT | COE | 22707653 | 13461034 | 1065189 | 6542630 | 1658765 | 4194449 | 0 | 1076 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| - - COE CAT 3 | COE3 | 10509016 | 6542630 | 0 | 6542630 | 0 | 0 | 0 | 1076 |
| - - COE CAT 4.11 | COE411 | 3025214 | 3025214 | 0 | 0 | 0 | 3025214 | 0 | 1076 |
| - - COE CAT 4.12 | COE412 | 48448 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| - - COE CAT 4.13 | COE413 | 4396797 | 1096408 | 1065189 | 0 | 0 | 31219 | 0 | 1076 |
| - - COE CAT 4.2 | COE42 | 3244757 | 2267815 | 0 | 0 | 1129798 | 1138017 | 0 | 1076 |
| - - COE CAT 4.3 | COE43 | 1483421 | 528967 | 0 | 0 | 528967 | 0 | 0 | 1076 |
| - INFORMATION ORIG/TERM | IOT | 49002 | 12251 | 11902 | 0 | 0 | 349 | 0 | 1076 |
| - CABLE & WIRE FACILITIES | CWF | 34744156 | 11110060 | 6937804 | 0 | 1179925 | 2992330 | 0 | 1076 |
| - - C&WF CAT 1.1 | CWF11 | 682723 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| - - C&WF CAT 1.2 | CWF12 | 203333 | 203333 | 0 | 0 | 0 | 203333 | 0 | 1076 |
| - - C&WF CAT 1.3 | CWF13 | 27751217 | 6937804 | 6937804 | 0 | 0 | 0 | 0 | 1076 |
| - - C&WF CAT 2 | CWF2 | 1079322 | 980366 | 0 | 0 | 0 | 980366 | 0 | 1076 |
| - - C&WF CAT 3 | CWF3 | 2704343 | 2160130 | 0 | 0 | 351498 | 1808631 | 0 | 1076 |
| - - C&WF CAT 4 | CWF4 | 2323218 | 828427 | 0 | 0 | 828427 | 0 | 0 | 1076 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| TELCOM PLANT-OTHER | PLTOTH | 754181 | 322435 | 105123 | 85813 | 37232 | 94266 | 0 | 1076 |
| ACCUM DEPRECIATION | ACCDEP | 49234094 | 20218723 | 7358813 | 4410624 | 2392052 | 6057233 | 0 | 1076 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| NET DEFERRED FIT | NTDFIT | 1390077 | 594113 | 193859 | 158023 | 68585 | 173646 | 0 | 1076 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| GENERAL SUPPORT EXP | GSFX | 625644 | 267482 | 87207 | 71188 | 30887 | 78200 | 0 | 1076 |
| COE EXPENSE | COEX | 1239600 | 734831 | 30147 | 521937 | 64037 | 118711 | 0 | 1076 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| C&WF EXPENSE | CWFX | 911069 | 291330 | 181925 | 0 | 30940 | 78466 | 0 | 1076 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| NETWORK OPERATIONS EXP | NETOPX | 1082752 | 462909 | 150922 | 123199 | 53453 | 135335 | 0 | 1076 |
| DEPREC & AMORT EXP | DEPAMX | 4539984 | 2100368 | 549827 | 622324 | 262898 | 665319 | 0 | 1076 |
| MARKETING EXPENSE | MRKTX | 166748 | 41926 | 13669 | 11158 | 4841 | 12257 | 0 | 1076 |
| SERVICES EXPENSE | SERVX | 1267644 | 443900 | 72318 | 78756 | 34171 | 56755 | 201900 | 1076 |
| - CABSX EXPENSE | CABSX | 239069 | 119535 | 0 | 47203 | 20480 | 51852 | 0 | 1076 |
| EXEC & PLANNING EXP | EXEPLX | 567464 | 240105 | 76141 | 77479 | 20981 | 46101 | 19402 | 1076 |
| GENERAL & ADMIN EXP | GENADX | 1364428 | 619736 | 196529 | 199981 | 54155 | 118992 | 50080 | 1076 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 108600 | 108600 | 25283 | 41712 | 11784 | 29822 | 0 | 1076 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1076 |
| NON-OPERATING INC & EXP | NONOPX | 63663 | 28343 | 9241 | 7543 | 3273 | 8286 | 0 | 1076 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 730 | 347 | 113 | 92 | 40 | 101 | 0 | 1076 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 499379 | 153794 | 58752 | 34311 | 14236 | 46495 | 0 | 1077 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| - GENERAL SUPPORT FACILITIES | GSF | 11817130 | 4950695 | 1891250 | 1104485 | 458251 | 1496709 | 0 | 1077 |
| - CENTRAL OFFICE EQUIPMENT | COE | 16906636 | 10606478 | 1260131 | 4544142 | 1010038 | 3792167 | 0 | 1077 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| - - COE CAT 3 | COE3 | 5537038 | 4544142 | 0 | 4544142 | 0 | 0 | 0 | 1077 |
| - - COE CAT 4.11 | COE411 | 3248227 | 3248227 | 0 | 0 | 0 | 3248227 | 0 | 1077 |
| - - COE CAT 4.12 | COE412 | 105318 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| - - COE CAT 4.13 | COE413 | 5255978 | 1297468 | 1260131 | 0 | 0 | 37337 | 0 | 1077 |
| - - COE CAT 4.2 | COE42 | 1083505 | 872382 | 0 | 0 | 365779 | 506603 | 0 | 1077 |
| - - COE CAT 4.3 | COE43 | 1676570 | 644259 | 0 | 0 | 644259 | 0 | 0 | 1077 |
| - INFORMATION ORIG/TERM | IOT | 22563 | 2548 | 2475 | 0 | 0 | 73 | 0 | 1077 |
| - CABLE & WIRE FACILITIES | CWF | 31689572 | 9759432 | 6518491 | 0 | 875328 | 2365613 | 0 | 1077 |
| - - C&WF CAT 1.1 | CWF11 | 921375 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| - - C&WF CAT 1.2 | CWF12 | 193140 | 193140 | 0 | 0 | 0 | 193140 | 0 | 1077 |
| - - C&WF CAT 1.3 | CWF13 | 26073963 | 6518491 | 6518491 | 0 | 0 | 0 | 0 | 1077 |
| - - C&WF CAT 2 | CWF2 | 58829 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| - - C&WF CAT 3 | CWF3 | 2334412 | 2237812 | 0 | 0 | 65340 | 2172472 | 0 | 1077 |
| - - C&WF CAT 4 | CWF4 | 2107852 | 809989 | 0 | 0 | 809989 | 0 | 0 | 1077 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| TELCOM PLANT-OTHER | PLTOTH | 667936 | 279827 | 106899 | 62428 | 25902 | 84598 | 0 | 1077 |
| ACCUM DEPRECIATION | ACCDEP | 34807989 | 14320853 | 5674863 | 2848303 | 1361237 | 4436450 | 0 | 1077 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| NET DEFERRED FIT | NTDFIT | 96917 | 40583 | 15519 | 9093 | 3746 | 12225 | 0 | 1077 |
| NETWORK SUPPORT EXP | NETSPX | 8227 | 3447 | 1317 | 769 | 319 | 1042 | 0 | 1077 |
| GENERAL SUPPORT EXP | GSFX | 631661 | 264629 | 101093 | 59038 | 24495 | 80004 | 0 | 1077 |
| COE EXPENSE | COEX | 597685 | 374961 | 29490 | 219779 | 36948 | 88745 | 0 | 1077 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| C&WF EXPENSE | CWFX | 879447 | 270843 | 180901 | 0 | 24292 | 65650 | 0 | 1077 |
| OTHER PROP & PL EXP | OTHPPX | 1161 | 486 | 186 | 109 | 45 | 147 | 0 | 1077 |
| NETWORK OPERATIONS EXP | NETOPX | 1194744 | 500529 | 191210 | 111666 | 46330 | 151321 | 0 | 1077 |
| DEPREC & AMORT EXP | DEPAMX | 4106044 | 1879472 | 591623 | 515510 | 175724 | 596615 | 0 | 1077 |
| MARKETING EXPENSE | MRKTX | 193333 | 53012 | 20252 | 11827 | 4907 | 16027 | 0 | 1077 |
| SERVICES EXPENSE | SERVX | 763379 | 324321 | 50903 | 85787 | 35593 | 83093 | 68945 | 1077 |
| - CABSX EXPENSE | CABSX | 335100 | 167550 | 0 | 60487 | 25096 | 81967 | 0 | 1077 |
| EXEC & PLANNING EXP | EXEPLX | 370367 | 155519 | 55145 | 40333 | 14264 | 40090 | 5687 | 1077 |
| GENERAL & ADMIN EXP | GENADX | 1482522 | 676725 | 239958 | 175505 | 62069 | 174447 | 24746 | 1077 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 6719 | 4141 | 1582 | 924 | 383 | 1252 | 0 | 1077 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1077 |
| NON-OPERATING INC & EXP | NONOPX | 184239 | 82753 | 31613 | 18462 | 7660 | 25018 | 0 | 1077 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 516737 | 220476 | 80285 | 55881 | 19720 | 64591 | 0 | 1077 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 54203 | 17906 | 6770 | 4677 | 1737 | 4722 | 0 | 1078 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| - GENERAL SUPPORT FACILITIES | GSF | 7088025 | 2947461 | 1114353 | 769791 | 285987 | 777330 | 0 | 1078 |
| - CENTRAL OFFICE EQUIPMENT | COE | 16258660 | 9155308 | 1036168 | 4813678 | 971253 | 2334210 | 0 | 1078 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| - - COE CAT 3 | COE3 | 7968108 | 4791590 | 0 | 4791590 | 0 | 0 | 0 | 1078 |
| - - COE CAT 4.11 | COE411 | 1762951 | 1762951 | 0 | 0 | 0 | 1762951 | 0 | 1078 |
| - - COE CAT 4.12 | COE412 | 41584 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| - - COE CAT 4.13 | COE413 | 4210298 | 1065537 | 1036168 | 0 | 0 | 29369 | 0 | 1078 |
| - - COE CAT 4.2 | COE42 | 1691646 | 1208208 | 0 | 0 | 666319 | 541889 | 0 | 1078 |
| - - COE CAT 4.3 | COE43 | 557495 | 304935 | 0 | 0 | 304935 | 0 | 0 | 1078 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| - CABLE & WIRE FACILITIES | CWF | 28267766 | 9338326 | 5964113 | 0 | 825296 | 2548917 | 0 | 1078 |
| - - C&WF CAT 1.1 | CWF11 | 208700 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| - - C&WF CAT 1.2 | CWF12 | 169047 | 169047 | 0 | 0 | 0 | 169047 | 0 | 1078 |
| - - C&WF CAT 1.3 | CWF13 | 23856453 | 5964113 | 5964113 | 0 | 0 | 0 | 0 | 1078 |
| - - C&WF CAT 2 | CWF2 | 1538202 | 1442860 | 0 | 0 | 0 | 1442860 | 0 | 1078 |
| - - C&WF CAT 3 | CWF3 | 1478895 | 1206325 | 0 | 0 | 269314 | 937010 | 0 | 1078 |
| - - C&WF CAT 4 | CWF4 | 1016470 | 555982 | 0 | 0 | 555982 | 0 | 0 | 1078 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| TELCOM PLANT-OTHER | PLTOTH | 2649 | 1102 | 416 | 288 | 107 | 291 | 0 | 1078 |
| ACCUM DEPRECIATION | ACCDEP | 34651162 | 14000510 | 5706615 | 3231956 | 1347842 | 3714096 | 0 | 1078 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| NET DEFERRED FIT | NTDFIT | 944019 | 392607 | 148427 | 102299 | 38169 | 103711 | 0 | 1078 |
| NETWORK SUPPORT EXP | NETSPX | 87609 | 36431 | 13774 | 9515 | 3535 | 9608 | 0 | 1078 |
| GENERAL SUPPORT EXP | GSFX | 647492 | 269251 | 101796 | 70320 | 26125 | 71009 | 0 | 1078 |
| COE EXPENSE | COEX | 1537581 | 867906 | 134180 | 252986 | 178469 | 302271 | 0 | 1078 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| C&WF EXPENSE | CWFX | 1692055 | 558975 | 357001 | 0 | 49401 | 152573 | 0 | 1078 |
| OTHER PROP & PL EXP | OTHPPX | 157 | 65 | 25 | 17 | 6 | 17 | 0 | 1078 |
| NETWORK OPERATIONS EXP | NETOPX | 215979 | 89812 | 33955 | 23456 | 8714 | 23686 | 0 | 1078 |
| DEPREC & AMORT EXP | DEPAMX | 3602447 | 1759683 | 386912 | 823065 | 154254 | 395452 | 0 | 1078 |
| MARKETING EXPENSE | MRKTX | 404719 | 163148 | 61682 | 42609 | 15830 | 43027 | 0 | 1078 |
| SERVICES EXPENSE | SERVX | 941572 | 424520 | 41844 | 125050 | 46458 | 109165 | 102003 | 1078 |
| - CABSX EXPENSE | CABSX | 498752 | 249376 | 0 | 104722 | 38906 | 105748 | 0 | 1078 |
| EXEC & PLANNING EXP | EXEPLX | 419705 | 184313 | 63985 | 37846 | 23731 | 51383 | 7368 | 1078 |
| GENERAL & ADMIN EXP | GENADX | 908740 | 472975 | 164195 | 97119 | 60898 | 131856 | 18907 | 1078 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 49611 | 49611 | 14908 | 12656 | 6547 | 15500 | 0 | 1078 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1078 |
| NON-OPERATING INC & EXP | NONOPX | 849 | 420 | 159 | 110 | 41 | 111 | 0 | 1078 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 61763 | 27236 | 8732 | 8722 | 2682 | 7100 | 0 | 1078 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 338094 | 107405 | 44218 | 23825 | 7848 | 31514 | 0 | 1079 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| - GENERAL SUPPORT FACILITIES | GSF | 7010399 | 2562521 | 1054987 | 568418 | 187242 | 751873 | 0 | 1079 |
| - CENTRAL OFFICE EQUIPMENT | COE | 17334730 | 7771295 | 871455 | 3836803 | 716848 | 2346189 | 0 | 1079 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| - - COE CAT 3 | COE3 | 9746489 | 3836803 | 0 | 3836803 | 0 | 0 | 0 | 1079 |
| - - COE CAT 4.11 | COE411 | 1759827 | 1759827 | 0 | 0 | 0 | 1759827 | 0 | 1079 |
| - - COE CAT 4.12 | COE412 | 76684 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| - - COE CAT 4.13 | COE413 | 3592140 | 889814 | 871455 | 0 | 0 | 18359 | 0 | 1079 |
| - - COE CAT 4.2 | COE42 | 1581813 | 1094899 | 0 | 0 | 526896 | 568003 | 0 | 1079 |
| - - COE CAT 4.3 | COE43 | 577777 | 189951 | 0 | 0 | 189951 | 0 | 0 | 1079 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| - CABLE & WIRE FACILITIES | CWF | 29985217 | 9525629 | 6249673 | 0 | 547028 | 2728928 | 0 | 1079 |
| - - C&WF CAT 1.1 | CWF11 | 630814 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| - - C&WF CAT 1.2 | CWF12 | 131665 | 131665 | 0 | 0 | 0 | 131665 | 0 | 1079 |
| - - C&WF CAT 1.3 | CWF13 | 24998693 | 6249673 | 6249673 | 0 | 0 | 0 | 0 | 1079 |
| - - C&WF CAT 2 | CWF2 | 1909026 | 1718453 | 0 | 0 | 0 | 1718453 | 0 | 1079 |
| - - C&WF CAT 3 | CWF3 | 1365579 | 1113698 | 0 | 0 | 234888 | 878810 | 0 | 1079 |
| - - C&WF CAT 4 | CWF4 | 949440 | 312140 | 0 | 0 | 312140 | 0 | 0 | 1079 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| - INTANGIBLES | INTANG | 20288 | 7416 | 3053 | 1645 | 542 | 2176 | 0 | 1079 |
| TELCOM PLANT-OTHER | PLTOTH | 856670 | 313140 | 128919 | 69461 | 22881 | 91879 | 0 | 1079 |
| ACCUM DEPRECIATION | ACCDEP | 36093422 | 13144652 | 5786242 | 2171323 | 1035895 | 4151192 | 0 | 1079 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| NETWORK SUPPORT EXP | NETSPX | 457 | 167 | 69 | 37 | 12 | 49 | 0 | 1079 |
| GENERAL SUPPORT EXP | GSFX | 267926 | 97935 | 40320 | 21724 | 7156 | 28735 | 0 | 1079 |
| COE EXPENSE | COEX | 1295051 | 580581 | 19722 | 422866 | 84895 | 53098 | 0 | 1079 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| C&WF EXPENSE | CWFX | 1358616 | 431602 | 283170 | 0 | 24786 | 123646 | 0 | 1079 |
| OTHER PROP & PL EXP | OTHPPX | 54456 | 19905 | 8195 | 4415 | 1454 | 5840 | 0 | 1079 |
| NETWORK OPERATIONS EXP | NETOPX | 299082 | 109324 | 45009 | 24250 | 7988 | 32077 | 0 | 1079 |
| DEPREC & AMORT EXP | DEPAMX | 3125842 | 1175667 | 430884 | 308302 | 89482 | 346999 | 0 | 1079 |
| MARKETING EXPENSE | MRKTX | 31885 | 10997 | 4527 | 2439 | 804 | 3227 | 0 | 1079 |
| SERVICES EXPENSE | SERVX | 865022 | 187942 | 19437 | 26345 | 8678 | 34525 | 98956 | 1079 |
| - CABSX EXPENSE | CABSX | 135487 | 67742 | 0 | 25542 | 8414 | 33786 | 0 | 1079 |
| EXEC & PLANNING EXP | EXEPLX | 488404 | 167524 | 55839 | 55083 | 14896 | 30850 | 10856 | 1079 |
| GENERAL & ADMIN EXP | GENADX | 816354 | 339633 | 113205 | 111674 | 30199 | 62545 | 22010 | 1079 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 47282 | 47281 | 27749 | 6760 | 2168 | 10604 | 0 | 1079 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1079 |
| NON-OPERATING INC & EXP | NONOPX | 22709 | 8827 | 3634 | 1958 | 645 | 2590 | 0 | 1079 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 216847 | 79626 | 28663 | 25848 | 4989 | 20126 | 0 | 1079 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 334490 | 79760 | 23183 | 40007 | 15097 | 1473 | 0 | 1080 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| - GENERAL SUPPORT FACILITIES | GSF | 14742212 | 5359765 | 1557843 | 2688447 | 1014508 | 98967 | 0 | 1080 |
| - CENTRAL OFFICE EQUIPMENT | COE | 17764976 | 8134429 | 579640 | 5682158 | 1851612 | 21019 | 0 | 1080 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| - - COE CAT 2 | COE2 | 2747556 | 1587417 | 0 | 0 | 1587417 | 0 | 0 | 1080 |
| - - COE CAT 3 | COE3 | 9834875 | 5682158 | 0 | 5682158 | 0 | 0 | 0 | 1080 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| - - COE CAT 4.12 | COE412 | 1498149 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| - - COE CAT 4.13 | COE413 | 2349126 | 592004 | 579640 | 0 | 0 | 12364 | 0 | 1080 |
| - - COE CAT 4.2 | COE42 | 1086200 | 215561 | 0 | 0 | 206906 | 8655 | 0 | 1080 |
| - - COE CAT 4.3 | COE43 | 249070 | 57289 | 0 | 0 | 57289 | 0 | 0 | 1080 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| - CABLE & WIRE FACILITIES | CWF | 13393376 | 3193683 | 2712935 | 0 | 292597 | 188152 | 0 | 1080 |
| - - C&WF CAT 1.1 | CWF11 | 85194 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| - - C&WF CAT 1.2 | CWF12 | 57867 | 57867 | 0 | 0 | 0 | 57867 | 0 | 1080 |
| - - C&WF CAT 1.3 | CWF13 | 10851738 | 2712935 | 2712935 | 0 | 0 | 0 | 0 | 1080 |
| - - C&WF CAT 2 | CWF2 | 417517 | 122052 | 0 | 0 | 0 | 122052 | 0 | 1080 |
| - - C&WF CAT 3 | CWF3 | 1154524 | 110717 | 0 | 0 | 102484 | 8232 | 0 | 1080 |
| - - C&WF CAT 4 | CWF4 | 826536 | 190113 | 0 | 0 | 190113 | 0 | 0 | 1080 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| TELCOM PLANT-OTHER | PLTOTH | 1139747 | 414373 | 120440 | 207849 | 78433 | 7651 | 0 | 1080 |
| ACCUM DEPRECIATION | ACCDEP | 25676554 | 9523699 | 2567924 | 4956880 | 1837516 | 161378 | 0 | 1080 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| GENERAL SUPPORT EXP | GSFX | 798437 | 290284 | 84373 | 145606 | 54946 | 5360 | 0 | 1080 |
| COE EXPENSE | COEX | 285239 | 130608 | 16509 | 82834 | 30666 | 599 | 0 | 1080 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| C&WF EXPENSE | CWFX | 393602 | 93855 | 79727 | 0 | 8599 | 5529 | 0 | 1080 |
| OTHER PROP & PL EXP | OTHPPX | 37312 | 13565 | 3943 | 6804 | 2568 | 250 | 0 | 1080 |
| NETWORK OPERATIONS EXP | NETOPX | 512881 | 186466 | 54197 | 93531 | 35295 | 3443 | 0 | 1080 |
| DEPREC & AMORT EXP | DEPAMX | 2895698 | 1139449 | 240401 | 653315 | 231226 | 14506 | 0 | 1080 |
| MARKETING EXPENSE | MRKTX | 55043 | 14603 | 4245 | 7325 | 2764 | 270 | 0 | 1080 |
| SERVICES EXPENSE | SERVX | 1008901 | 513617 | 114947 | 204912 | 72713 | 8181 | 112864 | 1080 |
| - CABSX EXPENSE | CABSX | 79873 | 39937 | 0 | 28240 | 10657 | 1040 | 0 | 1080 |
| EXEC & PLANNING EXP | EXEPLX | 326354 | 135878 | 42221 | 57250 | 21963 | 2501 | 11943 | 1080 |
| GENERAL & ADMIN EXP | GENADX | 1219318 | 521789 | 162135 | 219847 | 84340 | 9603 | 45864 | 1080 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 1080 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1080 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 169505 | 47212 | 20844 | 15882 | 2886 | 7601 | 0 | 1081 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| - GENERAL SUPPORT FACILITIES | GSF | 1381747 | 526591 | 232484 | 177141 | 32187 | 84779 | 0 | 1081 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2275182 | 1340335 | 159216 | 883156 | 87087 | 210876 | 0 | 1081 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| - - COE CAT 3 | COE3 | 1144621 | 883156 | 0 | 883156 | 0 | 0 | 0 | 1081 |
| - - COE CAT 4.11 | COE411 | 177169 | 177169 | 0 | 0 | 0 | 177169 | 0 | 1081 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| - - COE CAT 4.13 | COE413 | 659939 | 166908 | 159216 | 0 | 0 | 7692 | 0 | 1081 |
| - - COE CAT 4.2 | COE42 | 268534 | 104895 | 0 | 0 | 78879 | 26015 | 0 | 1081 |
| - - COE CAT 4.3 | COE43 | 24919 | 8208 | 0 | 0 | 8208 | 0 | 0 | 1081 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| - CABLE & WIRE FACILITIES | CWF | 4613686 | 1285047 | 999861 | 0 | 73388 | 211798 | 0 | 1081 |
| - - C&WF CAT 1.1 | CWF11 | 96605 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| - - C&WF CAT 1.2 | CWF12 | 48302 | 48302 | 0 | 0 | 0 | 48302 | 0 | 1081 |
| - - C&WF CAT 1.3 | CWF13 | 3999446 | 999861 | 999861 | 0 | 0 | 0 | 0 | 1081 |
| - - C&WF CAT 2 | CWF2 | 10317 | 3224 | 0 | 0 | 0 | 3224 | 0 | 1081 |
| - - C&WF CAT 3 | CWF3 | 410460 | 217666 | 0 | 0 | 57395 | 160271 | 0 | 1081 |
| - - C&WF CAT 4 | CWF4 | 48556 | 15993 | 0 | 0 | 15993 | 0 | 0 | 1081 |
| - TANGIBLES | TANGIB | 21914 | 8542 | 3597 | 2895 | 502 | 1548 | 0 | 1081 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| TELCOM PLANT-OTHER | PLTOTH | 87446 | 33328 | 14712 | 11212 | 2037 | 5367 | 0 | 1081 |
| ACCUM DEPRECIATION | ACCDEP | 4077533 | 1728071 | 606759 | 768635 | 98160 | 254517 | 0 | 1081 |
| ACCUM AMORTIZATION | ACCAMO | 1338 | 522 | 220 | 177 | 31 | 95 | 0 | 1081 |
| NET DEFERRED FIT | NTDFIT | 55574 | 21181 | 9350 | 7125 | 1295 | 3411 | 0 | 1081 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| GENERAL SUPPORT EXP | GSFX | 66255 | 25250 | 11148 | 8494 | 1543 | 4065 | 0 | 1081 |
| COE EXPENSE | COEX | 233452 | 137529 | 25238 | 65058 | 13805 | 33427 | 0 | 1081 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| C&WF EXPENSE | CWFX | 182363 | 50793 | 39521 | 0 | 2901 | 8372 | 0 | 1081 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| NETWORK OPERATIONS EXP | NETOPX | 52862 | 20146 | 8894 | 6777 | 1231 | 3243 | 0 | 1081 |
| DEPREC & AMORT EXP | DEPAMX | 605867 | 253967 | 91092 | 106970 | 15612 | 40294 | 0 | 1081 |
| MARKETING EXPENSE | MRKTX | 36997 | 9689 | 4278 | 3259 | 592 | 1560 | 0 | 1081 |
| SERVICES EXPENSE | SERVX | 135372 | 35183 | 740 | 6625 | 1181 | 3110 | 23527 | 1081 |
| - CABSX EXPENSE | CABSX | 21281 | 10641 | 0 | 6409 | 1165 | 3067 | 0 | 1081 |
| EXEC & PLANNING EXP | EXEPLX | 202743 | 80124 | 27139 | 25321 | 5965 | 15094 | 6604 | 1081 |
| GENERAL & ADMIN EXP | GENADX | 389680 | 179904 | 60936 | 56855 | 13394 | 33892 | 14827 | 1081 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 250 | 250 | 110 | 84 | 15 | 40 | 0 | 1081 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1081 |
| NON-OPERATING INC & EXP | NONOPX | 8049 | 3533 | 1560 | 1188 | 216 | 569 | 0 | 1081 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 145120 | 49018 | 21641 | 16489 | 2996 | 7892 | 0 | 1081 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 132499 | 34121 | 16750 | 10689 | 5812 | 838 | 32 | 1082 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - GENERAL SUPPORT FACILITIES | GSF | 3343084 | 1135245 | 551672 | 352045 | 191421 | 27592 | 12515 | 1082 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13466934 | 6418966 | 947279 | 3828963 | 1533226 | 109498 | 0 | 1082 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - - COE CAT 2 | COE2 | 1711963 | 669470 | 0 | 0 | 669470 | 0 | 0 | 1082 |
| - - COE CAT 3 | COE3 | 5664658 | 3828963 | 0 | 3828963 | 0 | 0 | 0 | 1082 |
| - - COE CAT 4.11 | COE411 | 42590 | 42590 | 0 | 0 | 0 | 42590 | 0 | 1082 |
| - - COE CAT 4.12 | COE412 | 450618 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - - COE CAT 4.13 | COE413 | 3861835 | 956662 | 947279 | 0 | 0 | 9383 | 0 | 1082 |
| - - COE CAT 4.2 | COE42 | 1735270 | 921281 | 0 | 0 | 863756 | 57525 | 0 | 1082 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - CABLE & WIRE FACILITIES | CWF | 22492814 | 5792248 | 5052908 | 0 | 548739 | 190600 | 0 | 1082 |
| - - C&WF CAT 1.1 | CWF11 | 337834 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - - C&WF CAT 1.2 | CWF12 | 50049 | 50049 | 0 | 0 | 0 | 50049 | 0 | 1082 |
| - - C&WF CAT 1.3 | CWF13 | 20211634 | 5052908 | 5052908 | 0 | 0 | 0 | 0 | 1082 |
| - - C&WF CAT 2 | CWF2 | 592084 | 54782 | 0 | 0 | 0 | 54782 | 0 | 1082 |
| - - C&WF CAT 3 | CWF3 | 1301213 | 634508 | 0 | 0 | 548739 | 85770 | 0 | 1082 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| - INTANGIBLES | INTANG | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| TELCOM PLANT-OTHER | PLTOTH | 369753 | 125443 | 61639 | 39334 | 21388 | 3083 | 0 | 1082 |
| ACCUM DEPRECIATION | ACCDEP | 17704948 | 6597521 | 2582713 | 2759166 | 1116624 | 131715 | 7303 | 1082 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| GENERAL SUPPORT EXP | GSFX | 75282 | 25564 | 12423 | 7928 | 4311 | 621 | 282 | 1082 |
| COE EXPENSE | COEX | 168564 | 80345 | 5112 | 59567 | 15076 | 591 | 0 | 1082 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| C&WF EXPENSE | CWFX | 565185 | 145544 | 126966 | 0 | 13788 | 4789 | 0 | 1082 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| NETWORK OPERATIONS EXP | NETOPX | 71447 | 24262 | 11922 | 7608 | 4137 | 596 | 0 | 1082 |
| DEPREC & AMORT EXP | DEPAMX | 2582886 | 959432 | 372054 | 380433 | 184317 | 21538 | 1091 | 1082 |
| MARKETING EXPENSE | MRKTX | 97735 | 19181 | 9416 | 6009 | 3267 | 471 | 18 | 1082 |
| SERVICES EXPENSE | SERVX | 361908 | 76193 | 2866 | 26957 | 3887 | 560 | 41924 | 1082 |
| - CABSX EXPENSE | CABSX | 20138 | 10069 | 0 | 6207 | 3375 | 487 | 0 | 1082 |
| EXEC & PLANNING EXP | EXEPLX | 238977 | 65283 | 37732 | 14711 | 6053 | 1039 | 5748 | 1082 |
| GENERAL & ADMIN EXP | GENADX | 400210 | 122048 | 70541 | 27503 | 11316 | 1942 | 10746 | 1082 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 2294 | 2292 | 1126 | 719 | 391 | 56 | 0 | 1082 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1082 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 698905 | 218481 | 107254 | 68443 | 37215 | 5364 | 205 | 1082 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 17077 | 3966 | 1423 | 2198 | 327 | 18 | 0 | 1083 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - GENERAL SUPPORT FACILITIES | GSF | 814804 | 304142 | 109137 | 168541 | 25092 | 1372 | 0 | 1083 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1802650 | 966499 | 91501 | 803607 | 69632 | 1759 | 0 | 1083 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - - COE CAT 3 | COE3 | 945420 | 803607 | 0 | 803607 | 0 | 0 | 0 | 1083 |
| - - COE CAT 4.11 | COE411 | 55418 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - - COE CAT 4.12 | COE412 | 10009 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - - COE CAT 4.13 | COE413 | 379466 | 92498 | 91501 | 0 | 0 | 997 | 0 | 1083 |
| - - COE CAT 4.2 | COE42 | 357650 | 53000 | 0 | 0 | 52238 | 762 | 0 | 1083 |
| - - COE CAT 4.3 | COE43 | 54687 | 17394 | 0 | 0 | 17394 | 0 | 0 | 1083 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - CABLE & WIRE FACILITIES | CWF | 2082347 | 483653 | 428865 | 0 | 50006 | 4783 | 0 | 1083 |
| - - C&WF CAT 1.1 | CWF11 | 58428 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - - C&WF CAT 1.2 | CWF12 | 4674 | 4674 | 0 | 0 | 0 | 4674 | 0 | 1083 |
| - - C&WF CAT 1.3 | CWF13 | 1715460 | 428865 | 428865 | 0 | 0 | 0 | 0 | 1083 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| - - C&WF CAT 3 | CWF3 | 289029 | 45421 | 0 | 0 | 45313 | 109 | 0 | 1083 |
| - - C&WF CAT 4 | CWF4 | 14755 | 4693 | 0 | 0 | 4693 | 0 | 0 | 1083 |
| - TANGIBLES | TANGIB | 84782 | 14892 | 0 | 0 | 14856 | 36 | 0 | 1083 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| ACCUM DEPRECIATION | ACCDEP | 3067442 | 1124717 | 397941 | 613530 | 108184 | 5062 | 0 | 1083 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| NET DEFERRED FIT | NTDFIT | 207445 | 125986 | 13007 | 108995 | 3810 | 174 | 0 | 1083 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| GENERAL SUPPORT EXP | GSFX | 47667 | 17793 | 6385 | 9860 | 1468 | 80 | 0 | 1083 |
| COE EXPENSE | COEX | 47165 | 25288 | 300 | 24754 | 228 | 6 | 0 | 1083 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| C&WF EXPENSE | CWFX | 70157 | 16295 | 14449 | 0 | 1685 | 161 | 0 | 1083 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| NETWORK OPERATIONS EXP | NETOPX | 34028 | 12702 | 4558 | 7039 | 1048 | 57 | 0 | 1083 |
| DEPREC & AMORT EXP | DEPAMX | 413556 | 152281 | 36948 | 89195 | 25615 | 523 | 0 | 1083 |
| MARKETING EXPENSE | MRKTX | 2348 | 908 | 326 | 503 | 75 | 4 | 0 | 1083 |
| SERVICES EXPENSE | SERVX | 111466 | 41143 | 5090 | 17954 | 2349 | 209 | 15541 | 1083 |
| - CABSX EXPENSE | CABSX | 20186 | 10094 | 0 | 8724 | 1299 | 71 | 0 | 1083 |
| EXEC & PLANNING EXP | EXEPLX | 74244 | 26973 | 7352 | 14206 | 1620 | 122 | 3673 | 1083 |
| GENERAL & ADMIN EXP | GENADX | 270360 | 139470 | 38014 | 73457 | 8375 | 633 | 18991 | 1083 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 1306 | 621 | 223 | 344 | 51 | 3 | 0 | 1083 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1083 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 52189 | 17859 | 6408 | 9896 | 1473 | 81 | 0 | 1083 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 195327 | 53196 | 27067 | 10146 | 13611 | 2327 | 45 | 1084 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| - GENERAL SUPPORT FACILITIES | GSF | 7322797 | 2255445 | 1137315 | 426322 | 571917 | 97765 | 22126 | 1084 |
| - CENTRAL OFFICE EQUIPMENT | COE | 29066160 | 10664349 | 1958751 | 4531640 | 3895291 | 278668 | 0 | 1084 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| - - COE CAT 2 | COE2 | 1466167 | 640935 | 0 | 0 | 640935 | 0 | 0 | 1084 |
| - - COE CAT 3 | COE3 | 9040678 | 4531640 | 0 | 4531640 | 0 | 0 | 0 | 1084 |
| - - COE CAT 4.11 | COE411 | 2071331 | 24924 | 0 | 0 | 0 | 24924 | 0 | 1084 |
| - - COE CAT 4.12 | COE412 | 901071 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| - - COE CAT 4.13 | COE413 | 8120293 | 2020110 | 1958751 | 0 | 0 | 61359 | 0 | 1084 |
| - - COE CAT 4.2 | COE42 | 6651312 | 3147568 | 0 | 0 | 2955183 | 192385 | 0 | 1084 |
| - - COE CAT 4.3 | COE43 | 815308 | 299172 | 0 | 0 | 299172 | 0 | 0 | 1084 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| - CABLE & WIRE FACILITIES | CWF | 48008705 | 13074953 | 10130461 | 0 | 2183959 | 760533 | 0 | 1084 |
| - - C&WF CAT 1.1 | CWF11 | 1158148 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| - - C&WF CAT 1.2 | CWF12 | 317342 | 317342 | 0 | 0 | 0 | 317342 | 0 | 1084 |
| - - C&WF CAT 1.3 | CWF13 | 40521844 | 10130461 | 10130461 | 0 | 0 | 0 | 0 | 1084 |
| - - C&WF CAT 2 | CWF2 | 696127 | 183220 | 0 | 0 | 0 | 183220 | 0 | 1084 |
| - - C&WF CAT 3 | CWF3 | 4506449 | 2147148 | 0 | 0 | 1887177 | 259972 | 0 | 1084 |
| - - C&WF CAT 4 | CWF4 | 808795 | 296782 | 0 | 0 | 296782 | 0 | 0 | 1084 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| - INTANGIBLES | INTANG | 326953 | 100703 | 51239 | 19207 | 25766 | 4405 | 86 | 1084 |
| TELCOM PLANT-OTHER | PLTOTH | 5266333 | 1620667 | 825323 | 309372 | 415026 | 70946 | 0 | 1084 |
| ACCUM DEPRECIATION | ACCDEP | 47788271 | 14789064 | 7381125 | 2922246 | 3832330 | 639073 | 14290 | 1084 |
| ACCUM AMORTIZATION | ACCAMO | 326953 | 100617 | 51239 | 19207 | 25766 | 4405 | 0 | 1084 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| GENERAL SUPPORT EXP | GSFX | 188314 | 58001 | 29247 | 10963 | 14707 | 2514 | 569 | 1084 |
| COE EXPENSE | COEX | 679591 | 249341 | 45008 | 107891 | 90039 | 6403 | 0 | 1084 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| C&WF EXPENSE | CWFX | 1694231 | 461416 | 357505 | 0 | 77072 | 26839 | 0 | 1084 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| NETWORK OPERATIONS EXP | NETOPX | 372740 | 114805 | 58464 | 21915 | 29400 | 5026 | 0 | 1084 |
| DEPREC & AMORT EXP | DEPAMX | 5780767 | 1825995 | 831656 | 411756 | 505913 | 74908 | 1761 | 1084 |
| MARKETING EXPENSE | MRKTX | 22877 | 5699 | 2900 | 1087 | 1458 | 249 | 5 | 1084 |
| SERVICES EXPENSE | SERVX | 905069 | 187980 | 28065 | 28679 | 10889 | 1544 | 118801 | 1084 |
| - CABSX EXPENSE | CABSX | 21687 | 10844 | 0 | 4218 | 5659 | 967 | 0 | 1084 |
| EXEC & PLANNING EXP | EXEPLX | 550052 | 152574 | 87676 | 19904 | 26093 | 4969 | 13933 | 1084 |
| GENERAL & ADMIN EXP | GENADX | 901570 | 263593 | 151473 | 34386 | 45079 | 8585 | 24070 | 1084 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 20532 | 3546 | 1806 | 677 | 908 | 155 | 0 | 1084 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1084 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1399160 | 428603 | 218080 | 81747 | 109665 | 18746 | 365 | 1084 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 26769 | 6894 | 3849 | 760 | 1336 | 931 | 18 | 1085 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| - GENERAL SUPPORT FACILITIES | GSF | 2398597 | 734803 | 398537 | 78729 | 138310 | 96392 | 22834 | 1085 |
| - CENTRAL OFFICE EQUIPMENT | COE | 9703765 | 3741508 | 1158877 | 862268 | 755739 | 964624 | 0 | 1085 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| - - COE CAT 3 | COE3 | 1476203 | 862268 | 0 | 862268 | 0 | 0 | 0 | 1085 |
| - - COE CAT 4.11 | COE411 | 917216 | 914622 | 0 | 0 | 0 | 914622 | 0 | 1085 |
| - - COE CAT 4.12 | COE412 | 153474 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| - - COE CAT 4.13 | COE413 | 4808659 | 1170550 | 1158877 | 0 | 0 | 11673 | 0 | 1085 |
| - - COE CAT 4.2 | COE42 | 614859 | 287646 | 0 | 0 | 249317 | 38329 | 0 | 1085 |
| - - COE CAT 4.3 | COE43 | 1733354 | 506422 | 0 | 0 | 506422 | 0 | 0 | 1085 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| - CABLE & WIRE FACILITIES | CWF | 15750173 | 4056229 | 3206046 | 0 | 759086 | 91097 | 0 | 1085 |
| - - C&WF CAT 1.1 | CWF11 | 446729 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| - - C&WF CAT 1.2 | CWF12 | 32294 | 32294 | 0 | 0 | 0 | 32294 | 0 | 1085 |
| - - C&WF CAT 1.3 | CWF13 | 12824185 | 3206046 | 3206046 | 0 | 0 | 0 | 0 | 1085 |
| - - C&WF CAT 2 | CWF2 | 184622 | 32305 | 0 | 0 | 0 | 32305 | 0 | 1085 |
| - - C&WF CAT 3 | CWF3 | 695605 | 327841 | 0 | 0 | 301343 | 26499 | 0 | 1085 |
| - - C&WF CAT 4 | CWF4 | 1566738 | 457743 | 0 | 0 | 457743 | 0 | 0 | 1085 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| TELCOM PLANT-OTHER | PLTOTH | 687352 | 210005 | 117554 | 23222 | 40796 | 28432 | 0 | 1085 |
| ACCUM DEPRECIATION | ACCDEP | 10759055 | 3440035 | 1751021 | 695130 | 591021 | 391260 | 11603 | 1085 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| GENERAL SUPPORT EXP | GSFX | 133691 | 40956 | 22213 | 4388 | 7709 | 5373 | 1273 | 1085 |
| COE EXPENSE | COEX | 237948 | 91746 | 14769 | 55052 | 9631 | 12293 | 0 | 1085 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| C&WF EXPENSE | CWFX | 457963 | 117942 | 93221 | 0 | 22072 | 2649 | 0 | 1085 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| NETWORK OPERATIONS EXP | NETOPX | 66626 | 20411 | 11425 | 2257 | 3965 | 2763 | 0 | 1085 |
| DEPREC & AMORT EXP | DEPAMX | 1970082 | 668011 | 295617 | 156223 | 116174 | 97787 | 2210 | 1085 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| SERVICES EXPENSE | SERVX | 388339 | 150037 | 38331 | 19352 | 21417 | 8605 | 62332 | 1085 |
| - CABSX EXPENSE | CABSX | 41810 | 20905 | 0 | 5251 | 9225 | 6429 | 0 | 1085 |
| EXEC & PLANNING EXP | EXEPLX | 309322 | 102169 | 50096 | 17503 | 13993 | 6842 | 13736 | 1085 |
| GENERAL & ADMIN EXP | GENADX | 643441 | 223619 | 109645 | 38309 | 30626 | 14975 | 30064 | 1085 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 15584 | 1283 | 718 | 142 | 249 | 174 | 0 | 1085 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1085 |
| NON-OPERATING INC & EXP | NONOPX | 2345 | 802 | 448 | 88 | 155 | 108 | 2 | 1085 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 611652 | 182423 | 101841 | 20118 | 35344 | 24632 | 488 | 1085 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 419678 | 116519 | 67408 | 23457 | 6617 | 19036 | 0 | 1086 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| - GENERAL SUPPORT FACILITIES | GSF | 5702416 | 1811951 | 1048246 | 364777 | 102901 | 296026 | 0 | 1086 |
| - CENTRAL OFFICE EQUIPMENT | COE | 22383220 | 9173744 | 2074568 | 4719267 | 742920 | 1636989 | 0 | 1086 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| - - COE CAT 3 | COE3 | 10002876 | 4719267 | 0 | 4719267 | 0 | 0 | 0 | 1086 |
| - - COE CAT 4.11 | COE411 | 1220909 | 1220909 | 0 | 0 | 0 | 1220909 | 0 | 1086 |
| - - COE CAT 4.12 | COE412 | 82529 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| - - COE CAT 4.13 | COE413 | 8490966 | 2105175 | 2074568 | 0 | 0 | 30607 | 0 | 1086 |
| - - COE CAT 4.2 | COE42 | 1477767 | 893468 | 0 | 0 | 507995 | 385473 | 0 | 1086 |
| - - COE CAT 4.3 | COE43 | 1108173 | 234925 | 0 | 0 | 234925 | 0 | 0 | 1086 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| - CABLE & WIRE FACILITIES | CWF | 51391160 | 14268169 | 11486999 | 0 | 588349 | 2192820 | 0 | 1086 |
| - - C&WF CAT 1.1 | CWF11 | 897478 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| - - C&WF CAT 1.2 | CWF12 | 169471 | 169471 | 0 | 0 | 0 | 169471 | 0 | 1086 |
| - - C&WF CAT 1.3 | CWF13 | 45947996 | 11486999 | 11486999 | 0 | 0 | 0 | 0 | 1086 |
| - - C&WF CAT 2 | CWF2 | 952225 | 884422 | 0 | 0 | 0 | 884422 | 0 | 1086 |
| - - C&WF CAT 3 | CWF3 | 1802224 | 1383474 | 0 | 0 | 244546 | 1138928 | 0 | 1086 |
| - - C&WF CAT 4 | CWF4 | 1621767 | 343803 | 0 | 0 | 343803 | 0 | 0 | 1086 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| TELCOM PLANT-OTHER | PLTOTH | 5742823 | 1824790 | 1055674 | 367362 | 103630 | 298124 | 0 | 1086 |
| ACCUM DEPRECIATION | ACCDEP | 42425711 | 13172785 | 8138201 | 2044644 | 762540 | 2227399 | 0 | 1086 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| NET DEFERRED FIT | NTDFIT | 3442835 | 1093992 | 632881 | 220132 | 62169 | 178810 | 0 | 1086 |
| NETWORK SUPPORT EXP | NETSPX | 31835 | 10116 | 5852 | 2036 | 574 | 1653 | 0 | 1086 |
| GENERAL SUPPORT EXP | GSFX | 336735 | 106998 | 61900 | 21541 | 6076 | 17481 | 0 | 1086 |
| COE EXPENSE | COEX | 1122898 | 460219 | 51877 | 331387 | 36019 | 40935 | 0 | 1086 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| C&WF EXPENSE | CWFX | 1882965 | 522784 | 420882 | 0 | 21557 | 80345 | 0 | 1086 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| NETWORK OPERATIONS EXP | NETOPX | 707869 | 224926 | 130124 | 45282 | 12774 | 36747 | 0 | 1086 |
| DEPREC & AMORT EXP | DEPAMX | 5936824 | 2038688 | 931076 | 672121 | 118917 | 316574 | 0 | 1086 |
| MARKETING EXPENSE | MRKTX | 275195 | 119419 | 69086 | 24041 | 6782 | 19510 | 0 | 1086 |
| SERVICES EXPENSE | SERVX | 415582 | 147355 | 36581 | 12591 | 3551 | 7487 | 87145 | 1086 |
| - CABSX EXPENSE | CABSX | 35270 | 17634 | 0 | 8423 | 2376 | 6835 | 0 | 1086 |
| EXEC & PLANNING EXP | EXEPLX | 151862 | 50846 | 28294 | 12081 | 2415 | 5646 | 2410 | 1086 |
| GENERAL & ADMIN EXP | GENADX | 1387453 | 554356 | 308480 | 131718 | 26331 | 61553 | 26274 | 1086 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 5654 | 5654 | 3271 | 1138 | 321 | 924 | 0 | 1086 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |
| NON-OPERATING INC & EXP | NONOPX | 138758 | 54555 | 31561 | 10983 | 3098 | 8913 | 0 | 1086 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1086 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 235098 | 71904 | 30666 | 20981 | 11597 | 8659 | 0 | 1087 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| - GENERAL SUPPORT FACILITIES | GSF | 1838279 | 723595 | 308606 | 211141 | 116707 | 87141 | 0 | 1087 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8000317 | 4464939 | 811473 | 2639983 | 580899 | 432584 | 0 | 1087 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| - - COE CAT 3 | COE3 | 3105862 | 2639983 | 0 | 2639983 | 0 | 0 | 0 | 1087 |
| - - COE CAT 4.11 | COE411 | 312050 | 312050 | 0 | 0 | 0 | 312050 | 0 | 1087 |
| - - COE CAT 4.12 | COE412 | 54588 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| - - COE CAT 4.13 | COE413 | 3363095 | 819786 | 811473 | 0 | 0 | 8312 | 0 | 1087 |
| - - COE CAT 4.2 | COE42 | 468637 | 351416 | 0 | 0 | 239195 | 112222 | 0 | 1087 |
| - - COE CAT 4.3 | COE43 | 696085 | 341705 | 0 | 0 | 341705 | 0 | 0 | 1087 |
| - INFORMATION ORIG/TERM | IOT | 8661 | 2165 | 2143 | 0 | 0 | 22 | 0 | 1087 |
| - CABLE & WIRE FACILITIES | CWF | 14975817 | 4580316 | 3045023 | 0 | 878336 | 656957 | 0 | 1087 |
| - - C&WF CAT 1.1 | CWF11 | 408602 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| - - C&WF CAT 1.2 | CWF12 | 31191 | 31191 | 0 | 0 | 0 | 31191 | 0 | 1087 |
| - - C&WF CAT 1.3 | CWF13 | 12180091 | 3045023 | 3045023 | 0 | 0 | 0 | 0 | 1087 |
| - - C&WF CAT 2 | CWF2 | 747398 | 617333 | 0 | 0 | 0 | 617333 | 0 | 1087 |
| - - C&WF CAT 3 | CWF3 | 518385 | 351620 | 0 | 0 | 343187 | 8433 | 0 | 1087 |
| - - C&WF CAT 4 | CWF4 | 1090150 | 535149 | 0 | 0 | 535149 | 0 | 0 | 1087 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| TELCOM PLANT-OTHER | PLTOTH | 2619765 | 1031208 | 439801 | 300900 | 166321 | 124186 | 0 | 1087 |
| ACCUM DEPRECIATION | ACCDEP | 15294541 | 6082747 | 2541554 | 1830882 | 979225 | 731086 | 0 | 1087 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| NETWORK SUPPORT EXP | NETSPX | 2042 | 804 | 343 | 235 | 130 | 97 | 0 | 1087 |
| GENERAL SUPPORT EXP | GSFX | 147564 | 58085 | 24773 | 16949 | 9368 | 6995 | 0 | 1087 |
| COE EXPENSE | COEX | 355554 | 198433 | 66926 | 46273 | 49557 | 35677 | 0 | 1087 |
| IOT EXPENSE | IOTX | 12 | 3 | 3 | 0 | 0 | 0 | 0 | 1087 |
| C&WF EXPENSE | CWFX | 555837 | 170001 | 113018 | 0 | 32600 | 24383 | 0 | 1087 |
| OTHER PROP & PL EXP | OTHPPX | -9043 | -3560 | -1518 | -1039 | -574 | -429 | 0 | 1087 |
| NETWORK OPERATIONS EXP | NETOPX | 115783 | 45575 | 19437 | 13299 | 7351 | 5489 | 0 | 1087 |
| DEPREC & AMORT EXP | DEPAMX | 1455613 | 610974 | 229457 | 220695 | 92087 | 68735 | 0 | 1087 |
| MARKETING EXPENSE | MRKTX | 21034 | 6402 | 2730 | 1868 | 1033 | 771 | 0 | 1087 |
| SERVICES EXPENSE | SERVX | 335328 | 127966 | 10263 | 35785 | 19780 | 13938 | 48200 | 1087 |
| - CABSX EXPENSE | CABSX | 131000 | 65500 | 0 | 33326 | 18421 | 13754 | 0 | 1087 |
| EXEC & PLANNING EXP | EXEPLX | 314760 | 124927 | 53479 | 22027 | 23168 | 16888 | 9365 | 1087 |
| GENERAL & ADMIN EXP | GENADX | 440077 | 195660 | 83758 | 34498 | 36286 | 26450 | 14667 | 1087 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 5309 | 2642 | 1127 | 771 | 426 | 318 | 0 | 1087 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |
| NON-OPERATING INC & EXP | NONOPX | 12070 | 5167 | 2204 | 1508 | 833 | 622 | 0 | 1087 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1087 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 302708 | 84623 | 41730 | 24395 | 999 | 17464 | 35 | 1088 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| - GENERAL SUPPORT FACILITIES | GSF | 4920803 | 1829961 | 900157 | 526225 | 21553 | 376710 | 5316 | 1088 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10373179 | 5609630 | 954058 | 3147692 | 92023 | 1415857 | 0 | 1088 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| - - COE CAT 3 | COE3 | 4528578 | 3147692 | 0 | 3147692 | 0 | 0 | 0 | 1088 |
| - - COE CAT 4.11 | COE411 | 527650 | 500630 | 0 | 0 | 0 | 500630 | 0 | 1088 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| - - COE CAT 4.13 | COE413 | 3839380 | 966341 | 954058 | 0 | 0 | 12283 | 0 | 1088 |
| - - COE CAT 4.2 | COE42 | 1337401 | 959296 | 0 | 0 | 56352 | 902944 | 0 | 1088 |
| - - COE CAT 4.3 | COE43 | 140170 | 35671 | 0 | 0 | 35671 | 0 | 0 | 1088 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| - CABLE & WIRE FACILITIES | CWF | 18975818 | 5304753 | 4430361 | 0 | 36902 | 837490 | 0 | 1088 |
| - - C&WF CAT 1.1 | CWF11 | 50457 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| - - C&WF CAT 1.2 | CWF12 | 57039 | 57039 | 0 | 0 | 0 | 57039 | 0 | 1088 |
| - - C&WF CAT 1.3 | CWF13 | 17721442 | 4430361 | 4430361 | 0 | 0 | 0 | 0 | 1088 |
| - - C&WF CAT 2 | CWF2 | 201997 | 109724 | 0 | 0 | 0 | 109724 | 0 | 1088 |
| - - C&WF CAT 3 | CWF3 | 834206 | 679464 | 0 | 0 | 8737 | 670727 | 0 | 1088 |
| - - C&WF CAT 4 | CWF4 | 110677 | 28166 | 0 | 0 | 28166 | 0 | 0 | 1088 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| - INTANGIBLES | INTANG | 459268 | 170794 | 84223 | 49236 | 2017 | 35247 | 71 | 1088 |
| TELCOM PLANT-OTHER | PLTOTH | 392633 | 145952 | 72003 | 42092 | 1724 | 30133 | 0 | 1088 |
| ACCUM DEPRECIATION | ACCDEP | 21589652 | 8696149 | 3586825 | 3369792 | 95411 | 1641073 | 3048 | 1088 |
| ACCUM AMORTIZATION | ACCAMO | 347982 | 129354 | 63815 | 37306 | 1528 | 26706 | 0 | 1088 |
| NET DEFERRED FIT | NTDFIT | 851457 | 311699 | 157666 | 117568 | 1654 | 34811 | 0 | 1088 |
| NETWORK SUPPORT EXP | NETSPX | 46644 | 17346 | 8554 | 5001 | 205 | 3580 | 7 | 1088 |
| GENERAL SUPPORT EXP | GSFX | 410106 | 152511 | 75020 | 43856 | 1796 | 31396 | 443 | 1088 |
| COE EXPENSE | COEX | 456269 | 246742 | 26535 | 178268 | 2559 | 39380 | 0 | 1088 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| C&WF EXPENSE | CWFX | 594002 | 166055 | 138684 | 0 | 1155 | 26216 | 0 | 1088 |
| OTHER PROP & PL EXP | OTHPPX | 91867 | 34164 | 16854 | 9853 | 404 | 7053 | 0 | 1088 |
| NETWORK OPERATIONS EXP | NETOPX | 587360 | 218429 | 107758 | 62995 | 2580 | 45096 | 0 | 1088 |
| DEPREC & AMORT EXP | DEPAMX | 2937419 | 1210410 | 473704 | 478874 | 14390 | 243032 | 410 | 1088 |
| MARKETING EXPENSE | MRKTX | 86739 | 27290 | 13457 | 7867 | 322 | 5632 | 11 | 1088 |
| SERVICES EXPENSE | SERVX | 495503 | 135834 | 28187 | 18297 | 206 | 9551 | 79593 | 1088 |
| - CABSX EXPENSE | CABSX | 17178 | 8589 | 0 | 4889 | 200 | 3500 | 0 | 1088 |
| EXEC & PLANNING EXP | EXEPLX | 1137346 | 406984 | 186262 | 123406 | 3492 | 63533 | 30292 | 1088 |
| GENERAL & ADMIN EXP | GENADX | 1178666 | 485125 | 222024 | 147100 | 4162 | 75731 | 36108 | 1088 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 509520 | 186170 | 119663 | 18118 | 2570 | 45733 | 86 | 1088 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1088 |
| NON-OPERATING INC & EXP | NONOPX | 125500 | 48342 | 23838 | 13936 | 571 | 9976 | 20 | 1088 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 251368 | 79432 | 39170 | 22899 | 938 | 16392 | 33 | 1088 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 228135 | 59028 | 35033 | 16144 | 1130 | 6721 | 0 | 1089 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - GENERAL SUPPORT FACILITIES | GSF | 3035089 | 988389 | 586615 | 270320 | 18917 | 112538 | 0 | 1089 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10595364 | 4671146 | 1103878 | 2568531 | 138051 | 860686 | 0 | 1089 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - - COE CAT 3 | COE3 | 4902487 | 2568531 | 0 | 2568531 | 0 | 0 | 0 | 1089 |
| - - COE CAT 4.11 | COE411 | 1791 | 1585 | 0 | 0 | 0 | 1585 | 0 | 1089 |
| - - COE CAT 4.12 | COE412 | 101228 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - - COE CAT 4.13 | COE413 | 4448706 | 1126306 | 1103878 | 0 | 0 | 22427 | 0 | 1089 |
| - - COE CAT 4.2 | COE42 | 1141152 | 974725 | 0 | 0 | 138051 | 836674 | 0 | 1089 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - CABLE & WIRE FACILITIES | CWF | 18243515 | 4720353 | 4470034 | 0 | 41691 | 208628 | 0 | 1089 |
| - - C&WF CAT 1.1 | CWF11 | 43592 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - - C&WF CAT 1.2 | CWF12 | 90817 | 90817 | 0 | 0 | 0 | 90817 | 0 | 1089 |
| - - C&WF CAT 1.3 | CWF13 | 17880137 | 4470034 | 4470034 | 0 | 0 | 0 | 0 | 1089 |
| - - C&WF CAT 2 | CWF2 | 136563 | 117253 | 0 | 0 | 0 | 117253 | 0 | 1089 |
| - - C&WF CAT 3 | CWF3 | 92405 | 42248 | 0 | 0 | 41691 | 557 | 0 | 1089 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| - TANGIBLES | TANGIB | 95339 | 31048 | 18427 | 8491 | 594 | 3535 | 0 | 1089 |
| - INTANGIBLES | INTANG | 770 | 251 | 149 | 69 | 5 | 29 | 0 | 1089 |
| TELCOM PLANT-OTHER | PLTOTH | 621297 | 202328 | 120083 | 55336 | 3872 | 23037 | 0 | 1089 |
| ACCUM DEPRECIATION | ACCDEP | 18072832 | 6120699 | 3255354 | 2161621 | 101462 | 602262 | 0 | 1089 |
| ACCUM AMORTIZATION | ACCAMO | 16344 | 5322 | 3159 | 1456 | 102 | 606 | 0 | 1089 |
| NET DEFERRED FIT | NTDFIT | 876764 | 282352 | 172741 | 70316 | 5650 | 33645 | 0 | 1089 |
| NETWORK SUPPORT EXP | NETSPX | 90445 | 29454 | 17481 | 8055 | 564 | 3354 | 0 | 1089 |
| GENERAL SUPPORT EXP | GSFX | 239989 | 78153 | 46385 | 21375 | 1496 | 8899 | 0 | 1089 |
| COE EXPENSE | COEX | 360435 | 158904 | 34143 | 93870 | 4270 | 26621 | 0 | 1089 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| C&WF EXPENSE | CWFX | 537153 | 138984 | 131613 | 0 | 1228 | 6143 | 0 | 1089 |
| OTHER PROP & PL EXP | OTHPPX | 29954 | 9755 | 5789 | 2668 | 187 | 1111 | 0 | 1089 |
| NETWORK OPERATIONS EXP | NETOPX | 269251 | 94889 | 56318 | 25952 | 1817 | 10802 | 0 | 1089 |
| DEPREC & AMORT EXP | DEPAMX | 2548375 | 877049 | 455302 | 293055 | 18318 | 110374 | 0 | 1089 |
| MARKETING EXPENSE | MRKTX | 21087 | 7439 | 4415 | 2035 | 142 | 847 | 0 | 1089 |
| SERVICES EXPENSE | SERVX | 580374 | 181291 | 89617 | 46397 | 2811 | 8054 | 34411 | 1089 |
| - CABSX EXPENSE | CABSX | 55910 | 27955 | 0 | 18809 | 1316 | 7830 | 0 | 1089 |
| EXEC & PLANNING EXP | EXEPLX | 542847 | 178516 | 109696 | 44037 | 2750 | 14469 | 7564 | 1089 |
| GENERAL & ADMIN EXP | GENADX | 543961 | 225117 | 138331 | 55533 | 3468 | 18246 | 9538 | 1089 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 304000 | 98144 | 62895 | 20840 | 2071 | 12337 | 0 | 1089 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1089 |
| NON-OPERATING INC & EXP | NONOPX | 85711 | 31832 | 18893 | 8706 | 609 | 3624 | 0 | 1089 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 96679 | 29758 | 17662 | 8139 | 570 | 3388 | 0 | 1089 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 48649 | 12970 | 4815 | 6845 | 519 | 790 | 0 | 1090 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| - GENERAL SUPPORT FACILITIES | GSF | 624224 | 265986 | 98750 | 140377 | 10652 | 16207 | 0 | 1090 |
| - CENTRAL OFFICE EQUIPMENT | COE | 974916 | 709914 | 6545 | 634472 | 32130 | 36766 | 0 | 1090 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| - - COE CAT 3 | COE3 | 821514 | 634472 | 0 | 634472 | 0 | 0 | 0 | 1090 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| - - COE CAT 4.12 | COE412 | 32502 | 32502 | 0 | 0 | 0 | 32502 | 0 | 1090 |
| - - COE CAT 4.13 | COE413 | 26650 | 6925 | 6545 | 0 | 0 | 380 | 0 | 1090 |
| - - COE CAT 4.2 | COE42 | 51467 | 20637 | 0 | 0 | 16753 | 3884 | 0 | 1090 |
| - - COE CAT 4.3 | COE43 | 42783 | 15377 | 0 | 0 | 15377 | 0 | 0 | 1090 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| - CABLE & WIRE FACILITIES | CWF | 1846440 | 492285 | 439785 | 0 | 16014 | 36486 | 0 | 1090 |
| - - C&WF CAT 1.1 | CWF11 | 5957 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| - - C&WF CAT 1.2 | CWF12 | 25532 | 25532 | 0 | 0 | 0 | 25532 | 0 | 1090 |
| - - C&WF CAT 1.3 | CWF13 | 1759140 | 439785 | 439785 | 0 | 0 | 0 | 0 | 1090 |
| - - C&WF CAT 2 | CWF2 | 9748 | 9748 | 0 | 0 | 0 | 9748 | 0 | 1090 |
| - - C&WF CAT 3 | CWF3 | 15980 | 6408 | 0 | 0 | 5202 | 1206 | 0 | 1090 |
| - - C&WF CAT 4 | CWF4 | 30083 | 10813 | 0 | 0 | 10813 | 0 | 0 | 1090 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| TELCOM PLANT-OTHER | PLTOTH | 209045 | 89075 | 33070 | 47010 | 3567 | 5428 | 0 | 1090 |
| ACCUM DEPRECIATION | ACCDEP | 1679964 | 700189 | 277233 | 369624 | 19570 | 33762 | 0 | 1090 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| NET DEFERRED FIT | NTDFIT | 341926 | 162870 | 45925 | 102818 | 5720 | 8407 | 0 | 1090 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| GENERAL SUPPORT EXP | GSFX | 27122 | 11557 | 4291 | 6099 | 463 | 704 | 0 | 1090 |
| COE EXPENSE | COEX | 217678 | 158509 | 1663 | 139336 | 8165 | 9343 | 0 | 1090 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| C&WF EXPENSE | CWFX | 94310 | 25144 | 22463 | 0 | 818 | 1864 | 0 | 1090 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| NETWORK OPERATIONS EXP | NETOPX | 96390 | 41072 | 15249 | 21676 | 1645 | 2503 | 0 | 1090 |
| DEPREC & AMORT EXP | DEPAMX | 414787 | 248490 | 31704 | 202380 | 6127 | 8278 | 0 | 1090 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| SERVICES EXPENSE | SERVX | 162066 | 45414 | 12148 | 17396 | 1246 | 3230 | 11395 | 1090 |
| - CABSX EXPENSE | CABSX | 18962 | 9481 | 0 | 7958 | 604 | 919 | 0 | 1090 |
| EXEC & PLANNING EXP | EXEPLX | 172406 | 81645 | 16176 | 53476 | 3576 | 5114 | 3303 | 1090 |
| GENERAL & ADMIN EXP | GENADX | 248529 | 131012 | 25958 | 85811 | 5738 | 8206 | 5300 | 1090 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 44386 | 18831 | 6959 | 9740 | 863 | 1269 | 0 | 1090 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1090 |
| NON-OPERATING INC & EXP | NONOPX | 3082 | 1557 | 578 | 822 | 62 | 95 | 0 | 1090 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 2818 | 1185 | 440 | 626 | 47 | 72 | 0 | 1090 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 92742 | 25338 | 13897 | 6848 | 2219 | 2373 | 0 | 1091 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| - GENERAL SUPPORT FACILITIES | GSF | 1394844 | 453825 | 248917 | 122664 | 39740 | 42504 | 0 | 1091 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4743906 | 2353810 | 197054 | 1783557 | 304635 | 68564 | 0 | 1091 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| - - COE CAT 3 | COE3 | 3139640 | 1783557 | 0 | 1783557 | 0 | 0 | 0 | 1091 |
| - - COE CAT 4.11 | COE411 | 13853 | 13853 | 0 | 0 | 0 | 13853 | 0 | 1091 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| - - COE CAT 4.13 | COE413 | 811607 | 203310 | 197054 | 0 | 0 | 6256 | 0 | 1091 |
| - - COE CAT 4.2 | COE42 | 596493 | 285315 | 0 | 0 | 236859 | 48455 | 0 | 1091 |
| - - COE CAT 4.3 | COE43 | 182313 | 67775 | 0 | 0 | 67775 | 0 | 0 | 1091 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| - CABLE & WIRE FACILITIES | CWF | 15537425 | 4244903 | 3422246 | 0 | 273199 | 549458 | 0 | 1091 |
| - - C&WF CAT 1.1 | CWF11 | 297587 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| - - C&WF CAT 1.2 | CWF12 | 108643 | 108643 | 0 | 0 | 0 | 108643 | 0 | 1091 |
| - - C&WF CAT 1.3 | CWF13 | 13688984 | 3422246 | 3422246 | 0 | 0 | 0 | 0 | 1091 |
| - - C&WF CAT 2 | CWF2 | 772904 | 427126 | 0 | 0 | 0 | 427126 | 0 | 1091 |
| - - C&WF CAT 3 | CWF3 | 398202 | 186104 | 0 | 0 | 172415 | 13689 | 0 | 1091 |
| - - C&WF CAT 4 | CWF4 | 271106 | 100784 | 0 | 0 | 100784 | 0 | 0 | 1091 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| TELCOM PLANT-OTHER | PLTOTH | 87214 | 28376 | 15564 | 7670 | 2485 | 2658 | 0 | 1091 |
| ACCUM DEPRECIATION | ACCDEP | 14923645 | 4794117 | 2696817 | 1140075 | 489225 | 468000 | 0 | 1091 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| NET DEFERRED FIT | NTDFIT | 986839 | 404333 | 114821 | 251158 | 18699 | 19654 | 0 | 1091 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| GENERAL SUPPORT EXP | GSFX | 1703607 | 554284 | 304017 | 149817 | 48537 | 51913 | 0 | 1091 |
| COE EXPENSE | COEX | 574164 | 284886 | 8428 | 260495 | 13030 | 2933 | 0 | 1091 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| C&WF EXPENSE | CWFX | 1421860 | 388459 | 313176 | 0 | 25001 | 50282 | 0 | 1091 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1091 |
| NETWORK OPERATIONS EXP | NETOPX | 467768 | 152193 | 83475 | 41136 | 13327 | 14254 | 0 | 1091 |
| DEPREC & AMORT EXP | DEPAMX | 1505175 | 517926 | 245032 | 175668 | 53542 | 43684 | 0 | 1091 |
| MARKETING EXPENSE | MRKTX | 24942 | 8473 | 4647 | 2290 | 742 | 794 | 0 | 1091 |
| SERVICES EXPENSE | SERVX | 461041 | 159602 | 23168 | 18238 | 5378 | 5752 | 107067 | 1091 |
| - CABSX EXPENSE | CABSX | 54263 | 27131 | 0 | 16241 | 5262 | 5628 | 0 | 1091 |
| EXEC & PLANNING EXP | EXEPLX | 182443 | 61455 | 30058 | 18272 | 4104 | 4875 | 4145 | 1091 |
| GENERAL & ADMIN EXP | GENADX | 2231151 | 788686 | 385748 | 234501 | 52674 | 62567 | 53196 | 1091 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 98345 | 42943 | 23993 | 11760 | 3176 | 4013 | 0 | 1091 |
| INVESTMENT TAX CREDITS (ITC) | ITC | -14275 | -4644 | -2547 | -1255 | -407 | -435 | 0 | 1091 |
| NON-OPERATING INC & EXP | NONOPX | 15143 | 5334 | 2926 | 1442 | 467 | 500 | 0 | 1091 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1607 | 516 | 283 | 139 | 45 | 48 | 0 | 1091 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 32895 | 9212 | 6159 | 1515 | 64 | 1474 | 0 | 1092 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - GENERAL SUPPORT FACILITIES | GSF | 2605951 | 830858 | 555516 | 136673 | 5733 | 132936 | 0 | 1092 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8224610 | 3172496 | 1495102 | 1184108 | 21234 | 472051 | 0 | 1092 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - - COE CAT 3 | COE3 | 1550144 | 1158479 | 0 | 1158479 | 0 | 0 | 0 | 1092 |
| - - COE CAT 4.11 | COE411 | 274030 | 274030 | 0 | 0 | 0 | 274030 | 0 | 1092 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - - COE CAT 4.13 | COE413 | 6130117 | 1571926 | 1495102 | 0 | 0 | 76823 | 0 | 1092 |
| - - COE CAT 4.2 | COE42 | 241522 | 142432 | 0 | 0 | 21234 | 121198 | 0 | 1092 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - CABLE & WIRE FACILITIES | CWF | 14841506 | 4156064 | 3421946 | 0 | 29511 | 704607 | 0 | 1092 |
| - - C&WF CAT 1.1 | CWF11 | 166814 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - - C&WF CAT 1.2 | CWF12 | 175831 | 175831 | 0 | 0 | 0 | 175831 | 0 | 1092 |
| - - C&WF CAT 1.3 | CWF13 | 13687784 | 3421946 | 3421946 | 0 | 0 | 0 | 0 | 1092 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - - C&WF CAT 3 | CWF3 | 811077 | 558287 | 0 | 0 | 29511 | 528776 | 0 | 1092 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| - INTANGIBLES | INTANG | 1104 | 352 | 235 | 58 | 2 | 56 | 0 | 1092 |
| TELCOM PLANT-OTHER | PLTOTH | 2230957 | 711298 | 475577 | 117006 | 4908 | 113807 | 0 | 1092 |
| ACCUM DEPRECIATION | ACCDEP | 13905527 | 4463665 | 2950816 | 769487 | 30780 | 712581 | 0 | 1092 |
| ACCUM AMORTIZATION | ACCAMO | 165310 | 52706 | 35239 | 8670 | 364 | 8433 | 0 | 1092 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| NETWORK SUPPORT EXP | NETSPX | 6362 | 2028 | 1356 | 334 | 14 | 325 | 0 | 1092 |
| GENERAL SUPPORT EXP | GSFX | 78101 | 24901 | 16649 | 4096 | 172 | 3984 | 0 | 1092 |
| COE EXPENSE | COEX | 735133 | 285855 | 69337 | 193642 | 985 | 21892 | 0 | 1092 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| C&WF EXPENSE | CWFX | 369036 | 103341 | 85087 | 0 | 734 | 17520 | 0 | 1092 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| NETWORK OPERATIONS EXP | NETOPX | 58760 | 18735 | 12526 | 3082 | 129 | 2997 | 0 | 1092 |
| DEPREC & AMORT EXP | DEPAMX | 1966337 | 818692 | 328609 | 401988 | 3685 | 84411 | 0 | 1092 |
| MARKETING EXPENSE | MRKTX | 307235 | 59739 | 39942 | 9827 | 412 | 9558 | 0 | 1092 |
| SERVICES EXPENSE | SERVX | 605334 | 254132 | 76919 | 77103 | 2925 | 65323 | 31862 | 1092 |
| - CABSX EXPENSE | CABSX | 211414 | 105707 | 0 | 52470 | 2201 | 51036 | 0 | 1092 |
| EXEC & PLANNING EXP | EXEPLX | 316217 | 109972 | 50898 | 38079 | 710 | 16073 | 4212 | 1092 |
| GENERAL & ADMIN EXP | GENADX | 1082094 | 437224 | 202358 | 151396 | 2822 | 63904 | 16744 | 1092 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 684880 | 219497 | 146757 | 36106 | 1515 | 35119 | 0 | 1092 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1092 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 153 | 48 | 32 | 8 | 0 | 8 | 0 | 1092 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 5477 | 1503 | 1074 | 170 | 36 | 223 | 0 | 1093 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - GENERAL SUPPORT FACILITIES | GSF | 385117 | 117510 | 83911 | 13320 | 2838 | 17441 | 0 | 1093 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1961731 | 925058 | 194509 | 440487 | 51579 | 238482 | 0 | 1093 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - - COE CAT 3 | COE3 | 802875 | 409691 | 0 | 409691 | 0 | 0 | 0 | 1093 |
| - - COE CAT 4.11 | COE411 | 165059 | 165059 | 0 | 0 | 0 | 165059 | 0 | 1093 |
| - - COE CAT 4.12 | COE412 | 9535 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - - COE CAT 4.13 | COE413 | 794679 | 207369 | 194509 | 0 | 0 | 12860 | 0 | 1093 |
| - - COE CAT 4.2 | COE42 | 157166 | 112142 | 0 | 0 | 51579 | 60563 | 0 | 1093 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - CABLE & WIRE FACILITIES | CWF | 11664215 | 3201812 | 2774368 | 0 | 48826 | 378618 | 0 | 1093 |
| - - C&WF CAT 1.1 | CWF11 | 53950 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - - C&WF CAT 1.2 | CWF12 | 183429 | 183429 | 0 | 0 | 0 | 183429 | 0 | 1093 |
| - - C&WF CAT 1.3 | CWF13 | 11097472 | 2774368 | 2774368 | 0 | 0 | 0 | 0 | 1093 |
| - - C&WF CAT 2 | CWF2 | 31853 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - - C&WF CAT 3 | CWF3 | 297511 | 244014 | 0 | 0 | 48826 | 195188 | 0 | 1093 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| ACCUM DEPRECIATION | ACCDEP | 1770310 | 555661 | 383157 | 42261 | 19928 | 110316 | 0 | 1093 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| NET DEFERRED FIT | NTDFIT | 322020 | 98257 | 70163 | 11138 | 2373 | 14584 | 0 | 1093 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| GENERAL SUPPORT EXP | GSFX | 3252 | 992 | 709 | 112 | 24 | 147 | 0 | 1093 |
| COE EXPENSE | COEX | 80050 | 39004 | 3065 | 31369 | 813 | 3758 | 0 | 1093 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| C&WF EXPENSE | CWFX | 124698 | 34229 | 29660 | 0 | 522 | 4048 | 0 | 1093 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| NETWORK OPERATIONS EXP | NETOPX | 69458 | 21194 | 15134 | 2402 | 512 | 3146 | 0 | 1093 |
| DEPREC & AMORT EXP | DEPAMX | 948248 | 317697 | 188689 | 62062 | 10333 | 56612 | 0 | 1093 |
| MARKETING EXPENSE | MRKTX | 5298 | 2032 | 1451 | 230 | 49 | 302 | 0 | 1093 |
| SERVICES EXPENSE | SERVX | 371457 | 153776 | 75410 | 27838 | 4760 | 23964 | 21804 | 1093 |
| - CABSX EXPENSE | CABSX | 56300 | 28150 | 0 | 11160 | 2378 | 14613 | 0 | 1093 |
| EXEC & PLANNING EXP | EXEPLX | 21872 | 8408 | 4700 | 1826 | 197 | 1042 | 643 | 1093 |
| GENERAL & ADMIN EXP | GENADX | 233235 | 117476 | 65674 | 25511 | 2751 | 14562 | 8978 | 1093 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 180126 | 59138 | 42344 | 6879 | 1373 | 8542 | 0 | 1093 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1093 |
| NON-OPERATING INC & EXP | NONOPX | 1411 | 696 | 497 | 79 | 17 | 103 | 0 | 1093 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 487426 | 148094 | 106304 | 17630 | 3312 | 20849 | 0 | 1093 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 24903 | 14071 | 1094 | 4473 | 1262 | 7241 | 0 | 1094 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - GENERAL SUPPORT FACILITIES | GSF | 2099661 | 1554992 | 120946 | 494299 | 139500 | 800247 | 0 | 1094 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3133281 | 2654636 | 28512 | 1195813 | 265775 | 1164537 | 0 | 1094 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - - COE CAT 3 | COE3 | 1406839 | 1166069 | 0 | 1166069 | 0 | 0 | 0 | 1094 |
| - - COE CAT 4.11 | COE411 | 338900 | 338900 | 0 | 0 | 0 | 338900 | 0 | 1094 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - - COE CAT 4.13 | COE413 | 119244 | 29010 | 28512 | 0 | 0 | 498 | 0 | 1094 |
| - - COE CAT 4.2 | COE42 | 1232750 | 1090913 | 0 | 0 | 265775 | 825138 | 0 | 1094 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - CABLE & WIRE FACILITIES | CWF | 2072588 | 1171045 | 271359 | 0 | 80100 | 819585 | 0 | 1094 |
| - - C&WF CAT 1.1 | CWF11 | 44718 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - - C&WF CAT 1.2 | CWF12 | 4743 | 4743 | 0 | 0 | 0 | 4743 | 0 | 1094 |
| - - C&WF CAT 1.3 | CWF13 | 1085437 | 271359 | 271359 | 0 | 0 | 0 | 0 | 1094 |
| - - C&WF CAT 2 | CWF2 | 566158 | 566158 | 0 | 0 | 0 | 566158 | 0 | 1094 |
| - - C&WF CAT 3 | CWF3 | 371532 | 328785 | 0 | 0 | 80100 | 248684 | 0 | 1094 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| - TANGIBLES | TANGIB | 127172 | 94183 | 7325 | 29939 | 8449 | 48469 | 0 | 1094 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| ACCUM DEPRECIATION | ACCDEP | 5639229 | 4192853 | 310609 | 1634803 | 326280 | 1921161 | 0 | 1094 |
| ACCUM AMORTIZATION | ACCAMO | 103987 | 77012 | 5990 | 24480 | 6909 | 39633 | 0 | 1094 |
| NET DEFERRED FIT | NTDFIT | 94152 | 69727 | 5429 | 21953 | 6293 | 36051 | 0 | 1094 |
| NETWORK SUPPORT EXP | NETSPX | 2334 | 1729 | 134 | 549 | 155 | 890 | 0 | 1094 |
| GENERAL SUPPORT EXP | GSFX | 401091 | 297045 | 23104 | 94424 | 26648 | 152868 | 0 | 1094 |
| COE EXPENSE | COEX | 1282172 | 1098477 | 7515 | 713952 | 70054 | 306955 | 0 | 1094 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| C&WF EXPENSE | CWFX | 337944 | 190944 | 44246 | 0 | 13061 | 133637 | 0 | 1094 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| NETWORK OPERATIONS EXP | NETOPX | 705422 | 522556 | 40647 | 166122 | 46883 | 268904 | 0 | 1094 |
| DEPREC & AMORT EXP | DEPAMX | 675012 | 530829 | 27149 | 154532 | 57940 | 291207 | 0 | 1094 |
| MARKETING EXPENSE | MRKTX | 82494 | 46761 | 3637 | 14864 | 4195 | 24065 | 0 | 1094 |
| SERVICES EXPENSE | SERVX | 216383 | 92020 | 24449 | 36250 | 10420 | 20657 | 244 | 1094 |
| - CABSX EXPENSE | CABSX | 73247 | 36624 | 0 | 12624 | 3563 | 20437 | 0 | 1094 |
| EXEC & PLANNING EXP | EXEPLX | 64578 | 48002 | 3524 | 21675 | 3621 | 19178 | 5 | 1094 |
| GENERAL & ADMIN EXP | GENADX | 537048 | 429360 | 31518 | 193870 | 32385 | 171541 | 46 | 1094 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 124177 | 95006 | 7614 | 25823 | 9246 | 52323 | 0 | 1094 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1094 |
| NON-OPERATING INC & EXP | NONOPX | 32802 | 26029 | 2025 | 8274 | 2335 | 13395 | 0 | 1094 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 42499 | 31035 | 2414 | 9865 | 2784 | 15972 | 0 | 1094 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 374341 | 94566 | 71574 | 11021 | 848 | 11074 | 50 | 1095 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - GENERAL SUPPORT FACILITIES | GSF | 4247870 | 1253945 | 944243 | 145395 | 11191 | 146094 | 7022 | 1095 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13363138 | 5122590 | 2397599 | 1412285 | 95212 | 1217493 | 0 | 1095 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - - COE CAT 3 | COE3 | 2151064 | 1412285 | 0 | 1412285 | 0 | 0 | 0 | 1095 |
| - - COE CAT 4.11 | COE411 | 1139421 | 1139421 | 0 | 0 | 0 | 1139421 | 0 | 1095 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - - COE CAT 4.13 | COE413 | 9760579 | 2451816 | 2397599 | 0 | 0 | 54217 | 0 | 1095 |
| - - COE CAT 4.2 | COE42 | 312074 | 119067 | 0 | 0 | 95212 | 23855 | 0 | 1095 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - CABLE & WIRE FACILITIES | CWF | 27667338 | 6989350 | 6774269 | 0 | 13494 | 201587 | 0 | 1095 |
| - - C&WF CAT 1.1 | CWF11 | 327650 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - - C&WF CAT 1.2 | CWF12 | 153187 | 153187 | 0 | 0 | 0 | 153187 | 0 | 1095 |
| - - C&WF CAT 1.3 | CWF13 | 27097075 | 6774269 | 6774269 | 0 | 0 | 0 | 0 | 1095 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - - C&WF CAT 3 | CWF3 | 89426 | 61894 | 0 | 0 | 13494 | 48400 | 0 | 1095 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| TELCOM PLANT-OTHER | PLTOTH | 318705 | 94030 | 71205 | 10964 | 844 | 11017 | 0 | 1095 |
| ACCUM DEPRECIATION | ACCDEP | 23132976 | 7081583 | 5035561 | 1037290 | 71710 | 931542 | 5481 | 1095 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| NETWORK SUPPORT EXP | NETSPX | 3003 | 886 | 671 | 103 | 8 | 104 | 0 | 1095 |
| GENERAL SUPPORT EXP | GSFX | 198604 | 58627 | 44147 | 6798 | 523 | 6830 | 328 | 1095 |
| COE EXPENSE | COEX | 650374 | 249313 | 975 | 247805 | 39 | 495 | 0 | 1095 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| C&WF EXPENSE | CWFX | 481210 | 121564 | 117823 | 0 | 235 | 3506 | 0 | 1095 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| NETWORK OPERATIONS EXP | NETOPX | 345663 | 102038 | 77269 | 11898 | 916 | 11955 | 0 | 1095 |
| DEPREC & AMORT EXP | DEPAMX | 3376136 | 1170069 | 646351 | 419165 | 7387 | 96539 | 626 | 1095 |
| MARKETING EXPENSE | MRKTX | 112228 | 32306 | 24451 | 3765 | 290 | 3783 | 17 | 1095 |
| SERVICES EXPENSE | SERVX | 369778 | 156228 | 86961 | 17334 | 1295 | 10298 | 40340 | 1095 |
| - CABSX EXPENSE | CABSX | 21610 | 10805 | 0 | 5190 | 400 | 5215 | 0 | 1095 |
| EXEC & PLANNING EXP | EXEPLX | 336056 | 113453 | 63396 | 39064 | 449 | 5020 | 5524 | 1095 |
| GENERAL & ADMIN EXP | GENADX | 836738 | 331806 | 185408 | 114247 | 1312 | 14681 | 16157 | 1095 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 856072 | 254295 | 192567 | 29651 | 2282 | 29794 | 0 | 1095 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1095 |
| NON-OPERATING INC & EXP | NONOPX | 1258 | 478 | 361 | 56 | 4 | 56 | 0 | 1095 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 349 | 99 | 75 | 12 | 1 | 12 | 0 | 1095 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 10782 | 3686 | 581 | 2153 | 764 | 188 | 0 | 1096 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - GENERAL SUPPORT FACILITIES | GSF | 524229 | 288844 | 45497 | 168749 | 59893 | 14706 | 0 | 1096 |
| - CENTRAL OFFICE EQUIPMENT | COE | 676764 | 521383 | 16970 | 446380 | 21822 | 36211 | 0 | 1096 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - - COE CAT 3 | COE3 | 525153 | 446380 | 0 | 446380 | 0 | 0 | 0 | 1096 |
| - - COE CAT 4.11 | COE411 | 506 | 253 | 0 | 0 | 0 | 253 | 0 | 1096 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - - COE CAT 4.13 | COE413 | 68078 | 16970 | 16970 | 0 | 0 | 0 | 0 | 1096 |
| - - COE CAT 4.2 | COE42 | 77247 | 55047 | 0 | 0 | 19089 | 35958 | 0 | 1096 |
| - - COE CAT 4.3 | COE43 | 5780 | 2734 | 0 | 0 | 2734 | 0 | 0 | 1096 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - CABLE & WIRE FACILITIES | CWF | 709946 | 242679 | 103382 | 0 | 136608 | 2689 | 0 | 1096 |
| - - C&WF CAT 1.1 | CWF11 | 1216 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - - C&WF CAT 1.3 | CWF13 | 413527 | 103382 | 103382 | 0 | 0 | 0 | 0 | 1096 |
| - - C&WF CAT 2 | CWF2 | 5378 | 2689 | 0 | 0 | 0 | 2689 | 0 | 1096 |
| - - C&WF CAT 3 | CWF3 | 47543 | 22023 | 0 | 0 | 22023 | 0 | 0 | 1096 |
| - - C&WF CAT 4 | CWF4 | 242282 | 114585 | 0 | 0 | 114585 | 0 | 0 | 1096 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| TELCOM PLANT-OTHER | PLTOTH | 100282 | 55254 | 8703 | 32281 | 11457 | 2813 | 0 | 1096 |
| ACCUM DEPRECIATION | ACCDEP | 1010121 | 553706 | 88805 | 312333 | 116784 | 35784 | 0 | 1096 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| NETWORK SUPPORT EXP | NETSPX | 5169 | 2848 | 449 | 1664 | 591 | 145 | 0 | 1096 |
| GENERAL SUPPORT EXP | GSFX | 42352 | 23335 | 3676 | 13633 | 4839 | 1188 | 0 | 1096 |
| COE EXPENSE | COEX | 166061 | 127934 | 5794 | 102325 | 7451 | 12364 | 0 | 1096 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| C&WF EXPENSE | CWFX | 22111 | 7558 | 3220 | 0 | 4255 | 84 | 0 | 1096 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| NETWORK OPERATIONS EXP | NETOPX | 11965 | 8827 | 1390 | 5157 | 1830 | 449 | 0 | 1096 |
| DEPREC & AMORT EXP | DEPAMX | 126541 | 75040 | 9559 | 47101 | 12537 | 5844 | 0 | 1096 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| SERVICES EXPENSE | SERVX | 44869 | 16953 | 6951 | 4308 | 1314 | 1217 | 3162 | 1096 |
| - CABSX EXPENSE | CABSX | 4655 | 2328 | 0 | 1614 | 573 | 141 | 0 | 1096 |
| EXEC & PLANNING EXP | EXEPLX | 59129 | 38921 | 6191 | 25061 | 3999 | 3046 | 624 | 1096 |
| GENERAL & ADMIN EXP | GENADX | 188000 | 137323 | 21843 | 88423 | 14110 | 10748 | 2200 | 1096 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 41341 | 23214 | 3633 | 13724 | 4785 | 1071 | 0 | 1096 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1096 |
| NON-OPERATING INC & EXP | NONOPX | 1196 | 853 | 134 | 498 | 177 | 43 | 0 | 1096 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 25050 | 13874 | 2185 | 8105 | 2877 | 706 | 0 | 1096 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 11876 | 3166 | 875 | 2175 | 108 | 8 | 0 | 1097 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - GENERAL SUPPORT FACILITIES | GSF | 213186 | 107532 | 29724 | 73860 | 3660 | 289 | 0 | 1097 |
| - CENTRAL OFFICE EQUIPMENT | COE | 256290 | 187719 | 12155 | 173949 | 1497 | 118 | 0 | 1097 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - - COE CAT 3 | COE3 | 204646 | 173949 | 0 | 173949 | 0 | 0 | 0 | 1097 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - - COE CAT 4.13 | COE413 | 48973 | 12273 | 12155 | 0 | 0 | 118 | 0 | 1097 |
| - - COE CAT 4.2 | COE42 | 2671 | 1497 | 0 | 0 | 1497 | 0 | 0 | 1097 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - CABLE & WIRE FACILITIES | CWF | 245787 | 65532 | 57848 | 0 | 7122 | 562 | 0 | 1097 |
| - - C&WF CAT 1.1 | CWF11 | 1123 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - - C&WF CAT 1.3 | CWF13 | 231954 | 58410 | 58410 | 0 | 0 | 0 | 0 | 1097 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - - C&WF CAT 3 | CWF3 | 12710 | 7122 | 0 | 0 | 7122 | 0 | 0 | 1097 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| ACCUM DEPRECIATION | ACCDEP | 655487 | 340648 | 84292 | 245160 | 10378 | 818 | 0 | 1097 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| NETWORK SUPPORT EXP | NETSPX | 3382 | 1706 | 472 | 1172 | 58 | 5 | 0 | 1097 |
| GENERAL SUPPORT EXP | GSFX | 14185 | 7155 | 1978 | 4915 | 244 | 19 | 0 | 1097 |
| COE EXPENSE | COEX | 71247 | 52185 | 25477 | 23323 | 3137 | 247 | 0 | 1097 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| C&WF EXPENSE | CWFX | 50421 | 13443 | 11867 | 0 | 1461 | 115 | 0 | 1097 |
| OTHER PROP & PL EXP | OTHPPX | 7119 | 3591 | 993 | 2466 | 122 | 10 | 0 | 1097 |
| NETWORK OPERATIONS EXP | NETOPX | 87214 | 45510 | 12580 | 31259 | 1549 | 122 | 0 | 1097 |
| DEPREC & AMORT EXP | DEPAMX | 23639 | 8416 | 4486 | 3334 | 552 | 44 | 0 | 1097 |
| MARKETING EXPENSE | MRKTX | 6427 | 2049 | 566 | 1408 | 70 | 5 | 0 | 1097 |
| SERVICES EXPENSE | SERVX | 75498 | 28350 | 6243 | 15735 | 745 | 1022 | 4606 | 1097 |
| - CABSX EXPENSE | CABSX | 27237 | 13619 | 0 | 12927 | 641 | 51 | 0 | 1097 |
| EXEC & PLANNING EXP | EXEPLX | 17321 | 8430 | 3294 | 4395 | 404 | 85 | 252 | 1097 |
| GENERAL & ADMIN EXP | GENADX | 118286 | 74988 | 29304 | 39093 | 3596 | 753 | 2243 | 1097 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 28392 | 14140 | 4024 | 9581 | 496 | 39 | 0 | 1097 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1097 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 555 | 163 | 45 | 112 | 6 | 0 | 0 | 1097 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 232345 | 83093 | 29066 | 20410 | 5196 | 28421 | 0 | 1098 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| - GENERAL SUPPORT FACILITIES | GSF | 1790583 | 802316 | 282826 | 192374 | 50565 | 276551 | 0 | 1098 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4516797 | 2864113 | 340292 | 1483337 | 152069 | 888416 | 0 | 1098 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| - - COE CAT 3 | COE3 | 1793805 | 1429092 | 0 | 1429092 | 0 | 0 | 0 | 1098 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| - - COE CAT 4.12 | COE412 | 34405 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| - - COE CAT 4.13 | COE413 | 1381109 | 351687 | 340292 | 0 | 0 | 11395 | 0 | 1098 |
| - - COE CAT 4.2 | COE42 | 1168984 | 993417 | 0 | 0 | 116396 | 877021 | 0 | 1098 |
| - - COE CAT 4.3 | COE43 | 138494 | 35673 | 0 | 0 | 35673 | 0 | 0 | 1098 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| - CABLE & WIRE FACILITIES | CWF | 9289842 | 3322301 | 1840495 | 0 | 237819 | 1243986 | 0 | 1098 |
| - - C&WF CAT 1.1 | CWF11 | 46221 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| - - C&WF CAT 1.2 | CWF12 | 61628 | 61628 | 0 | 0 | 0 | 61628 | 0 | 1098 |
| - - C&WF CAT 1.3 | CWF13 | 7361982 | 1840495 | 1840495 | 0 | 0 | 0 | 0 | 1098 |
| - - C&WF CAT 2 | CWF2 | 1187199 | 1160339 | 0 | 0 | 0 | 1160339 | 0 | 1098 |
| - - C&WF CAT 3 | CWF3 | 502723 | 226331 | 0 | 0 | 204312 | 22019 | 0 | 1098 |
| - - C&WF CAT 4 | CWF4 | 130089 | 33508 | 0 | 0 | 33508 | 0 | 0 | 1098 |
| - TANGIBLES | TANGIB | 168470 | 75487 | 26610 | 18100 | 4757 | 26020 | 0 | 1098 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| TELCOM PLANT-OTHER | PLTOTH | 300091 | 134463 | 47039 | 33020 | 8410 | 45995 | 0 | 1098 |
| ACCUM DEPRECIATION | ACCDEP | 9370595 | 4449922 | 1379996 | 1604750 | 228257 | 1236920 | 0 | 1098 |
| ACCUM AMORTIZATION | ACCAMO | 14502 | 6498 | 2291 | 1558 | 410 | 2240 | 0 | 1098 |
| NET DEFERRED FIT | NTDFIT | 1089365 | 499906 | 167677 | 153809 | 27790 | 150630 | 0 | 1098 |
| NETWORK SUPPORT EXP | NETSPX | 2455 | 1100 | 385 | 270 | 69 | 376 | 0 | 1098 |
| GENERAL SUPPORT EXP | GSFX | 163905 | 73442 | 25889 | 17609 | 4629 | 25315 | 0 | 1098 |
| COE EXPENSE | COEX | 568161 | 360272 | 12942 | 307759 | 5783 | 33788 | 0 | 1098 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| C&WF EXPENSE | CWFX | 256640 | 91781 | 50845 | 0 | 6570 | 34366 | 0 | 1098 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1098 |
| NETWORK OPERATIONS EXP | NETOPX | 134812 | 60406 | 21294 | 14484 | 3807 | 20821 | 0 | 1098 |
| DEPREC & AMORT EXP | DEPAMX | 1202391 | 612143 | 158941 | 258467 | 29954 | 164781 | 0 | 1098 |
| MARKETING EXPENSE | MRKTX | 82631 | 31170 | 10903 | 7656 | 1949 | 10661 | 0 | 1098 |
| SERVICES EXPENSE | SERVX | 393407 | 80025 | 18663 | 8366 | 1908 | 10434 | 40654 | 1098 |
| - CABSX EXPENSE | CABSX | 39732 | 19866 | 0 | 7524 | 1908 | 10434 | 0 | 1098 |
| EXEC & PLANNING EXP | EXEPLX | 646880 | 281008 | 64305 | 138491 | 9611 | 52793 | 15809 | 1098 |
| GENERAL & ADMIN EXP | GENADX | 640330 | 415960 | 95187 | 204999 | 14226 | 78146 | 23401 | 1098 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 429723 | 192319 | 69309 | 41227 | 12620 | 69164 | 0 | 1098 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 1932 | 866 | 303 | 213 | 54 | 296 | 0 | 1098 |
| NON-OPERATING INC & EXP | NONOPX | 27142 | 14696 | 5141 | 3610 | 919 | 5027 | 0 | 1098 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 144032 | 57763 | 20205 | 14188 | 3612 | 19757 | 0 | 1098 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 133068 | 36034 | 21913 | 6659 | 3860 | 3602 | 0 | 1099 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - GENERAL SUPPORT FACILITIES | GSF | 4571041 | 1470376 | 894146 | 271727 | 157516 | 146986 | 0 | 1099 |
| - CENTRAL OFFICE EQUIPMENT | COE | 17752276 | 7765940 | 1856908 | 3464669 | 1515132 | 929231 | 0 | 1099 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - - COE CAT 2 | COE2 | 787431 | 245665 | 0 | 0 | 245665 | 0 | 0 | 1099 |
| - - COE CAT 3 | COE3 | 5545752 | 3418872 | 0 | 3418872 | 0 | 0 | 0 | 1099 |
| - - COE CAT 4.11 | COE411 | 831717 | 831717 | 0 | 0 | 0 | 831717 | 0 | 1099 |
| - - COE CAT 4.12 | COE412 | 2291 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - - COE CAT 4.13 | COE413 | 7521092 | 1904404 | 1856908 | 0 | 0 | 47495 | 0 | 1099 |
| - - COE CAT 4.2 | COE42 | 3004627 | 1319485 | 0 | 0 | 1269467 | 50019 | 0 | 1099 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - CABLE & WIRE FACILITIES | CWF | 41301485 | 11184201 | 9694660 | 0 | 519838 | 969703 | 0 | 1099 |
| - - C&WF CAT 1.1 | CWF11 | 239967 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - - C&WF CAT 1.2 | CWF12 | 247966 | 247966 | 0 | 0 | 0 | 247966 | 0 | 1099 |
| - - C&WF CAT 1.3 | CWF13 | 38778641 | 9694660 | 9694660 | 0 | 0 | 0 | 0 | 1099 |
| - - C&WF CAT 2 | CWF2 | 156732 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - - C&WF CAT 3 | CWF3 | 1878179 | 1241575 | 0 | 0 | 519838 | 721737 | 0 | 1099 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| - INTANGIBLES | INTANG | 7354 | 2366 | 1439 | 437 | 253 | 236 | 0 | 1099 |
| TELCOM PLANT-OTHER | PLTOTH | 1247802 | 401383 | 244084 | 74176 | 42999 | 40124 | 0 | 1099 |
| ACCUM DEPRECIATION | ACCDEP | 40551953 | 13716138 | 7418766 | 3252356 | 1651104 | 1393912 | 0 | 1099 |
| ACCUM AMORTIZATION | ACCAMO | 164724 | 52987 | 32222 | 9792 | 5676 | 5297 | 0 | 1099 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| NETWORK SUPPORT EXP | NETSPX | 16677 | 5365 | 3262 | 991 | 575 | 536 | 0 | 1099 |
| GENERAL SUPPORT EXP | GSFX | 418185 | 134518 | 81802 | 24859 | 14410 | 13447 | 0 | 1099 |
| COE EXPENSE | COEX | 974988 | 429035 | 10803 | 378922 | 33903 | 5406 | 0 | 1099 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| C&WF EXPENSE | CWFX | 889688 | 240922 | 208836 | 0 | 11198 | 20889 | 0 | 1099 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| NETWORK OPERATIONS EXP | NETOPX | 642029 | 206523 | 125588 | 38166 | 22124 | 20645 | 0 | 1099 |
| DEPREC & AMORT EXP | DEPAMX | 3929595 | 1286818 | 750831 | 253578 | 149293 | 133116 | 0 | 1099 |
| MARKETING EXPENSE | MRKTX | 5139 | 2152 | 1308 | 398 | 230 | 215 | 0 | 1099 |
| SERVICES EXPENSE | SERVX | 628857 | 263596 | 102970 | 37876 | 21094 | 12200 | 89456 | 1099 |
| - CABSX EXPENSE | CABSX | 51369 | 25685 | 0 | 12112 | 7021 | 6552 | 0 | 1099 |
| EXEC & PLANNING EXP | EXEPLX | 381869 | 138880 | 66747 | 46434 | 9990 | 7077 | 8632 | 1099 |
| GENERAL & ADMIN EXP | GENADX | 941486 | 407595 | 195894 | 136278 | 29321 | 20769 | 25334 | 1099 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 814670 | 266649 | 162151 | 49277 | 28565 | 26656 | 0 | 1099 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1099 |
| NON-OPERATING INC & EXP | NONOPX | 49402 | 20400 | 12406 | 3770 | 2185 | 2039 | 0 | 1099 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 3343 | 982 | 597 | 181 | 105 | 98 | 0 | 1099 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 66181 | 17497 | 11207 | 3346 | 2317 | 627 | 0 | 1100 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - GENERAL SUPPORT FACILITIES | GSF | 1412391 | 452275 | 289691 | 86485 | 59880 | 16219 | 0 | 1100 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5387219 | 2326041 | 789073 | 988863 | 530051 | 18055 | 0 | 1100 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - - COE CAT 3 | COE3 | 1410541 | 988863 | 0 | 988863 | 0 | 0 | 0 | 1100 |
| - - COE CAT 4.11 | COE411 | 366464 | 366464 | 0 | 0 | 366464 | 0 | 0 | 1100 |
| - - COE CAT 4.12 | COE412 | 24691 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - - COE CAT 4.13 | COE413 | 3188335 | 803492 | 789073 | 0 | 0 | 14420 | 0 | 1100 |
| - - COE CAT 4.2 | COE42 | 397188 | 167222 | 0 | 0 | 163587 | 3636 | 0 | 1100 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - CABLE & WIRE FACILITIES | CWF | 10761911 | 2845226 | 2523226 | 0 | 154612 | 167387 | 0 | 1100 |
| - - C&WF CAT 1.1 | CWF11 | 56356 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - - C&WF CAT 1.2 | CWF12 | 46110 | 46110 | 0 | 0 | 0 | 46110 | 0 | 1100 |
| - - C&WF CAT 1.3 | CWF13 | 10092906 | 2523226 | 2523226 | 0 | 0 | 0 | 0 | 1100 |
| - - C&WF CAT 2 | CWF2 | 33272 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - - C&WF CAT 3 | CWF3 | 533267 | 275889 | 0 | 0 | 154612 | 121277 | 0 | 1100 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| TELCOM PLANT-OTHER | PLTOTH | 39570 | 12671 | 8116 | 2423 | 1678 | 454 | 0 | 1100 |
| ACCUM DEPRECIATION | ACCDEP | 7697427 | 2537997 | 1542293 | 464128 | 454919 | 76657 | 0 | 1100 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| NETWORK SUPPORT EXP | NETSPX | 4906 | 1571 | 1006 | 300 | 208 | 56 | 0 | 1100 |
| GENERAL SUPPORT EXP | GSFX | 116173 | 37201 | 23828 | 7114 | 4925 | 1334 | 0 | 1100 |
| COE EXPENSE | COEX | 273812 | 118224 | 5080 | 109615 | 3412 | 116 | 0 | 1100 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| C&WF EXPENSE | CWFX | 292126 | 77232 | 68492 | 0 | 4197 | 4544 | 0 | 1100 |
| OTHER PROP & PL EXP | OTHPPX | 1555 | 498 | 319 | 95 | 66 | 18 | 0 | 1100 |
| NETWORK OPERATIONS EXP | NETOPX | 71216 | 22805 | 14607 | 4361 | 3019 | 818 | 0 | 1100 |
| DEPREC & AMORT EXP | DEPAMX | 1461294 | 513192 | 276066 | 133067 | 91020 | 13039 | 0 | 1100 |
| MARKETING EXPENSE | MRKTX | 73584 | 30887 | 19783 | 5906 | 4089 | 1108 | 0 | 1100 |
| SERVICES EXPENSE | SERVX | 183615 | 76886 | 28967 | 12864 | 8745 | 1780 | 24531 | 1100 |
| - CABSX EXPENSE | CABSX | 19703 | 9852 | 0 | 5240 | 3628 | 983 | 0 | 1100 |
| EXEC & PLANNING EXP | EXEPLX | 233783 | 85225 | 40158 | 31104 | 6356 | 2167 | 5440 | 1100 |
| GENERAL & ADMIN EXP | GENADX | 418015 | 193673 | 91258 | 70683 | 14445 | 4925 | 12362 | 1100 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 161858 | 52773 | 33802 | 10091 | 6987 | 1892 | 0 | 1100 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1100 |
| NON-OPERATING INC & EXP | NONOPX | 4618 | 1976 | 1266 | 378 | 262 | 71 | 0 | 1100 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 3215 | 1005 | 644 | 192 | 133 | 36 | 0 | 1100 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 98230 | 25281 | 8074 | 8523 | 2356 | 6328 | 0 | 1101 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - GENERAL SUPPORT FACILITIES | GSF | 6370407 | 2781826 | 888448 | 937835 | 259255 | 696288 | 0 | 1101 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8582574 | 5539558 | 398105 | 2734490 | 389157 | 2017805 | 0 | 1101 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - - COE CAT 3 | COE3 | 3957471 | 2734490 | 0 | 2734490 | 0 | 0 | 0 | 1101 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - - COE CAT 4.12 | COE412 | 15498 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - - COE CAT 4.13 | COE413 | 1607412 | 398105 | 398105 | 0 | 0 | 0 | 0 | 1101 |
| - - COE CAT 4.2 | COE42 | 3002193 | 2406963 | 0 | 0 | 389157 | 2017805 | 0 | 1101 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - CABLE & WIRE FACILITIES | CWF | 9991913 | 2571541 | 2192383 | 0 | 366764 | 12394 | 0 | 1101 |
| - - C&WF CAT 1.1 | CWF11 | 82558 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - - C&WF CAT 1.3 | CWF13 | 8769534 | 2192383 | 2192383 | 0 | 0 | 0 | 0 | 1101 |
| - - C&WF CAT 2 | CWF2 | 67196 | 11541 | 0 | 0 | 0 | 11541 | 0 | 1101 |
| - - C&WF CAT 3 | CWF3 | 1072625 | 367617 | 0 | 0 | 366764 | 853 | 0 | 1101 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| TELCOM PLANT-OTHER | PLTOTH | 17733 | 7744 | 2473 | 2611 | 722 | 1938 | 0 | 1101 |
| ACCUM DEPRECIATION | ACCDEP | 12245375 | 6037549 | 1346228 | 3060499 | 418074 | 1212749 | 0 | 1101 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| NET DEFERRED FIT | NTDFIT | 907257 | 401220 | 121641 | 171635 | 32339 | 75606 | 0 | 1101 |
| NETWORK SUPPORT EXP | NETSPX | 4031 | 1760 | 562 | 593 | 164 | 441 | 0 | 1101 |
| GENERAL SUPPORT EXP | GSFX | 320946 | 140151 | 44761 | 47249 | 13061 | 35080 | 0 | 1101 |
| COE EXPENSE | COEX | 1038779 | 670472 | 42523 | 370853 | 41567 | 215529 | 0 | 1101 |
| IOT EXPENSE | IOTX | 41 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| C&WF EXPENSE | CWFX | 585422 | 150666 | 128451 | 0 | 21489 | 726 | 0 | 1101 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| NETWORK OPERATIONS EXP | NETOPX | 160231 | 72968 | 23304 | 24600 | 6800 | 18264 | 0 | 1101 |
| DEPREC & AMORT EXP | DEPAMX | 2105545 | 1067501 | 223440 | 485434 | 81523 | 277103 | 0 | 1101 |
| MARKETING EXPENSE | MRKTX | 58042 | 20319 | 6489 | 6850 | 1894 | 5086 | 0 | 1101 |
| SERVICES EXPENSE | SERVX | 421738 | 171458 | 64589 | 43375 | 10340 | 13050 | 40104 | 1101 |
| - CABSX EXPENSE | CABSX | 27359 | 13680 | 0 | 6776 | 1873 | 5031 | 0 | 1101 |
| EXEC & PLANNING EXP | EXEPLX | 259373 | 124389 | 33089 | 49131 | 9489 | 28688 | 3992 | 1101 |
| GENERAL & ADMIN EXP | GENADX | 680829 | 396183 | 105390 | 156483 | 30222 | 91373 | 12716 | 1101 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 449288 | 193386 | 70594 | 49269 | 20268 | 53255 | 0 | 1101 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1101 |
| NON-OPERATING INC & EXP | NONOPX | 16446 | 9106 | 2908 | 3070 | 849 | 2279 | 0 | 1101 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 353210 | 133445 | 42619 | 44988 | 12437 | 33401 | 0 | 1101 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 17947 | 5652 | 1756 | 2147 | 917 | 832 | 0 | 1102 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - GENERAL SUPPORT FACILITIES | GSF | 785564 | 361994 | 112984 | 136534 | 58969 | 53506 | 0 | 1102 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2995061 | 2191198 | 59115 | 1487009 | 396398 | 248676 | 0 | 1102 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - - COE CAT 3 | COE3 | 1749423 | 1467950 | 0 | 1467950 | 0 | 0 | 0 | 1102 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - - COE CAT 4.12 | COE412 | 982 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - - COE CAT 4.13 | COE413 | 236799 | 59115 | 59115 | 0 | 0 | 0 | 0 | 1102 |
| - - COE CAT 4.2 | COE42 | 638682 | 476022 | 0 | 0 | 227346 | 248676 | 0 | 1102 |
| - - COE CAT 4.3 | COE43 | 369175 | 169052 | 0 | 0 | 169052 | 0 | 0 | 1102 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - CABLE & WIRE FACILITIES | CWF | 5560599 | 1751312 | 1171407 | 0 | 245839 | 334066 | 0 | 1102 |
| - - C&WF CAT 1.1 | CWF11 | 6727 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - - C&WF CAT 1.3 | CWF13 | 4685630 | 1171407 | 1171407 | 0 | 0 | 0 | 0 | 1102 |
| - - C&WF CAT 2 | CWF2 | 333117 | 333117 | 0 | 0 | 0 | 333117 | 0 | 1102 |
| - - C&WF CAT 3 | CWF3 | 10785 | 6683 | 0 | 0 | 5734 | 949 | 0 | 1102 |
| - - C&WF CAT 4 | CWF4 | 524340 | 240105 | 0 | 0 | 240105 | 0 | 0 | 1102 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| TELCOM PLANT-OTHER | PLTOTH | 171502 | 79029 | 24558 | 30025 | 12817 | 11630 | 0 | 1102 |
| ACCUM DEPRECIATION | ACCDEP | 6420337 | 3191284 | 847871 | 1584724 | 389294 | 369394 | 0 | 1102 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| NET DEFERRED FIT | NTDFIT | 159673 | 76311 | 22248 | 34300 | 10125 | 9639 | 0 | 1102 |
| NETWORK SUPPORT EXP | NETSPX | 20119 | 9271 | 2881 | 3522 | 1504 | 1364 | 0 | 1102 |
| GENERAL SUPPORT EXP | GSFX | 57647 | 26564 | 8291 | 10019 | 4327 | 3926 | 0 | 1102 |
| COE EXPENSE | COEX | 148714 | 108800 | 3328 | 69160 | 22314 | 13998 | 0 | 1102 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| C&WF EXPENSE | CWFX | 95052 | 29937 | 20024 | 0 | 4202 | 5710 | 0 | 1102 |
| OTHER PROP & PL EXP | OTHPPX | -48554 | -22374 | -6983 | -8439 | -3645 | -3307 | 0 | 1102 |
| NETWORK OPERATIONS EXP | NETOPX | 80746 | 37208 | 11613 | 14034 | 6061 | 5500 | 0 | 1102 |
| DEPREC & AMORT EXP | DEPAMX | 630128 | 341189 | 71450 | 195372 | 39311 | 35056 | 0 | 1102 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| SERVICES EXPENSE | SERVX | 100147 | 33904 | 4353 | 5407 | 1321 | 1199 | 21623 | 1102 |
| - CABSX EXPENSE | CABSX | 11239 | 5620 | 0 | 3099 | 1321 | 1199 | 0 | 1102 |
| EXEC & PLANNING EXP | EXEPLX | 145905 | 72100 | 16485 | 28984 | 11161 | 8782 | 6688 | 1102 |
| GENERAL & ADMIN EXP | GENADX | 473921 | 322447 | 73726 | 129620 | 49916 | 39274 | 29910 | 1102 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 127621 | 59342 | 20176 | 18031 | 11185 | 9950 | 0 | 1102 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1102 |
| NON-OPERATING INC & EXP | NONOPX | 1659 | 1056 | 328 | 401 | 171 | 155 | 0 | 1102 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 87400 | 33257 | 10334 | 12635 | 5394 | 4894 | 0 | 1102 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 72277 | 19401 | 8545 | 6383 | 3671 | 803 | 0 | 1103 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - GENERAL SUPPORT FACILITIES | GSF | 1093637 | 427997 | 188506 | 140808 | 80976 | 17707 | 0 | 1103 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2559678 | 1496026 | 145987 | 852132 | 467309 | 30598 | 0 | 1103 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - - COE CAT 3 | COE3 | 1175271 | 749437 | 0 | 749437 | 0 | 0 | 0 | 1103 |
| - - COE CAT 4.11 | COE411 | 361087 | 361087 | 0 | 0 | 361087 | 0 | 0 | 1103 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - - COE CAT 4.13 | COE413 | 598338 | 155730 | 145987 | 0 | 0 | 9742 | 0 | 1103 |
| - - COE CAT 4.2 | COE42 | 245838 | 127077 | 0 | 0 | 106222 | 20855 | 0 | 1103 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - CABLE & WIRE FACILITIES | CWF | 4856352 | 1303559 | 1132287 | 0 | 81795 | 89478 | 0 | 1103 |
| - - C&WF CAT 1.1 | CWF11 | 36038 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - - C&WF CAT 1.2 | CWF12 | 75563 | 75563 | 0 | 0 | 0 | 75563 | 0 | 1103 |
| - - C&WF CAT 1.3 | CWF13 | 4529148 | 1132287 | 1132287 | 0 | 0 | 0 | 0 | 1103 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - - C&WF CAT 3 | CWF3 | 215603 | 95709 | 0 | 0 | 81795 | 13914 | 0 | 1103 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| - INTANGIBLES | INTANG | 189889 | 74313 | 32730 | 24449 | 14060 | 3075 | 0 | 1103 |
| TELCOM PLANT-OTHER | PLTOTH | 42855 | 16771 | 7387 | 5518 | 3173 | 694 | 0 | 1103 |
| ACCUM DEPRECIATION | ACCDEP | 4221180 | 1714917 | 692328 | 668665 | 289231 | 64693 | 0 | 1103 |
| ACCUM AMORTIZATION | ACCAMO | 189889 | 74313 | 32730 | 24449 | 14060 | 3075 | 0 | 1103 |
| NET DEFERRED FIT | NTDFIT | 298503 | 115416 | 52148 | 36933 | 21475 | 4860 | 0 | 1103 |
| NETWORK SUPPORT EXP | NETSPX | 11846 | 4636 | 2042 | 1525 | 877 | 192 | 0 | 1103 |
| GENERAL SUPPORT EXP | GSFX | 111436 | 43611 | 19208 | 14348 | 8251 | 1804 | 0 | 1103 |
| COE EXPENSE | COEX | 281249 | 175663 | 12208 | 121817 | 39079 | 2559 | 0 | 1103 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| C&WF EXPENSE | CWFX | 126403 | 33930 | 29472 | 0 | 2129 | 2329 | 0 | 1103 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| NETWORK OPERATIONS EXP | NETOPX | 403846 | 158046 | 69609 | 51996 | 29902 | 6539 | 0 | 1103 |
| DEPREC & AMORT EXP | DEPAMX | 532086 | 238144 | 76572 | 104861 | 48853 | 7859 | 0 | 1103 |
| MARKETING EXPENSE | MRKTX | 11760 | 3981 | 1754 | 1310 | 753 | 165 | 0 | 1103 |
| SERVICES EXPENSE | SERVX | 264000 | 72993 | 24046 | 18618 | 7674 | 2104 | 20551 | 1103 |
| - CABSX EXPENSE | CABSX | 45095 | 22548 | 0 | 13257 | 7624 | 1667 | 0 | 1103 |
| EXEC & PLANNING EXP | EXEPLX | 69020 | 28422 | 10283 | 11366 | 4808 | 851 | 1114 | 1103 |
| GENERAL & ADMIN EXP | GENADX | 470152 | 193603 | 70048 | 77421 | 32748 | 5796 | 7590 | 1103 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 184725 | 72804 | 32066 | 23952 | 13774 | 3012 | 0 | 1103 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1103 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 24967 | 9343 | 4115 | 3074 | 1768 | 387 | 0 | 1103 |

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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| - GENERAL SUPPORT FACILITIES | GSF | 136379 | 41330 | 30779 | 6126 | 1624 | 2801 | 0 | 1104 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2400963 | 994476 | 431999 | 496925 | 22284 | 43268 | 0 | 1104 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| - - COE CAT 3 | COE3 | 584618 | 496925 | 0 | 496925 | 0 | 0 | 0 | 1104 |
| - - COE CAT 4.11 | COE411 | 25073 | 23143 | 0 | 0 | 0 | 23143 | 0 | 1104 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| - - COE CAT 4.13 | COE413 | 1750055 | 448042 | 431999 | 0 | 0 | 16043 | 0 | 1104 |
| - - COE CAT 4.2 | COE42 | 5539 | 4081 | 0 | 0 | 0 | 4081 | 0 | 1104 |
| - - COE CAT 4.3 | COE43 | 35678 | 22284 | 0 | 0 | 22284 | 0 | 0 | 1104 |
| - INFORMATION ORIG/TERM | IOT | 29217 | 7304 | 7304 | 0 | 0 | 0 | 0 | 1104 |
| - CABLE & WIRE FACILITIES | CWF | 8631650 | 2350534 | 2057195 | 0 | 109442 | 183898 | 0 | 1104 |
| - - C&WF CAT 1.1 | CWF11 | 28650 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| - - C&WF CAT 1.2 | CWF12 | 76399 | 76399 | 0 | 0 | 0 | 76399 | 0 | 1104 |
| - - C&WF CAT 1.3 | CWF13 | 8228779 | 2057195 | 2057195 | 0 | 0 | 0 | 0 | 1104 |
| - - C&WF CAT 2 | CWF2 | 92093 | 83999 | 0 | 0 | 0 | 83999 | 0 | 1104 |
| - - C&WF CAT 3 | CWF3 | 30510 | 23500 | 0 | 0 | 0 | 23500 | 0 | 1104 |
| - - C&WF CAT 4 | CWF4 | 175220 | 109442 | 0 | 0 | 109442 | 0 | 0 | 1104 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| TELCOM PLANT-OTHER | PLTOTH | 88569 | 26841 | 19989 | 3979 | 1055 | 1819 | 0 | 1104 |
| ACCUM DEPRECIATION | ACCDEP | 4465689 | 1428073 | 977043 | 311284 | 51327 | 88419 | 0 | 1104 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| NET DEFERRED FIT | NTDFIT | 499993 | 151524 | 112841 | 22461 | 5954 | 10268 | 0 | 1104 |
| NETWORK SUPPORT EXP | NETSPX | 3223 | 977 | 727 | 145 | 38 | 66 | 0 | 1104 |
| GENERAL SUPPORT EXP | GSFX | 14114 | 4277 | 3185 | 634 | 168 | 290 | 0 | 1104 |
| COE EXPENSE | COEX | 159470 | 66052 | 40831 | 19025 | 2106 | 4090 | 0 | 1104 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| C&WF EXPENSE | CWFX | 335433 | 91344 | 79944 | 0 | 4253 | 7146 | 0 | 1104 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| NETWORK OPERATIONS EXP | NETOPX | 38264 | 11596 | 8636 | 1719 | 456 | 786 | 0 | 1104 |
| DEPREC & AMORT EXP | DEPAMX | 590978 | 188649 | 129449 | 40427 | 6795 | 11978 | 0 | 1104 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| SERVICES EXPENSE | SERVX | 126964 | 50508 | 4778 | 6656 | 1760 | 2969 | 34345 | 1104 |
| - CABSX EXPENSE | CABSX | 21943 | 10972 | 0 | 6371 | 1689 | 2912 | 0 | 1104 |
| EXEC & PLANNING EXP | EXEPLX | 81913 | 27237 | 17623 | 3126 | 974 | 1703 | 3810 | 1104 |
| GENERAL & ADMIN EXP | GENADX | 169769 | 78417 | 50739 | 9001 | 2805 | 4902 | 10970 | 1104 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 178075 | 53831 | 40927 | 7014 | 2162 | 3729 | 0 | 1104 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1104 |
| NON-OPERATING INC & EXP | NONOPX | 100 | 42 | 31 | 6 | 2 | 3 | 0 | 1104 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 189524 | 55195 | 41104 | 8182 | 2169 | 3740 | 0 | 1104 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 41784 | 10693 | 4944 | 5124 | 0 | 625 | 0 | 1105 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - GENERAL SUPPORT FACILITIES | GSF | 1830480 | 727554 | 336372 | 348622 | 0 | 42560 | 0 | 1105 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2752401 | 1642428 | 256789 | 1262081 | 0 | 123557 | 0 | 1105 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - - COE CAT 3 | COE3 | 1601687 | 1262081 | 0 | 1262081 | 0 | 0 | 0 | 1105 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - - COE CAT 4.12 | COE412 | 115402 | 115402 | 0 | 0 | 0 | 115402 | 0 | 1105 |
| - - COE CAT 4.13 | COE413 | 1035312 | 264944 | 256789 | 0 | 0 | 8155 | 0 | 1105 |
| - - COE CAT 4.2 | COE42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - CABLE & WIRE FACILITIES | CWF | 3874294 | 991461 | 960944 | 0 | 0 | 30517 | 0 | 1105 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - - C&WF CAT 1.2 | CWF12 | 30517 | 30517 | 0 | 0 | 0 | 30517 | 0 | 1105 |
| - - C&WF CAT 1.3 | CWF13 | 3843777 | 960944 | 960944 | 0 | 0 | 0 | 0 | 1105 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - - C&WF CAT 3 | CWF3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| ACCUM DEPRECIATION | ACCDEP | 2853020 | 1112592 | 534048 | 513911 | 0 | 64633 | 0 | 1105 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| NET DEFERRED FIT | NTDFIT | 514243 | 200544 | 96257 | 92637 | 0 | 11650 | 0 | 1105 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| GENERAL SUPPORT EXP | GSFX | 89905 | 35734 | 16521 | 17123 | 0 | 2090 | 0 | 1105 |
| COE EXPENSE | COEX | 236292 | 141001 | 21709 | 108847 | 0 | 10445 | 0 | 1105 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| C&WF EXPENSE | CWFX | 459058 | 117476 | 113861 | 0 | 0 | 3616 | 0 | 1105 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| NETWORK OPERATIONS EXP | NETOPX | 103756 | 41240 | 19066 | 19761 | 0 | 2412 | 0 | 1105 |
| DEPREC & AMORT EXP | DEPAMX | 398337 | 153221 | 75504 | 69136 | 0 | 8581 | 0 | 1105 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| SERVICES EXPENSE | SERVX | 559968 | 158814 | 93345 | 55624 | 0 | 1498 | 8347 | 1105 |
| - CABSX EXPENSE | CABSX | 27534 | 13767 | 0 | 12269 | 0 | 1498 | 0 | 1105 |
| EXEC & PLANNING EXP | EXEPLX | 1388625 | 473942 | 263084 | 184787 | 0 | 18411 | 7660 | 1105 |
| GENERAL & ADMIN EXP | GENADX | 136631 | 60801 | 33751 | 23706 | 0 | 2362 | 983 | 1105 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 92485 | 36856 | 16898 | 17798 | 0 | 2159 | 0 | 1105 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1105 |
| NON-OPERATING INC & EXP | NONOPX | 3570 | 1378 | 637 | 660 | 0 | 81 | 0 | 1105 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 23216 | 9315 | 4307 | 4463 | 0 | 545 | 0 | 1105 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 162818 | 45805 | 23085 | 8165 | 6605 | 7949 | 0 | 1106 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| - GENERAL SUPPORT FACILITIES | GSF | 6500134 | 2091319 | 1054012 | 372804 | 301555 | 362948 | 0 | 1106 |
| - CENTRAL OFFICE EQUIPMENT | COE | 21740065 | 8883641 | 1776415 | 3928118 | 1347122 | 1831986 | 0 | 1106 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| - - COE CAT 3 | COE3 | 8145904 | 3928118 | 0 | 3928118 | 0 | 0 | 0 | 1106 |
| - - COE CAT 4.11 | COE411 | 776577 | 760583 | 0 | 0 | 0 | 760583 | 0 | 1106 |
| - - COE CAT 4.12 | COE412 | 382709 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| - - COE CAT 4.13 | COE413 | 7371852 | 1899446 | 1776415 | 0 | 0 | 123032 | 0 | 1106 |
| - - COE CAT 4.2 | COE42 | 2389606 | 1506889 | 0 | 0 | 558518 | 948371 | 0 | 1106 |
| - - COE CAT 4.3 | COE43 | 2673417 | 788605 | 0 | 0 | 788605 | 0 | 0 | 1106 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| - CABLE & WIRE FACILITIES | CWF | 46749774 | 13151918 | 9329378 | 0 | 1830261 | 1992279 | 0 | 1106 |
| - - C&WF CAT 1.1 | CWF11 | 752311 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| - - C&WF CAT 1.2 | CWF12 | 646555 | 646555 | 0 | 0 | 0 | 646555 | 0 | 1106 |
| - - C&WF CAT 1.3 | CWF13 | 37317511 | 9329378 | 9329378 | 0 | 0 | 0 | 0 | 1106 |
| - - C&WF CAT 2 | CWF2 | 1151108 | 954691 | 0 | 0 | 0 | 954691 | 0 | 1106 |
| - - C&WF CAT 3 | CWF3 | 3264340 | 1154072 | 0 | 0 | 763039 | 391033 | 0 | 1106 |
| - - C&WF CAT 4 | CWF4 | 3617949 | 1067223 | 0 | 0 | 1067223 | 0 | 0 | 1106 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| TELCOM PLANT-OTHER | PLTOTH | 8988641 | 2891958 | 1457530 | 515528 | 417001 | 501898 | 0 | 1106 |
| ACCUM DEPRECIATION | ACCDEP | 35686889 | 11736169 | 5544745 | 2500935 | 1665721 | 2024768 | 0 | 1106 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| NETWORK SUPPORT EXP | NETSPX | 14082 | 4531 | 2283 | 808 | 653 | 786 | 0 | 1106 |
| GENERAL SUPPORT EXP | GSFX | 270547 | 87044 | 43870 | 15517 | 12551 | 15107 | 0 | 1106 |
| COE EXPENSE | COEX | 998366 | 407962 | 42127 | 290443 | 31947 | 43445 | 0 | 1106 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| C&WF EXPENSE | CWFX | 1282600 | 360828 | 255955 | 0 | 50214 | 54659 | 0 | 1106 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| NETWORK OPERATIONS EXP | NETOPX | 581827 | 187194 | 94345 | 33370 | 26992 | 32487 | 0 | 1106 |
| DEPREC & AMORT EXP | DEPAMX | 4304043 | 1457749 | 630382 | 349887 | 212967 | 264513 | 0 | 1106 |
| MARKETING EXPENSE | MRKTX | 109180 | 28368 | 14298 | 5057 | 4091 | 4923 | 0 | 1106 |
| SERVICES EXPENSE | SERVX | 1202246 | 426493 | 227932 | 84125 | 58682 | 6338 | 49417 | 1106 |
| - CABSX EXPENSE | CABSX | 35657 | 17829 | 0 | 6407 | 5183 | 6238 | 0 | 1106 |
| EXEC & PLANNING EXP | EXEPLX | 233327 | 79620 | 39908 | 20751 | 8948 | 7625 | 2389 | 1106 |
| GENERAL & ADMIN EXP | GENADX | 1151859 | 413636 | 207327 | 107803 | 46486 | 39610 | 12409 | 1106 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 979399 | 310246 | 156362 | 55305 | 44735 | 53843 | 0 | 1106 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1106 |
| NON-OPERATING INC & EXP | NONOPX | 2262 | 854 | 431 | 152 | 123 | 148 | 0 | 1106 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1139415 | 360451 | 190763 | 54209 | 52627 | 62852 | 0 | 1106 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 104977 | 26944 | 15623 | 7750 | 1140 | 2432 | 0 | 1107 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - GENERAL SUPPORT FACILITIES | GSF | 940016 | 331569 | 192249 | 95368 | 14024 | 29928 | 0 | 1107 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3964059 | 2173188 | 473666 | 1220637 | 147045 | 331840 | 0 | 1107 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - - COE CAT 3 | COE3 | 1436044 | 1220637 | 0 | 1220637 | 0 | 0 | 0 | 1107 |
| - - COE CAT 4.11 | COE411 | 227921 | 227921 | 0 | 0 | 0 | 227921 | 0 | 1107 |
| - - COE CAT 4.12 | COE412 | 32145 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - - COE CAT 4.13 | COE413 | 1899352 | 478355 | 473666 | 0 | 0 | 4690 | 0 | 1107 |
| - - COE CAT 4.2 | COE42 | 368597 | 246274 | 0 | 0 | 147045 | 99229 | 0 | 1107 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - CABLE & WIRE FACILITIES | CWF | 8067399 | 2070636 | 1986973 | 0 | 32449 | 51214 | 0 | 1107 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - - C&WF CAT 1.2 | CWF12 | 19673 | 19673 | 0 | 0 | 0 | 19673 | 0 | 1107 |
| - - C&WF CAT 1.3 | CWF13 | 7947894 | 1986973 | 1986973 | 0 | 0 | 0 | 0 | 1107 |
| - - C&WF CAT 2 | CWF2 | 44051 | 30915 | 0 | 0 | 0 | 30915 | 0 | 1107 |
| - - C&WF CAT 3 | CWF3 | 55781 | 33075 | 0 | 0 | 32449 | 626 | 0 | 1107 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| TELCOM PLANT-OTHER | PLTOTH | 96068 | 33886 | 19648 | 9746 | 1433 | 3059 | 0 | 1107 |
| ACCUM DEPRECIATION | ACCDEP | 3969376 | 1442212 | 795022 | 476218 | 54720 | 116252 | 0 | 1107 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| NET DEFERRED FIT | NTDFIT | 1694387 | 597495 | 346597 | 171647 | 25287 | 53964 | 0 | 1107 |
| NETWORK SUPPORT EXP | NETSPX | 14363 | 5066 | 2937 | 1457 | 214 | 457 | 0 | 1107 |
| GENERAL SUPPORT EXP | GSFX | 65139 | 22976 | 13322 | 6609 | 972 | 2074 | 0 | 1107 |
| COE EXPENSE | COEX | 240581 | 131891 | 28068 | 52184 | 31974 | 19664 | 0 | 1107 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| C&WF EXPENSE | CWFX | 411361 | 105583 | 101317 | 0 | 1655 | 2611 | 0 | 1107 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1107 |
| NETWORK OPERATIONS EXP | NETOPX | 145042 | 51160 | 29664 | 14715 | 2164 | 4618 | 0 | 1107 |
| DEPREC & AMORT EXP | DEPAMX | 775922 | 298655 | 147362 | 96185 | 17251 | 37857 | 0 | 1107 |
| MARKETING EXPENSE | MRKTX | 12187 | 4930 | 2858 | 1418 | 209 | 445 | 0 | 1107 |
| SERVICES EXPENSE | SERVX | 311235 | 104156 | 37669 | 23120 | 3326 | 4868 | 35173 | 1107 |
| - CABSX EXPENSE | CABSX | 45126 | 22563 | 0 | 15445 | 2271 | 4847 | 0 | 1107 |
| EXEC & PLANNING EXP | EXEPLX | 123998 | 44017 | 22699 | 10104 | 4114 | 3527 | 3572 | 1107 |
| GENERAL & ADMIN EXP | GENADX | 826480 | 321567 | 165833 | 73816 | 30054 | 25770 | 26093 | 1107 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 83011 | 37579 | 21997 | 10498 | 1621 | 3462 | 0 | 1107 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 4824 | 1702 | 987 | 489 | 72 | 154 | 0 | 1107 |
| NON-OPERATING INC & EXP | NONOPX | 13285 | 5110 | 2963 | 1470 | 216 | 461 | 0 | 1107 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 359950 | 124470 | 74108 | 32911 | 5560 | 11891 | 0 | 1107 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 75069 | 20908 | 10984 | 6328 | 752 | 2844 | 0 | 1108 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - GENERAL SUPPORT FACILITIES | GSF | 1550622 | 578432 | 303870 | 175082 | 20795 | 78685 | 0 | 1108 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3142501 | 2066161 | 223050 | 1422672 | 129426 | 291013 | 0 | 1108 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - - COE CAT 3 | COE3 | 1673732 | 1422672 | 0 | 1422672 | 0 | 0 | 0 | 1108 |
| - - COE CAT 4.11 | COE411 | 208000 | 208000 | 0 | 0 | 0 | 208000 | 0 | 1108 |
| - - COE CAT 4.12 | COE412 | 24427 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - - COE CAT 4.13 | COE413 | 928429 | 255678 | 223050 | 0 | 0 | 32628 | 0 | 1108 |
| - - COE CAT 4.2 | COE42 | 307913 | 179810 | 0 | 0 | 129426 | 50385 | 0 | 1108 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - CABLE & WIRE FACILITIES | CWF | 9457485 | 2634043 | 2246127 | 0 | 39553 | 348362 | 0 | 1108 |
| - - C&WF CAT 1.1 | CWF11 | 36271 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - - C&WF CAT 1.2 | CWF12 | 328571 | 328571 | 0 | 0 | 0 | 328571 | 0 | 1108 |
| - - C&WF CAT 1.3 | CWF13 | 8984508 | 2246127 | 2246127 | 0 | 0 | 0 | 0 | 1108 |
| - - C&WF CAT 2 | CWF2 | 8694 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - - C&WF CAT 3 | CWF3 | 99441 | 59344 | 0 | 0 | 39553 | 19791 | 0 | 1108 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| TELCOM PLANT-OTHER | PLTOTH | 88609 | 33054 | 17364 | 10005 | 1188 | 4496 | 0 | 1108 |
| ACCUM DEPRECIATION | ACCDEP | 5076370 | 2024840 | 939703 | 761207 | 69662 | 254268 | 0 | 1108 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| NET DEFERRED FIT | NTDFIT | 1556423 | 580596 | 305007 | 175737 | 20873 | 78979 | 0 | 1108 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| GENERAL SUPPORT EXP | GSFX | 182214 | 67972 | 35708 | 20574 | 2444 | 9246 | 0 | 1108 |
| COE EXPENSE | COEX | 440799 | 289821 | 45868 | 157494 | 26615 | 59844 | 0 | 1108 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| C&WF EXPENSE | CWFX | 519678 | 144738 | 123422 | 0 | 2173 | 19142 | 0 | 1108 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| NETWORK OPERATIONS EXP | NETOPX | 499193 | 186215 | 97825 | 56364 | 6695 | 25331 | 0 | 1108 |
| DEPREC & AMORT EXP | DEPAMX | 804364 | 321271 | 147640 | 107975 | 15796 | 49861 | 0 | 1108 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| SERVICES EXPENSE | SERVX | 471988 | 152629 | 83513 | 47099 | 5590 | 3953 | 12474 | 1108 |
| - CABSX EXPENSE | CABSX | 27378 | 13689 | 0 | 8729 | 1037 | 3923 | 0 | 1108 |
| EXEC & PLANNING EXP | EXEPLX | 422793 | 171879 | 86052 | 53101 | 8208 | 22165 | 2353 | 1108 |
| GENERAL & ADMIN EXP | GENADX | 409237 | 201313 | 100789 | 62194 | 9613 | 25961 | 2756 | 1108 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 185221 | 66585 | 36390 | 18468 | 2429 | 9298 | 0 | 1108 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |
| NON-OPERATING INC & EXP | NONOPX | 1617 | 794 | 417 | 240 | 29 | 108 | 0 | 1108 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1108 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 65296 | 17542 | 12671 | 2061 | 641 | 2159 | 10 | 1109 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - GENERAL SUPPORT FACILITIES | GSF | 2873098 | 854115 | 614262 | 99911 | 31083 | 104641 | 4217 | 1109 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7854785 | 2768212 | 1412878 | 803273 | 96808 | 455255 | 0 | 1109 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - - COE CAT 3 | COE3 | 1407660 | 803273 | 0 | 803273 | 0 | 0 | 0 | 1109 |
| - - COE CAT 4.11 | COE411 | 356226 | 356226 | 0 | 0 | 0 | 356226 | 0 | 1109 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - - COE CAT 4.13 | COE413 | 5749841 | 1445654 | 1412878 | 0 | 0 | 32777 | 0 | 1109 |
| - - COE CAT 4.2 | COE42 | 341058 | 163059 | 0 | 0 | 96808 | 66252 | 0 | 1109 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - CABLE & WIRE FACILITIES | CWF | 15130510 | 4064861 | 3525717 | 0 | 153099 | 386045 | 0 | 1109 |
| - - C&WF CAT 1.1 | CWF11 | 163584 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - - C&WF CAT 1.2 | CWF12 | 81792 | 81792 | 0 | 0 | 0 | 81792 | 0 | 1109 |
| - - C&WF CAT 1.3 | CWF13 | 14102869 | 3525717 | 3525717 | 0 | 0 | 0 | 0 | 1109 |
| - - C&WF CAT 2 | CWF2 | 361994 | 294765 | 0 | 0 | 0 | 294765 | 0 | 1109 |
| - - C&WF CAT 3 | CWF3 | 420270 | 162586 | 0 | 0 | 153099 | 9488 | 0 | 1109 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| TELCOM PLANT-OTHER | PLTOTH | 43530 | 12934 | 9348 | 1520 | 473 | 1592 | 0 | 1109 |
| ACCUM DEPRECIATION | ACCDEP | 13335804 | 3968032 | 2875995 | 398048 | 151440 | 540002 | 2548 | 1109 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| NET DEFERRED FIT | NTDFIT | 2338251 | 694734 | 502117 | 81673 | 25408 | 85536 | 0 | 1109 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| GENERAL SUPPORT EXP | GSFX | 88519 | 26315 | 18925 | 3078 | 958 | 3224 | 130 | 1109 |
| COE EXPENSE | COEX | 462825 | 163110 | 30372 | 114053 | 8899 | 9786 | 0 | 1109 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| C&WF EXPENSE | CWFX | 277152 | 74458 | 64582 | 0 | 2804 | 7071 | 0 | 1109 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |
| NETWORK OPERATIONS EXP | NETOPX | 481367 | 143101 | 103426 | 16822 | 5234 | 17619 | 0 | 1109 |
| DEPREC & AMORT EXP | DEPAMX | 1440428 | 441494 | 302854 | 57159 | 16843 | 64457 | 181 | 1109 |
| MARKETING EXPENSE | MRKTX | 41556 | 9584 | 6923 | 1126 | 350 | 1179 | 5 | 1109 |
| SERVICES EXPENSE | SERVX | 226574 | 67118 | 31357 | 6659 | 2071 | 5242 | 21789 | 1109 |
| - CABSX EXPENSE | CABSX | 22977 | 11489 | 0 | 4871 | 1515 | 5102 | 0 | 1109 |
| EXEC & PLANNING EXP | EXEPLX | 326904 | 100382 | 55928 | 27623 | 3959 | 8599 | 4273 | 1109 |
| GENERAL & ADMIN EXP | GENADX | 559230 | 201888 | 112482 | 55556 | 7963 | 17294 | 8593 | 1109 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 346134 | 122647 | 88545 | 15027 | 4428 | 14635 | 12 | 1109 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 19779 | 5877 | 4247 | 691 | 215 | 724 | 0 | 1109 |
| NON-OPERATING INC & EXP | NONOPX | 8492 | 2897 | 2092 | 340 | 106 | 356 | 2 | 1109 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1109 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 61880 | 17422 | 12736 | 1982 | 1312 | 1392 | 0 | 1110 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| - GENERAL SUPPORT FACILITIES | GSF | 929322 | 268921 | 196590 | 30597 | 20248 | 21487 | 0 | 1110 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2626857 | 830837 | 363448 | 384070 | 53063 | 30256 | 0 | 1110 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| - - COE CAT 3 | COE3 | 1044662 | 384070 | 0 | 384070 | 0 | 0 | 0 | 1110 |
| - - COE CAT 4.11 | COE411 | 15548 | 15012 | 0 | 0 | 0 | 15012 | 0 | 1110 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| - - COE CAT 4.13 | COE413 | 1469650 | 377592 | 363448 | 0 | 0 | 14144 | 0 | 1110 |
| - - COE CAT 4.2 | COE42 | 48810 | 26973 | 0 | 0 | 25873 | 1100 | 0 | 1110 |
| - - COE CAT 4.3 | COE43 | 48187 | 27191 | 0 | 0 | 27191 | 0 | 0 | 1110 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| - CABLE & WIRE FACILITIES | CWF | 9038495 | 2544807 | 2104255 | 0 | 201095 | 239457 | 0 | 1110 |
| - - C&WF CAT 1.1 | CWF11 | 9926 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| - - C&WF CAT 1.2 | CWF12 | 81887 | 81887 | 0 | 0 | 0 | 81887 | 0 | 1110 |
| - - C&WF CAT 1.3 | CWF13 | 8417018 | 2104255 | 2104255 | 0 | 0 | 0 | 0 | 1110 |
| - - C&WF CAT 2 | CWF2 | 158914 | 149135 | 0 | 0 | 0 | 149135 | 0 | 1110 |
| - - C&WF CAT 3 | CWF3 | 118176 | 67010 | 0 | 0 | 58575 | 8435 | 0 | 1110 |
| - - C&WF CAT 4 | CWF4 | 252574 | 142520 | 0 | 0 | 142520 | 0 | 0 | 1110 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| TELCOM PLANT-OTHER | PLTOTH | 525192 | 151977 | 111100 | 17291 | 11443 | 12143 | 0 | 1110 |
| ACCUM DEPRECIATION | ACCDEP | 3921763 | 1113754 | 886786 | 39477 | 89392 | 98099 | 0 | 1110 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| NET DEFERRED FIT | NTDFIT | 993750 | 287565 | 210219 | 32718 | 21651 | 22976 | 0 | 1110 |
| NETWORK SUPPORT EXP | NETSPX | 3932 | 1138 | 832 | 129 | 86 | 91 | 0 | 1110 |
| GENERAL SUPPORT EXP | GSFX | 30556 | 8842 | 6464 | 1006 | 666 | 706 | 0 | 1110 |
| COE EXPENSE | COEX | 186942 | 59127 | 21336 | 32900 | 3115 | 1776 | 0 | 1110 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| C&WF EXPENSE | CWFX | 289730 | 81574 | 67452 | 0 | 6446 | 7676 | 0 | 1110 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| NETWORK OPERATIONS EXP | NETOPX | 24527 | 7097 | 5188 | 808 | 534 | 567 | 0 | 1110 |
| DEPREC & AMORT EXP | DEPAMX | 639088 | 185907 | 132493 | 24900 | 14627 | 13887 | 0 | 1110 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| SERVICES EXPENSE | SERVX | 146363 | 49661 | 6021 | 6542 | 4329 | 4414 | 28354 | 1110 |
| - CABSX EXPENSE | CABSX | 29054 | 14527 | 0 | 6145 | 4067 | 4315 | 0 | 1110 |
| EXEC & PLANNING EXP | EXEPLX | 105082 | 32042 | 18333 | 5665 | 2078 | 2085 | 3882 | 1110 |
| GENERAL & ADMIN EXP | GENADX | 239623 | 83291 | 47654 | 14727 | 5400 | 5420 | 10090 | 1110 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 213669 | 62671 | 45027 | 8077 | 4659 | 4909 | 0 | 1110 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1110 |
| NON-OPERATING INC & EXP | NONOPX | 919 | 307 | 225 | 35 | 23 | 25 | 0 | 1110 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 223252 | 65160 | 47634 | 7414 | 4906 | 5206 | 0 | 1110 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 173125 | 47436 | 32695 | 3088 | 2513 | 9140 | 0 | 1111 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - GENERAL SUPPORT FACILITIES | GSF | 3239387 | 1009955 | 696103 | 65740 | 53506 | 194605 | 0 | 1111 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7562185 | 2968293 | 1239730 | 481532 | 303451 | 943580 | 0 | 1111 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - - COE CAT 3 | COE3 | 993415 | 481532 | 0 | 481532 | 0 | 0 | 0 | 1111 |
| - - COE CAT 4.11 | COE411 | 222751 | 222751 | 0 | 0 | 0 | 222751 | 0 | 1111 |
| - - COE CAT 4.12 | COE412 | 9255 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - - COE CAT 4.13 | COE413 | 5018477 | 1281524 | 1239730 | 0 | 0 | 41795 | 0 | 1111 |
| - - COE CAT 4.2 | COE42 | 1318287 | 982486 | 0 | 0 | 303451 | 679035 | 0 | 1111 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - CABLE & WIRE FACILITIES | CWF | 16165506 | 4429368 | 3859050 | 0 | 88463 | 481855 | 0 | 1111 |
| - - C&WF CAT 1.1 | CWF11 | 55292 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - - C&WF CAT 1.2 | CWF12 | 130099 | 130099 | 0 | 0 | 0 | 130099 | 0 | 1111 |
| - - C&WF CAT 1.3 | CWF13 | 15436200 | 3859050 | 3859050 | 0 | 0 | 0 | 0 | 1111 |
| - - C&WF CAT 2 | CWF2 | 313070 | 313070 | 0 | 0 | 0 | 313070 | 0 | 1111 |
| - - C&WF CAT 3 | CWF3 | 230845 | 127150 | 0 | 0 | 88463 | 38686 | 0 | 1111 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| ACCUM DEPRECIATION | ACCDEP | 11084421 | 3779625 | 2173027 | 414939 | 274871 | 916788 | 0 | 1111 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| NET DEFERRED FIT | NTDFIT | 2539063 | 800239 | 530806 | 89053 | 38521 | 141858 | 0 | 1111 |
| NETWORK SUPPORT EXP | NETSPX | 10406 | 3244 | 2236 | 211 | 172 | 625 | 0 | 1111 |
| GENERAL SUPPORT EXP | GSFX | 126153 | 39331 | 27109 | 2560 | 2084 | 7579 | 0 | 1111 |
| COE EXPENSE | COEX | 343771 | 134936 | 30355 | 74049 | 7430 | 23103 | 0 | 1111 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1111 |
| C&WF EXPENSE | CWFX | 340920 | 93412 | 81385 | 0 | 1866 | 10162 | 0 | 1111 |
| OTHER PROP & PL EXP | OTHPPX | 20303 | 6330 | 4363 | 412 | 335 | 1220 | 0 | 1111 |
| NETWORK OPERATIONS EXP | NETOPX | 272246 | 91960 | 63382 | 5986 | 4872 | 17720 | 0 | 1111 |
| DEPREC & AMORT EXP | DEPAMX | 1416891 | 472051 | 280587 | 61772 | 29241 | 100451 | 0 | 1111 |
| MARKETING EXPENSE | MRKTX | 30297 | 9077 | 6256 | 591 | 481 | 1749 | 0 | 1111 |
| SERVICES EXPENSE | SERVX | 247536 | 84852 | 49534 | 6181 | 3818 | 12443 | 12876 | 1111 |
| - CABSX EXPENSE | CABSX | 21356 | 10678 | 0 | 2237 | 1820 | 6621 | 0 | 1111 |
| EXEC & PLANNING EXP | EXEPLX | 283256 | 95055 | 57763 | 16904 | 3956 | 14013 | 2419 | 1111 |
| GENERAL & ADMIN EXP | GENADX | 619873 | 244722 | 148713 | 43520 | 10184 | 36078 | 6227 | 1111 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 433395 | 131976 | 97717 | 5520 | 5937 | 22803 | 0 | 1111 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 9624 | 3001 | 2068 | 195 | 159 | 578 | 0 | 1111 |
| NON-OPERATING INC & EXP | NONOPX | 98432 | 37082 | 25559 | 2414 | 1965 | 7145 | 0 | 1111 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 384122 | 110126 | 75904 | 7168 | 5834 | 21220 | 0 | 1111 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 98203 | 26060 | 20317 | 1408 | 768 | 3567 | 0 | 1112 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - GENERAL SUPPORT FACILITIES | GSF | 1821177 | 531417 | 414298 | 28717 | 15665 | 72736 | 0 | 1112 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3030326 | 1065765 | 611255 | 155045 | 44520 | 254945 | 0 | 1112 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - - COE CAT 3 | COE3 | 182406 | 152435 | 0 | 152435 | 0 | 0 | 0 | 1112 |
| - - COE CAT 4.11 | COE411 | 137512 | 137512 | 0 | 0 | 0 | 137512 | 0 | 1112 |
| - - COE CAT 4.12 | COE412 | 27988 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - - COE CAT 4.13 | COE413 | 2511666 | 651243 | 611255 | 0 | 0 | 39989 | 0 | 1112 |
| - - COE CAT 4.2 | COE42 | 167995 | 121964 | 0 | 0 | 44520 | 77444 | 0 | 1112 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - CABLE & WIRE FACILITIES | CWF | 6967682 | 1849029 | 1663184 | 0 | 41479 | 144366 | 0 | 1112 |
| - - C&WF CAT 1.1 | CWF11 | 72538 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - - C&WF CAT 1.2 | CWF12 | 108806 | 108806 | 0 | 0 | 0 | 108806 | 0 | 1112 |
| - - C&WF CAT 1.3 | CWF13 | 6652737 | 1663184 | 1663184 | 0 | 0 | 0 | 0 | 1112 |
| - - C&WF CAT 2 | CWF2 | 13678 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - - C&WF CAT 3 | CWF3 | 119923 | 77038 | 0 | 0 | 41479 | 35559 | 0 | 1112 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| TELCOM PLANT-OTHER | PLTOTH | 80679 | 23542 | 18354 | 1272 | 694 | 3222 | 0 | 1112 |
| ACCUM DEPRECIATION | ACCDEP | 6739835 | 2037818 | 1503055 | 148537 | 65129 | 321097 | 0 | 1112 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| NETWORK SUPPORT EXP | NETSPX | 22685 | 6619 | 5161 | 358 | 195 | 906 | 0 | 1112 |
| GENERAL SUPPORT EXP | GSFX | 91967 | 26836 | 20921 | 1450 | 791 | 3673 | 0 | 1112 |
| COE EXPENSE | COEX | 67610 | 23837 | 6628 | 13961 | 483 | 2765 | 0 | 1112 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| C&WF EXPENSE | CWFX | 71883 | 19076 | 17158 | 0 | 428 | 1489 | 0 | 1112 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| NETWORK OPERATIONS EXP | NETOPX | 85775 | 25029 | 19513 | 1353 | 738 | 3426 | 0 | 1112 |
| DEPREC & AMORT EXP | DEPAMX | 784675 | 243998 | 172311 | 30567 | 7067 | 34054 | 0 | 1112 |
| MARKETING EXPENSE | MRKTX | 5415 | 3123 | 2434 | 169 | 92 | 427 | 0 | 1112 |
| SERVICES EXPENSE | SERVX | 143075 | 71679 | 18241 | 28354 | 1315 | 4818 | 18950 | 1112 |
| - CABSX EXPENSE | CABSX | 11477 | 5739 | 0 | 1407 | 768 | 3564 | 0 | 1112 |
| EXEC & PLANNING EXP | EXEPLX | 109823 | 41943 | 22581 | 10260 | 909 | 3934 | 4260 | 1112 |
| GENERAL & ADMIN EXP | GENADX | 494692 | 215228 | 115872 | 52647 | 4662 | 20190 | 21858 | 1112 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 134083 | 39326 | 30659 | 2125 | 1159 | 5383 | 0 | 1112 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1112 |
| NON-OPERATING INC & EXP | NONOPX | 34483 | 14670 | 11437 | 793 | 432 | 2008 | 0 | 1112 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 157034 | 43620 | 34007 | 2357 | 1286 | 5970 | 0 | 1112 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 228666 | 72471 | 18955 | 29582 | 22190 | 1502 | 241 | 1113 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - GENERAL SUPPORT FACILITIES | GSF | 1226363 | 581715 | 148542 | 231814 | 173892 | 11769 | 15697 | 1113 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3560736 | 2498661 | 71278 | 1690961 | 731642 | 4780 | 0 | 1113 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - - COE CAT 2 | COE2 | 610344 | 495833 | 0 | 0 | 495833 | 0 | 0 | 1113 |
| - - COE CAT 3 | COE3 | 2304521 | 1689743 | 0 | 1689743 | 0 | 0 | 0 | 1113 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - - COE CAT 4.12 | COE412 | 7523 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - - COE CAT 4.13 | COE413 | 291972 | 75745 | 71278 | 0 | 0 | 4467 | 0 | 1113 |
| - - COE CAT 4.2 | COE42 | 346377 | 237340 | 0 | 1218 | 235809 | 313 | 0 | 1113 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - CABLE & WIRE FACILITIES | CWF | 5143545 | 1630140 | 1012260 | 0 | 536809 | 81071 | 0 | 1113 |
| - - C&WF CAT 1.1 | CWF11 | 33987 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - - C&WF CAT 1.2 | CWF12 | 63443 | 63443 | 0 | 0 | 0 | 63443 | 0 | 1113 |
| - - C&WF CAT 1.3 | CWF13 | 4049040 | 1012260 | 1012260 | 0 | 0 | 0 | 0 | 1113 |
| - - C&WF CAT 2 | CWF2 | 202143 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - - C&WF CAT 3 | CWF3 | 794931 | 554437 | 0 | 0 | 536809 | 17628 | 0 | 1113 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| TELCOM PLANT-OTHER | PLTOTH | 725339 | 342912 | 89992 | 140440 | 105349 | 7130 | 0 | 1113 |
| ACCUM DEPRECIATION | ACCDEP | 5799826 | 2852408 | 671879 | 1226673 | 890953 | 52990 | 9914 | 1113 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| NET DEFERRED FIT | NTDFIT | 791213 | 387773 | 91658 | 167343 | 121544 | 7229 | 0 | 1113 |
| NETWORK SUPPORT EXP | NETSPX | 184721 | 87621 | 22918 | 35766 | 26829 | 1816 | 292 | 1113 |
| GENERAL SUPPORT EXP | GSFX | 181404 | 86047 | 21972 | 34290 | 25722 | 1741 | 2322 | 1113 |
| COE EXPENSE | COEX | 105926 | 74331 | 4877 | 40989 | 28138 | 327 | 0 | 1113 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| C&WF EXPENSE | CWFX | 279568 | 88603 | 55020 | 0 | 29177 | 4406 | 0 | 1113 |
| OTHER PROP & PL EXP | OTHPPX | 29409 | 13950 | 3661 | 5713 | 4286 | 290 | 0 | 1113 |
| NETWORK OPERATIONS EXP | NETOPX | 356963 | 169322 | 44436 | 69346 | 52019 | 3521 | 0 | 1113 |
| DEPREC & AMORT EXP | DEPAMX | 750185 | 351367 | 94867 | 133102 | 114887 | 7478 | 1033 | 1113 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| SERVICES EXPENSE | SERVX | 666885 | 239166 | 30388 | 65470 | 48334 | 2088 | 92886 | 1113 |
| - CABSX EXPENSE | CABSX | 73154 | 36577 | 0 | 20310 | 15236 | 1031 | 0 | 1113 |
| EXEC & PLANNING EXP | EXEPLX | 24895 | 10199 | 2463 | 3380 | 2882 | 191 | 1283 | 1113 |
| GENERAL & ADMIN EXP | GENADX | 846700 | 420870 | 101620 | 139492 | 118938 | 7867 | 52952 | 1113 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 166355 | 77955 | 20930 | 31460 | 23819 | 1719 | 28 | 1113 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1113 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 114655 | 50350 | 13170 | 20552 | 15417 | 1043 | 168 | 1113 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 17971 | 4811 | 2124 | 1952 | 166 | 569 | 0 | 1114 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - GENERAL SUPPORT FACILITIES | GSF | 1601224 | 626422 | 276536 | 254197 | 21604 | 74086 | 0 | 1114 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2451029 | 1398520 | 171074 | 954227 | 77247 | 195973 | 0 | 1114 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - - COE CAT 3 | COE3 | 1345695 | 954227 | 0 | 954227 | 0 | 0 | 0 | 1114 |
| - - COE CAT 4.11 | COE411 | 83293 | 83293 | 0 | 0 | 0 | 83293 | 0 | 1114 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - - COE CAT 4.13 | COE413 | 684294 | 171074 | 171074 | 0 | 0 | 0 | 0 | 1114 |
| - - COE CAT 4.2 | COE42 | 153747 | 129334 | 0 | 0 | 16654 | 112680 | 0 | 1114 |
| - - COE CAT 4.3 | COE43 | 184000 | 60593 | 0 | 0 | 60593 | 0 | 0 | 1114 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - CABLE & WIRE FACILITIES | CWF | 3559796 | 953002 | 867012 | 0 | 3851 | 82139 | 0 | 1114 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - - C&WF CAT 1.3 | CWF13 | 3468048 | 867012 | 867012 | 0 | 0 | 0 | 0 | 1114 |
| - - C&WF CAT 2 | CWF2 | 82139 | 82139 | 0 | 0 | 0 | 82139 | 0 | 1114 |
| - - C&WF CAT 3 | CWF3 | 9015 | 3656 | 0 | 0 | 3656 | 0 | 0 | 1114 |
| - - C&WF CAT 4 | CWF4 | 594 | 196 | 0 | 0 | 196 | 0 | 0 | 1114 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| TELCOM PLANT-OTHER | PLTOTH | 71357 | 27916 | 12324 | 11328 | 963 | 3302 | 0 | 1114 |
| ACCUM DEPRECIATION | ACCDEP | 4145758 | 1689901 | 678625 | 769991 | 54944 | 186341 | 0 | 1114 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| NET DEFERRED FIT | NTDFIT | 803757 | 314442 | 138811 | 127598 | 10844 | 37189 | 0 | 1114 |
| NETWORK SUPPORT EXP | NETSPX | 114 | 45 | 20 | 18 | 2 | 5 | 0 | 1114 |
| GENERAL SUPPORT EXP | GSFX | 24770 | 9690 | 4278 | 3932 | 334 | 1146 | 0 | 1114 |
| COE EXPENSE | COEX | 195535 | 111569 | 10395 | 71198 | 18069 | 11908 | 0 | 1114 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| C&WF EXPENSE | CWFX | 360679 | 96558 | 87846 | 0 | 390 | 8322 | 0 | 1114 |
| OTHER PROP & PL EXP | OTHPPX | 5888 | 2303 | 1017 | 935 | 79 | 272 | 0 | 1114 |
| NETWORK OPERATIONS EXP | NETOPX | 99143 | 38786 | 17122 | 15739 | 1338 | 4587 | 0 | 1114 |
| DEPREC & AMORT EXP | DEPAMX | 657610 | 289992 | 94676 | 144696 | 12727 | 37893 | 0 | 1114 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1114 |
| SERVICES EXPENSE | SERVX | 269061 | 112052 | 19758 | 44880 | 3815 | 10167 | 33432 | 1114 |
| - CABSX EXPENSE | CABSX | 95457 | 47729 | 0 | 34676 | 2947 | 10106 | 0 | 1114 |
| EXEC & PLANNING EXP | EXEPLX | 71638 | 27818 | 10530 | 10250 | 1802 | 2730 | 2507 | 1114 |
| GENERAL & ADMIN EXP | GENADX | 452921 | 202062 | 76486 | 74453 | 13086 | 19829 | 18208 | 1114 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 59739 | 29891 | 13937 | 11203 | 1068 | 3684 | 0 | 1114 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 4275 | 1672 | 738 | 679 | 58 | 198 | 0 | 1114 |
| NON-OPERATING INC & EXP | NONOPX | 491 | 215 | 95 | 87 | 7 | 25 | 0 | 1114 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 12187 | 4457 | 2207 | 1509 | 166 | 575 | 0 | 1114 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 32620 | 10438 | 4017 | 2608 | 1819 | 1993 | 0 | 1115 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| - GENERAL SUPPORT FACILITIES | GSF | 1107441 | 463493 | 178378 | 115829 | 80782 | 88504 | 0 | 1115 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1762027 | 1041358 | 106075 | 507136 | 68944 | 359203 | 0 | 1115 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| - - COE CAT 3 | COE3 | 782824 | 502118 | 0 | 502118 | 0 | 0 | 0 | 1115 |
| - - COE CAT 4.11 | COE411 | 344086 | 344086 | 0 | 0 | 0 | 344086 | 0 | 1115 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| - - COE CAT 4.13 | COE413 | 427558 | 107161 | 106075 | 0 | 0 | 1086 | 0 | 1115 |
| - - COE CAT 4.2 | COE42 | 177723 | 73972 | 0 | 0 | 59941 | 14031 | 0 | 1115 |
| - - COE CAT 4.3 | COE43 | 24353 | 9003 | 0 | 0 | 9003 | 0 | 0 | 1115 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| - CABLE & WIRE FACILITIES | CWF | 3134655 | 1003015 | 682643 | 0 | 288245 | 32128 | 0 | 1115 |
| - - C&WF CAT 1.1 | CWF11 | 13976 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| - - C&WF CAT 1.2 | CWF12 | 6988 | 6988 | 0 | 0 | 0 | 6988 | 0 | 1115 |
| - - C&WF CAT 1.3 | CWF13 | 2730572 | 682643 | 682643 | 0 | 0 | 0 | 0 | 1115 |
| - - C&WF CAT 2 | CWF2 | 13996 | 13996 | 0 | 0 | 0 | 13996 | 0 | 1115 |
| - - C&WF CAT 3 | CWF3 | 363030 | 297135 | 0 | 0 | 285992 | 11143 | 0 | 1115 |
| - - C&WF CAT 4 | CWF4 | 6093 | 2253 | 0 | 0 | 2253 | 0 | 0 | 1115 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| TELCOM PLANT-OTHER | PLTOTH | 69103 | 28921 | 11131 | 7228 | 5041 | 5523 | 0 | 1115 |
| ACCUM DEPRECIATION | ACCDEP | 3334369 | 1411873 | 525716 | 386908 | 238103 | 261145 | 0 | 1115 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| NET DEFERRED FIT | NTDFIT | 19083 | 7715 | 3253 | 1468 | 1467 | 1527 | 0 | 1115 |
| NETWORK SUPPORT EXP | NETSPX | 1732 | 725 | 279 | 181 | 126 | 138 | 0 | 1115 |
| GENERAL SUPPORT EXP | GSFX | 78537 | 32870 | 12650 | 8214 | 5729 | 6276 | 0 | 1115 |
| COE EXPENSE | COEX | 168676 | 100168 | 10597 | 46797 | 6888 | 35886 | 0 | 1115 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| C&WF EXPENSE | CWFX | 292174 | 93489 | 63628 | 0 | 26867 | 2995 | 0 | 1115 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| NETWORK OPERATIONS EXP | NETOPX | 93037 | 38938 | 14986 | 9731 | 6787 | 7435 | 0 | 1115 |
| DEPREC & AMORT EXP | DEPAMX | 431081 | 194009 | 61820 | 57326 | 29030 | 45832 | 0 | 1115 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1115 |
| SERVICES EXPENSE | SERVX | 279753 | 71419 | 22123 | 9675 | 6112 | 4528 | 28981 | 1115 |
| - CABSX EXPENSE | CABSX | 28899 | 14450 | 0 | 5870 | 4094 | 4485 | 0 | 1115 |
| EXEC & PLANNING EXP | EXEPLX | 26068 | 9507 | 3556 | 2081 | 1464 | 1597 | 808 | 1115 |
| GENERAL & ADMIN EXP | GENADX | 243418 | 102953 | 38515 | 22531 | 15859 | 17294 | 8753 | 1115 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 160205 | 66865 | 25942 | 16306 | 11748 | 12869 | 0 | 1115 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 8156 | 3413 | 1314 | 853 | 595 | 652 | 0 | 1115 |
| NON-OPERATING INC & EXP | NONOPX | 9821 | 4098 | 1577 | 1024 | 714 | 783 | 0 | 1115 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 31384 | 12915 | 4970 | 3228 | 2251 | 2466 | 0 | 1115 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 24756 | 7742 | 3010 | 2679 | 1776 | 258 | 18 | 1116 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| - GENERAL SUPPORT FACILITIES | GSF | 2223397 | 864127 | 327496 | 291534 | 193285 | 28069 | 23744 | 1116 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7857734 | 4284849 | 599904 | 3233689 | 246003 | 205253 | 0 | 1116 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| - - COE CAT 2 | COE2 | 192074 | 105131 | 0 | 0 | 105131 | 0 | 0 | 1116 |
| - - COE CAT 3 | COE3 | 4722418 | 3232652 | 0 | 3232652 | 0 | 0 | 0 | 1116 |
| - - COE CAT 4.11 | COE411 | 200206 | 199312 | 0 | 0 | 0 | 199312 | 0 | 1116 |
| - - COE CAT 4.12 | COE412 | 25856 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| - - COE CAT 4.13 | COE413 | 2416598 | 600351 | 599904 | 0 | 0 | 447 | 0 | 1116 |
| - - COE CAT 4.2 | COE42 | 269553 | 131590 | 0 | 1037 | 125059 | 5494 | 0 | 1116 |
| - - COE CAT 4.3 | COE43 | 31028 | 15814 | 0 | 0 | 15814 | 0 | 0 | 1116 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| - CABLE & WIRE FACILITIES | CWF | 16212251 | 5069996 | 3045659 | 11561 | 1905579 | 107197 | 0 | 1116 |
| - - C&WF CAT 1.1 | CWF11 | 83940 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| - - C&WF CAT 1.2 | CWF12 | 2269 | 2269 | 0 | 0 | 0 | 2269 | 0 | 1116 |
| - - C&WF CAT 1.3 | CWF13 | 12182637 | 3045659 | 3045659 | 0 | 0 | 0 | 0 | 1116 |
| - - C&WF CAT 2 | CWF2 | 302003 | 99820 | 0 | 0 | 0 | 99820 | 0 | 1116 |
| - - C&WF CAT 3 | CWF3 | 2743530 | 1464645 | 0 | 11561 | 1447976 | 5108 | 0 | 1116 |
| - - C&WF CAT 4 | CWF4 | 897872 | 457603 | 0 | 0 | 457603 | 0 | 0 | 1116 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| ACCUM DEPRECIATION | ACCDEP | 13978211 | 6146592 | 1740936 | 3162354 | 1071260 | 156020 | 16022 | 1116 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| NETWORK SUPPORT EXP | NETSPX | 70692 | 27475 | 10682 | 9509 | 6304 | 916 | 64 | 1116 |
| GENERAL SUPPORT EXP | GSFX | 96394 | 37464 | 14198 | 12639 | 8380 | 1217 | 1029 | 1116 |
| COE EXPENSE | COEX | 246559 | 134449 | 1963 | 127216 | 4598 | 672 | 0 | 1116 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| C&WF EXPENSE | CWFX | 217998 | 68174 | 40953 | 155 | 25623 | 1441 | 0 | 1116 |
| OTHER PROP & PL EXP | OTHPPX | 16597 | 6450 | 2514 | 2238 | 1484 | 215 | 0 | 1116 |
| NETWORK OPERATIONS EXP | NETOPX | 296880 | 115383 | 44965 | 40027 | 26538 | 3854 | 0 | 1116 |
| DEPREC & AMORT EXP | DEPAMX | 1344744 | 590033 | 171061 | 299526 | 93759 | 24078 | 1609 | 1116 |
| MARKETING EXPENSE | MRKTX | 294 | 205 | 80 | 71 | 47 | 7 | 0 | 1116 |
| SERVICES EXPENSE | SERVX | 162028 | 48732 | 1692 | 1120 | 743 | 15725 | 29451 | 1116 |
| - CABSX EXPENSE | CABSX | 3321 | 1661 | 0 | 944 | 626 | 91 | 0 | 1116 |
| EXEC & PLANNING EXP | EXEPLX | 395644 | 157161 | 49707 | 64540 | 24655 | 8042 | 10216 | 1116 |
| GENERAL & ADMIN EXP | GENADX | 246050 | 142913 | 45201 | 58689 | 22419 | 7313 | 9289 | 1116 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 292837 | 113547 | 44249 | 39390 | 26115 | 3792 | 0 | 1116 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1116 |
| NON-OPERATING INC & EXP | NONOPX | 8967 | 4193 | 1630 | 1451 | 962 | 140 | 10 | 1116 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 300407 | 99328 | 38618 | 34377 | 22792 | 3310 | 231 | 1116 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 78604 | 19737 | 11840 | 7400 | 183 | 259 | 55 | 1117 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - GENERAL SUPPORT FACILITIES | GSF | 10655289 | 3541812 | 2116450 | 1322910 | 32669 | 46302 | 23481 | 1117 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7240700 | 3781036 | 679668 | 3014313 | 62312 | 15811 | 8933 | 1117 |
| - - COE CAT 1 | COE1 | 107857 | 26178 | 0 | 17245 | 0 | 0 | 8933 | 1117 |
| - - COE CAT 2 | COE2 | 43227 | 20822 | 0 | 0 | 20822 | 0 | 0 | 1117 |
| - - COE CAT 3 | COE3 | 4136134 | 2997068 | 0 | 2997068 | 0 | 0 | 0 | 1117 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - - COE CAT 4.12 | COE412 | 29839 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - - COE CAT 4.13 | COE413 | 2765463 | 694382 | 679668 | 0 | 0 | 14715 | 0 | 1117 |
| - - COE CAT 4.2 | COE42 | 158180 | 42586 | 0 | 0 | 41490 | 1096 | 0 | 1117 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - CABLE & WIRE FACILITIES | CWF | 16903801 | 4244580 | 4142764 | 0 | 12127 | 89690 | 0 | 1117 |
| - - C&WF CAT 1.1 | CWF11 | 195523 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - - C&WF CAT 1.2 | CWF12 | 89690 | 89690 | 0 | 0 | 0 | 89690 | 0 | 1117 |
| - - C&WF CAT 1.3 | CWF13 | 16571055 | 4142764 | 4142764 | 0 | 0 | 0 | 0 | 1117 |
| - - C&WF CAT 2 | CWF2 | 12547 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - - C&WF CAT 3 | CWF3 | 34986 | 12127 | 0 | 0 | 12127 | 0 | 0 | 1117 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| TELCOM PLANT-OTHER | PLTOTH | 176599 | 58537 | 35213 | 22010 | 544 | 770 | 0 | 1117 |
| ACCUM DEPRECIATION | ACCDEP | 23026022 | 7645388 | 4585424 | 2858709 | 76575 | 100478 | 24202 | 1117 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| NET DEFERRED FIT | NTDFIT | 993861 | 325030 | 200756 | 116956 | 2928 | 4389 | 0 | 1117 |
| NETWORK SUPPORT EXP | NETSPX | 332233 | 110434 | 66245 | 41407 | 1023 | 1449 | 309 | 1117 |
| GENERAL SUPPORT EXP | GSFX | 3902405 | 1297157 | 775131 | 484504 | 11965 | 16958 | 8600 | 1117 |
| COE EXPENSE | COEX | 1124704 | 587349 | 93286 | 482844 | 9049 | 2170 | 0 | 1117 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| C&WF EXPENSE | CWFX | 3314353 | 832241 | 812278 | 0 | 2378 | 17586 | 0 | 1117 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| NETWORK OPERATIONS EXP | NETOPX | 757121 | 251667 | 151221 | 94523 | 2334 | 3308 | 280 | 1117 |
| DEPREC & AMORT EXP | DEPAMX | 2642130 | 1013412 | 453436 | 535648 | 11391 | 9993 | 2943 | 1117 |
| MARKETING EXPENSE | MRKTX | 45175 | 13895 | 8335 | 5210 | 129 | 182 | 39 | 1117 |
| SERVICES EXPENSE | SERVX | 871600 | 158027 | 27005 | 57847 | 258 | 207 | 72710 | 1117 |
| - CABSX EXPENSE | CABSX | 11107 | 5554 | 0 | 5241 | 129 | 183 | 0 | 1117 |
| EXEC & PLANNING EXP | EXEPLX | 702568 | 211842 | 126867 | 75238 | 1750 | 2700 | 5286 | 1117 |
| GENERAL & ADMIN EXP | GENADX | 1387320 | 451493 | 270389 | 160353 | 3731 | 5755 | 11265 | 1117 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 751185 | 251397 | 151119 | 94617 | 2277 | 3304 | 79 | 1117 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1117 |
| NON-OPERATING INC & EXP | NONOPX | 91447 | 29026 | 17412 | 10883 | 269 | 381 | 81 | 1117 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 2678 | 892 | 535 | 334 | 8 | 12 | 2 | 1117 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 123554 | 42987 | 18411 | 6804 | 5789 | 11983 | 0 | 1118 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| - GENERAL SUPPORT FACILITIES | GSF | 2628539 | 985896 | 422245 | 156060 | 132762 | 274828 | 0 | 1118 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8606794 | 3730384 | 727080 | 1608932 | 842208 | 552163 | 0 | 1118 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| - - COE CAT 2 | COE2 | 50050 | 17564 | 0 | 0 | 17564 | 0 | 0 | 1118 |
| - - COE CAT 3 | COE3 | 2341345 | 1608932 | 0 | 1608932 | 0 | 0 | 0 | 1118 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| - - COE CAT 4.13 | COE413 | 2947238 | 753465 | 727080 | 0 | 0 | 26385 | 0 | 1118 |
| - - COE CAT 4.2 | COE42 | 2624931 | 1115426 | 0 | 0 | 589648 | 525778 | 0 | 1118 |
| - - COE CAT 4.3 | COE43 | 643230 | 234996 | 0 | 0 | 234996 | 0 | 0 | 1118 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| - CABLE & WIRE FACILITIES | CWF | 18492698 | 6433921 | 3626148 | 0 | 526534 | 2281239 | 0 | 1118 |
| - - C&WF CAT 1.1 | CWF11 | 62506 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| - - C&WF CAT 1.2 | CWF12 | 131591 | 131591 | 0 | 0 | 0 | 131591 | 0 | 1118 |
| - - C&WF CAT 1.3 | CWF13 | 14504592 | 3626148 | 3626148 | 0 | 0 | 0 | 0 | 1118 |
| - - C&WF CAT 2 | CWF2 | 2287791 | 2095468 | 0 | 0 | 0 | 2095468 | 0 | 1118 |
| - - C&WF CAT 3 | CWF3 | 218572 | 110288 | 0 | 0 | 56107 | 54180 | 0 | 1118 |
| - - C&WF CAT 4 | CWF4 | 1287647 | 470426 | 0 | 0 | 470426 | 0 | 0 | 1118 |
| - TANGIBLES | TANGIB | 17600 | 6601 | 2827 | 1045 | 889 | 1840 | 0 | 1118 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| TELCOM PLANT-OTHER | PLTOTH | 2278612 | 854647 | 366033 | 135284 | 115088 | 238242 | 0 | 1118 |
| ACCUM DEPRECIATION | ACCDEP | 21879078 | 8375232 | 3559295 | 1608629 | 917626 | 2289681 | 0 | 1118 |
| ACCUM AMORTIZATION | ACCAMO | 1450 | 544 | 233 | 86 | 73 | 152 | 0 | 1118 |
| NET DEFERRED FIT | NTDFIT | 69034 | 26268 | 10863 | 4860 | 3469 | 7076 | 0 | 1118 |
| NETWORK SUPPORT EXP | NETSPX | 133548 | 50090 | 21453 | 7929 | 6745 | 13963 | 0 | 1118 |
| GENERAL SUPPORT EXP | GSFX | 492089 | 184570 | 79049 | 29216 | 24854 | 51451 | 0 | 1118 |
| COE EXPENSE | COEX | 1217975 | 527899 | 31029 | 433382 | 39924 | 23564 | 0 | 1118 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| C&WF EXPENSE | CWFX | 894197 | 311106 | 175339 | 0 | 25460 | 110307 | 0 | 1118 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| NETWORK OPERATIONS EXP | NETOPX | 157064 | 63668 | 27114 | 10022 | 8525 | 18008 | 0 | 1118 |
| DEPREC & AMORT EXP | DEPAMX | 1863276 | 726979 | 284632 | 168152 | 89080 | 185115 | 0 | 1118 |
| MARKETING EXPENSE | MRKTX | 56214 | 21441 | 9183 | 3394 | 2887 | 5977 | 0 | 1118 |
| SERVICES EXPENSE | SERVX | 364631 | 172070 | 62130 | 22794 | 19392 | 15661 | 52093 | 1118 |
| - CABSX EXPENSE | CABSX | 60044 | 30022 | 0 | 8312 | 7071 | 14639 | 0 | 1118 |
| EXEC & PLANNING EXP | EXEPLX | 717998 | 292578 | 95117 | 108110 | 27263 | 50975 | 11114 | 1118 |
| GENERAL & ADMIN EXP | GENADX | 500509 | 260426 | 84664 | 96229 | 24267 | 45373 | 9892 | 1118 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 238493 | 89452 | 38311 | 14160 | 12046 | 24936 | 0 | 1118 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 2568 | 963 | 413 | 152 | 130 | 268 | 0 | 1118 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1118 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1025819 | 367386 | 157346 | 58154 | 49473 | 102413 | 0 | 1118 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 174360 | 46509 | 24703 | 16596 | 1362 | 3849 | 0 | 1119 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - GENERAL SUPPORT FACILITIES | GSF | 1978224 | 692388 | 367752 | 247065 | 20277 | 57295 | 0 | 1119 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4590727 | 2458487 | 302378 | 1850892 | 119625 | 185592 | 0 | 1119 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - - COE CAT 2 | COE2 | 157629 | 92500 | 0 | 0 | 92500 | 0 | 0 | 1119 |
| - - COE CAT 3 | COE3 | 2925950 | 1850892 | 0 | 1850892 | 0 | 0 | 0 | 1119 |
| - - COE CAT 4.11 | COE411 | 85251 | 85251 | 0 | 0 | 0 | 85251 | 0 | 1119 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - - COE CAT 4.13 | COE413 | 1216475 | 304119 | 302378 | 0 | 0 | 1741 | 0 | 1119 |
| - - COE CAT 4.2 | COE42 | 205422 | 125726 | 0 | 0 | 27125 | 98601 | 0 | 1119 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - CABLE & WIRE FACILITIES | CWF | 10229190 | 2728557 | 2452645 | 0 | 32281 | 243632 | 0 | 1119 |
| - - C&WF CAT 1.1 | CWF11 | 42358 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - - C&WF CAT 1.2 | CWF12 | 14119 | 14119 | 0 | 0 | 0 | 14119 | 0 | 1119 |
| - - C&WF CAT 1.3 | CWF13 | 9810579 | 2452645 | 2452645 | 0 | 0 | 0 | 0 | 1119 |
| - - C&WF CAT 2 | CWF2 | 302037 | 228495 | 0 | 0 | 0 | 228495 | 0 | 1119 |
| - - C&WF CAT 3 | CWF3 | 60097 | 33298 | 0 | 0 | 32281 | 1017 | 0 | 1119 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| TELCOM PLANT-OTHER | PLTOTH | 28255 | 9889 | 5253 | 3529 | 290 | 818 | 0 | 1119 |
| ACCUM DEPRECIATION | ACCDEP | 8244428 | 3169028 | 1350735 | 1437165 | 109982 | 271146 | 0 | 1119 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| NET DEFERRED FIT | NTDFIT | 1670450 | 584666 | 310537 | 208626 | 17122 | 48381 | 0 | 1119 |
| NETWORK SUPPORT EXP | NETSPX | 9334 | 3267 | 1735 | 1166 | 96 | 270 | 0 | 1119 |
| GENERAL SUPPORT EXP | GSFX | 77906 | 27267 | 14483 | 9730 | 799 | 2256 | 0 | 1119 |
| COE EXPENSE | COEX | 236674 | 126746 | 13733 | 85832 | 18753 | 8429 | 0 | 1119 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| C&WF EXPENSE | CWFX | 475518 | 126841 | 114015 | 0 | 1501 | 11326 | 0 | 1119 |
| OTHER PROP & PL EXP | OTHPPX | 20775 | 7271 | 3862 | 2595 | 213 | 602 | 0 | 1119 |
| NETWORK OPERATIONS EXP | NETOPX | 221584 | 77556 | 41192 | 27674 | 2271 | 6418 | 0 | 1119 |
| DEPREC & AMORT EXP | DEPAMX | 1011965 | 382373 | 169851 | 169147 | 12737 | 30638 | 0 | 1119 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| SERVICES EXPENSE | SERVX | 468588 | 132680 | 15514 | 20546 | 1686 | 4673 | 90260 | 1119 |
| - CABSX EXPENSE | CABSX | 52311 | 26156 | 0 | 19906 | 1634 | 4616 | 0 | 1119 |
| EXEC & PLANNING EXP | EXEPLX | 389958 | 128976 | 57284 | 35604 | 6110 | 8198 | 21781 | 1119 |
| GENERAL & ADMIN EXP | GENADX | 404009 | 153435 | 68147 | 42355 | 7268 | 9753 | 25911 | 1119 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 178362 | 75537 | 43191 | 24124 | 2054 | 6168 | 0 | 1119 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1119 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 36675 | 11294 | 7664 | 2496 | 245 | 890 | 0 | 1119 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 249105 | 68813 | 34957 | 20215 | 4633 | 9007 | 0 | 1120 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| - GENERAL SUPPORT FACILITIES | GSF | 1530769 | 531631 | 270072 | 156178 | 35796 | 69585 | 0 | 1120 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3077657 | 1597189 | 195212 | 1072600 | 125226 | 204151 | 0 | 1120 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| - - COE CAT 3 | COE3 | 1699426 | 1072600 | 0 | 1072600 | 0 | 0 | 0 | 1120 |
| - - COE CAT 4.11 | COE411 | 243782 | 200442 | 0 | 0 | 0 | 200442 | 0 | 1120 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| - - COE CAT 4.13 | COE413 | 787551 | 196623 | 195212 | 0 | 0 | 1411 | 0 | 1120 |
| - - COE CAT 4.2 | COE42 | 229809 | 88983 | 0 | 0 | 86685 | 2298 | 0 | 1120 |
| - - COE CAT 4.3 | COE43 | 117089 | 38540 | 0 | 0 | 38540 | 0 | 0 | 1120 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| - CABLE & WIRE FACILITIES | CWF | 7435380 | 2053954 | 1659594 | 0 | 120614 | 273747 | 0 | 1120 |
| - - C&WF CAT 1.1 | CWF11 | 44975 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| - - C&WF CAT 1.2 | CWF12 | 11993 | 11993 | 0 | 0 | 0 | 11993 | 0 | 1120 |
| - - C&WF CAT 1.3 | CWF13 | 6638375 | 1659594 | 1659594 | 0 | 0 | 0 | 0 | 1120 |
| - - C&WF CAT 2 | CWF2 | 401749 | 259243 | 0 | 0 | 0 | 259243 | 0 | 1120 |
| - - C&WF CAT 3 | CWF3 | 180429 | 71165 | 0 | 0 | 68654 | 2510 | 0 | 1120 |
| - - C&WF CAT 4 | CWF4 | 157858 | 51960 | 0 | 0 | 51960 | 0 | 0 | 1120 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| TELCOM PLANT-OTHER | PLTOTH | 17301 | 6009 | 3052 | 1765 | 405 | 786 | 0 | 1120 |
| ACCUM DEPRECIATION | ACCDEP | 8438661 | 2812734 | 1567722 | 705925 | 179290 | 359797 | 0 | 1120 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| NET DEFERRED FIT | NTDFIT | 315249 | 109485 | 55619 | 32164 | 7372 | 14330 | 0 | 1120 |
| NETWORK SUPPORT EXP | NETSPX | -1834 | -637 | -324 | -187 | -43 | -83 | 0 | 1120 |
| GENERAL SUPPORT EXP | GSFX | 108269 | 37601 | 19102 | 11046 | 2532 | 4922 | 0 | 1120 |
| COE EXPENSE | COEX | 308355 | 160025 | 13217 | 124507 | 8478 | 13822 | 0 | 1120 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| C&WF EXPENSE | CWFX | 607208 | 167736 | 135530 | 0 | 9850 | 22355 | 0 | 1120 |
| OTHER PROP & PL EXP | OTHPPX | 199 | 69 | 35 | 20 | 5 | 9 | 0 | 1120 |
| NETWORK OPERATIONS EXP | NETOPX | 58116 | 20183 | 10253 | 5929 | 1359 | 2642 | 0 | 1120 |
| DEPREC & AMORT EXP | DEPAMX | 655963 | 255011 | 98583 | 114782 | 14314 | 27332 | 0 | 1120 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| SERVICES EXPENSE | SERVX | 226633 | 63287 | 10669 | 22965 | 5069 | 8526 | 16057 | 1120 |
| - CABSX EXPENSE | CABSX | 63575 | 31788 | 0 | 18980 | 4350 | 8457 | 0 | 1120 |
| EXEC & PLANNING EXP | EXEPLX | 1333270 | 456783 | 199292 | 162833 | 27010 | 51732 | 15916 | 1120 |
| GENERAL & ADMIN EXP | GENADX | 246897 | 107205 | 46773 | 38216 | 6339 | 12141 | 3735 | 1120 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 67319 | 24402 | 11767 | 7715 | 1689 | 3232 | 0 | 1120 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1120 |
| NON-OPERATING INC & EXP | NONOPX | 4875 | 1740 | 884 | 511 | 117 | 228 | 0 | 1120 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 269242 | 101099 | 51359 | 29700 | 6807 | 13233 | 0 | 1120 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 36009 | 14681 | 3691 | 5567 | 5300 | 60 | 64 | 1121 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - GENERAL SUPPORT FACILITIES | GSF | 5033315 | 2336369 | 575202 | 867503 | 825903 | 9369 | 58393 | 1121 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8551539 | 4839858 | 159680 | 4234404 | 443355 | 2419 | 0 | 1121 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - - COE CAT 2 | COE2 | 329342 | 110382 | 0 | 0 | 110382 | 0 | 0 | 1121 |
| - - COE CAT 3 | COE3 | 6792381 | 4234404 | 0 | 4234404 | 0 | 0 | 0 | 1121 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - - COE CAT 4.13 | COE413 | 641139 | 162099 | 159680 | 0 | 0 | 2419 | 0 | 1121 |
| - - COE CAT 4.2 | COE42 | 788678 | 332974 | 0 | 0 | 332974 | 0 | 0 | 1121 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - CABLE & WIRE FACILITIES | CWF | 15413055 | 6284052 | 2649172 | 1822 | 3589727 | 43331 | 0 | 1121 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - - C&WF CAT 1.2 | CWF12 | 40127 | 40127 | 0 | 0 | 0 | 40127 | 0 | 1121 |
| - - C&WF CAT 1.3 | CWF13 | 10596689 | 2649172 | 2649172 | 0 | 0 | 0 | 0 | 1121 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - - C&WF CAT 3 | CWF3 | 4776239 | 3594753 | 0 | 1822 | 3589727 | 3203 | 0 | 1121 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| TELCOM PLANT-OTHER | PLTOTH | 150445 | 69531 | 17557 | 26479 | 25209 | 286 | 0 | 1121 |
| ACCUM DEPRECIATION | ACCDEP | 17940288 | 8567701 | 1890123 | 3862149 | 2748371 | 30772 | 36285 | 1121 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| NET DEFERRED FIT | NTDFIT | 2475233 | 1177085 | 260781 | 532863 | 379195 | 4246 | 0 | 1121 |
| NETWORK SUPPORT EXP | NETSPX | 3295 | 1529 | 385 | 580 | 552 | 6 | 7 | 1121 |
| GENERAL SUPPORT EXP | GSFX | 486990 | 226052 | 55653 | 83934 | 79909 | 906 | 5650 | 1121 |
| COE EXPENSE | COEX | 279642 | 158267 | 6653 | 134144 | 17370 | 101 | 0 | 1121 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| C&WF EXPENSE | CWFX | 361447 | 147365 | 62125 | 43 | 84182 | 1016 | 0 | 1121 |
| OTHER PROP & PL EXP | OTHPPX | 5011 | 2326 | 587 | 886 | 843 | 10 | 0 | 1121 |
| NETWORK OPERATIONS EXP | NETOPX | 58894 | 27337 | 6903 | 10411 | 9911 | 112 | 0 | 1121 |
| DEPREC & AMORT EXP | DEPAMX | 1115824 | 507941 | 138524 | 167995 | 197795 | 2256 | 1371 | 1121 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1121 |
| SERVICES EXPENSE | SERVX | 464503 | 147326 | 13867 | 23989 | 12060 | 252 | 97159 | 1121 |
| - CABSX EXPENSE | CABSX | 49729 | 24864 | 0 | 12667 | 12060 | 137 | 0 | 1121 |
| EXEC & PLANNING EXP | EXEPLX | 334357 | 137907 | 31732 | 47811 | 38557 | 452 | 19354 | 1121 |
| GENERAL & ADMIN EXP | GENADX | 699586 | 334766 | 77029 | 116060 | 93597 | 1098 | 46982 | 1121 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 213182 | 98526 | 24878 | 37521 | 35721 | 405 | 0 | 1121 |
| INVESTMENT TAX CREDITS (ITC) | ITC | -6108 | -2823 | -713 | -1075 | -1023 | -12 | 0 | 1121 |
| NON-OPERATING INC & EXP | NONOPX | 2668 | 1220 | 307 | 462 | 440 | 5 | 5 | 1121 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 201644 | 87268 | 21940 | 33089 | 31503 | 357 | 379 | 1121 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 779545 | 213940 | 85700 | 39275 | 25078 | 63765 | 123 | 1122 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| - GENERAL SUPPORT FACILITIES | GSF | 15752486 | 6610796 | 2638868 | 1209353 | 772202 | 1963439 | 26935 | 1122 |
| - CENTRAL OFFICE EQUIPMENT | COE | 41851655 | 25469188 | 3985312 | 7402325 | 3890921 | 10190630 | 0 | 1122 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| - - COE CAT 2 | COE2 | 2309500 | 1670249 | 0 | 0 | 1670249 | 0 | 0 | 1122 |
| - - COE CAT 3 | COE3 | 8708618 | 7402325 | 0 | 7402325 | 0 | 0 | 0 | 1122 |
| - - COE CAT 4.11 | COE411 | 10280148 | 9787513 | 0 | 0 | 0 | 9787513 | 0 | 1122 |
| - - COE CAT 4.12 | COE412 | 47460 | 30875 | 0 | 0 | 0 | 30875 | 0 | 1122 |
| - - COE CAT 4.13 | COE413 | 16684162 | 4248105 | 3985312 | 0 | 0 | 262793 | 0 | 1122 |
| - - COE CAT 4.2 | COE42 | 2224750 | 1697755 | 0 | 0 | 1588306 | 109449 | 0 | 1122 |
| - - COE CAT 4.3 | COE43 | 1597017 | 632366 | 0 | 0 | 632366 | 0 | 0 | 1122 |
| - INFORMATION ORIG/TERM | IOT | 208532 | 48 | 0 | 0 | 0 | 48 | 0 | 1122 |
| - CABLE & WIRE FACILITIES | CWF | 53966848 | 14829916 | 12166932 | 0 | 835650 | 1827334 | 0 | 1122 |
| - - C&WF CAT 1.1 | CWF11 | 1465778 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| - - C&WF CAT 1.2 | CWF12 | 802292 | 802292 | 0 | 0 | 0 | 802292 | 0 | 1122 |
| - - C&WF CAT 1.3 | CWF13 | 48667730 | 12166932 | 12166932 | 0 | 0 | 0 | 0 | 1122 |
| - - C&WF CAT 2 | CWF2 | 1523970 | 991425 | 0 | 0 | 0 | 991425 | 0 | 1122 |
| - - C&WF CAT 3 | CWF3 | 777554 | 580400 | 0 | 0 | 546782 | 33617 | 0 | 1122 |
| - - C&WF CAT 4 | CWF4 | 729524 | 288867 | 0 | 0 | 288867 | 0 | 0 | 1122 |
| - TANGIBLES | TANGIB | 187516 | 78694 | 31523 | 14447 | 9224 | 23455 | 45 | 1122 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| TELCOM PLANT-OTHER | PLTOTH | 1554966 | 652190 | 261403 | 119797 | 76493 | 194496 | 0 | 1122 |
| ACCUM DEPRECIATION | ACCDEP | 68963807 | 27819956 | 12019790 | 4119393 | 3121761 | 8538748 | 20263 | 1122 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| NETWORK SUPPORT EXP | NETSPX | 170686 | 71631 | 28694 | 13150 | 8397 | 21350 | 41 | 1122 |
| GENERAL SUPPORT EXP | GSFX | 520642 | 218496 | 87218 | 39971 | 25522 | 64894 | 890 | 1122 |
| COE EXPENSE | COEX | 1674221 | 1018862 | 128495 | 399954 | 161844 | 328568 | 0 | 1122 |
| IOT EXPENSE | IOTX | 673 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| C&WF EXPENSE | CWFX | 1602036 | 440234 | 361182 | 0 | 24807 | 54245 | 0 | 1122 |
| OTHER PROP & PL EXP | OTHPPX | 89202 | 37435 | 15004 | 6876 | 4391 | 11164 | 0 | 1122 |
| NETWORK OPERATIONS EXP | NETOPX | 2305902 | 967706 | 387865 | 177752 | 113499 | 288589 | 0 | 1122 |
| DEPREC & AMORT EXP | DEPAMX | 8804162 | 4103212 | 1325980 | 918810 | 527775 | 1329264 | 1382 | 1122 |
| MARKETING EXPENSE | MRKTX | 84002 | 25210 | 10098 | 4628 | 2955 | 7514 | 14 | 1122 |
| SERVICES EXPENSE | SERVX | 1383708 | 277003 | 71414 | 23955 | 15296 | 71385 | 94951 | 1122 |
| - CABSX EXPENSE | CABSX | 46212 | 23106 | 0 | 7083 | 4523 | 11500 | 0 | 1122 |
| EXEC & PLANNING EXP | EXEPLX | 832635 | 322259 | 114917 | 70248 | 37609 | 89375 | 10111 | 1122 |
| GENERAL & ADMIN EXP | GENADX | 2881378 | 1152292 | 410906 | 251182 | 134476 | 319576 | 36152 | 1122 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 583992 | 244940 | 98174 | 44992 | 28728 | 73046 | 0 | 1122 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1122 |
| NON-OPERATING INC & EXP | NONOPX | 3034 | 1204 | 482 | 221 | 141 | 359 | 1 | 1122 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1130736 | 499122 | 199937 | 91628 | 58507 | 148763 | 287 | 1122 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 228658 | 115981 | 14204 | 28926 | 6098 | 66716 | 36 | 1123 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - GENERAL SUPPORT FACILITIES | GSF | 5607523 | 3523021 | 430882 | 877488 | 184997 | 2023848 | 5806 | 1123 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13768075 | 9870096 | 365073 | 3734555 | 413833 | 5356636 | 0 | 1123 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - - COE CAT 2 | COE2 | 122204 | 53080 | 0 | 0 | 53080 | 0 | 0 | 1123 |
| - - COE CAT 3 | COE3 | 6052969 | 3734555 | 0 | 3734555 | 0 | 0 | 0 | 1123 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - - COE CAT 4.12 | COE412 | 40601 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - - COE CAT 4.13 | COE413 | 1473133 | 373634 | 365073 | 0 | 0 | 8561 | 0 | 1123 |
| - - COE CAT 4.2 | COE42 | 6079168 | 5708828 | 0 | 0 | 360753 | 5348075 | 0 | 1123 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - INFORMATION ORIG/TERM | IOT | 10138 | 2535 | 2476 | 0 | 0 | 59 | 0 | 1123 |
| - CABLE & WIRE FACILITIES | CWF | 10047848 | 5096496 | 1466269 | 0 | 373508 | 3256719 | 0 | 1123 |
| - - C&WF CAT 1.1 | CWF11 | 17192 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - - C&WF CAT 1.2 | CWF12 | 34383 | 34383 | 0 | 0 | 0 | 34383 | 0 | 1123 |
| - - C&WF CAT 1.3 | CWF13 | 5865077 | 1466269 | 1466269 | 0 | 0 | 0 | 0 | 1123 |
| - - C&WF CAT 2 | CWF2 | 3322797 | 3187944 | 0 | 0 | 0 | 3187944 | 0 | 1123 |
| - - C&WF CAT 3 | CWF3 | 808399 | 407899 | 0 | 0 | 373508 | 34391 | 0 | 1123 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| TELCOM PLANT-OTHER | PLTOTH | 3735 | 2346 | 287 | 585 | 123 | 1350 | 0 | 1123 |
| ACCUM DEPRECIATION | ACCDEP | 14754120 | 9302742 | 1059282 | 2666244 | 469426 | 5103992 | 3797 | 1123 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| NET DEFERRED FIT | NTDFIT | 3523247 | 2213196 | 270777 | 553405 | 116335 | 1272680 | 0 | 1123 |
| NETWORK SUPPORT EXP | NETSPX | 298316 | 187422 | 22953 | 46744 | 9855 | 107811 | 59 | 1123 |
| GENERAL SUPPORT EXP | GSFX | 514403 | 323182 | 39527 | 80496 | 16971 | 185657 | 533 | 1123 |
| COE EXPENSE | COEX | 501562 | 359561 | 3369 | 299173 | 7582 | 49437 | 0 | 1123 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| C&WF EXPENSE | CWFX | 518698 | 263095 | 75693 | 0 | 19282 | 168121 | 0 | 1123 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| NETWORK OPERATIONS EXP | NETOPX | 1019702 | 640645 | 78483 | 159831 | 33696 | 368635 | 0 | 1123 |
| DEPREC & AMORT EXP | DEPAMX | 2059489 | 1340396 | 135708 | 362489 | 67569 | 774273 | 356 | 1123 |
| MARKETING EXPENSE | MRKTX | 8846 | 2875 | 352 | 717 | 151 | 1654 | 1 | 1123 |
| SERVICES EXPENSE | SERVX | 467598 | 160317 | 8332 | 36148 | 7621 | 83373 | 24843 | 1123 |
| - CABSX EXPENSE | CABSX | 254283 | 127142 | 0 | 36148 | 7621 | 83373 | 0 | 1123 |
| EXEC & PLANNING EXP | EXEPLX | 221785 | 125725 | 18328 | 39171 | 5982 | 60645 | 1599 | 1123 |
| GENERAL & ADMIN EXP | GENADX | 1216145 | 744571 | 108542 | 231982 | 35427 | 359151 | 9470 | 1123 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 363973 | 229185 | 29028 | 53051 | 12288 | 134808 | 9 | 1123 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1123 |
| NON-OPERATING INC & EXP | NONOPX | 87563 | 52997 | 6490 | 13218 | 2787 | 30485 | 17 | 1123 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 405331 | 252480 | 30921 | 62970 | 13276 | 145234 | 79 | 1123 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 5162062 | 1346811 | 750602 | 151025 | 409826 | 32923 | 2435 | 1124 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| - GENERAL SUPPORT FACILITIES | GSF | 41851460 | 10785632 | 5963806 | 1199952 | 3256221 | 261584 | 104068 | 1124 |
| - CENTRAL OFFICE EQUIPMENT | COE | 69950308 | 17670764 | 3099741 | 5255140 | 8969276 | 346606 | 0 | 1124 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| - - COE CAT 2 | COE2 | 2624745 | 1035543 | 0 | 0 | 1035543 | 0 | 0 | 1124 |
| - - COE CAT 3 | COE3 | 32165531 | 5255140 | 0 | 5255140 | 0 | 0 | 0 | 1124 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| - - COE CAT 4.12 | COE412 | 82401 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| - - COE CAT 4.13 | COE413 | 12740819 | 3170791 | 3099741 | 0 | 0 | 71050 | 0 | 1124 |
| - - COE CAT 4.2 | COE42 | 13786506 | 5483418 | 0 | 0 | 5207861 | 275557 | 0 | 1124 |
| - - COE CAT 4.3 | COE43 | 8550306 | 2725872 | 0 | 0 | 2725872 | 0 | 0 | 1124 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| - CABLE & WIRE FACILITIES | CWF | 111567879 | 29108688 | 23018493 | 0 | 5291204 | 798991 | 0 | 1124 |
| - - C&WF CAT 1.1 | CWF11 | 2010989 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| - - C&WF CAT 1.2 | CWF12 | 527611 | 527611 | 0 | 0 | 0 | 527611 | 0 | 1124 |
| - - C&WF CAT 1.3 | CWF13 | 92073973 | 23018493 | 23018493 | 0 | 0 | 0 | 0 | 1124 |
| - - C&WF CAT 2 | CWF2 | 59689 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| - - C&WF CAT 3 | CWF3 | 9439089 | 3185413 | 0 | 0 | 2914033 | 271381 | 0 | 1124 |
| - - C&WF CAT 4 | CWF4 | 7456528 | 2377171 | 0 | 0 | 2377171 | 0 | 0 | 1124 |
| - TANGIBLES | TANGIB | 818680 | 213598 | 168908 | 0 | 38827 | 5863 | 0 | 1124 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| TELCOM PLANT-OTHER | PLTOTH | 6426496 | 1654367 | 924493 | 185039 | 503240 | 40506 | 1089 | 1124 |
| ACCUM DEPRECIATION | ACCDEP | 132704046 | 34614487 | 20345241 | 2962856 | 10375027 | 875483 | 55881 | 1124 |
| ACCUM AMORTIZATION | ACCAMO | 2416800 | 621600 | 347576 | 69579 | 189217 | 15229 | 0 | 1124 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| NETWORK SUPPORT EXP | NETSPX | 48876 | 12596 | 7020 | 1412 | 3833 | 308 | 23 | 1124 |
| GENERAL SUPPORT EXP | GSFX | 4121482 | 1062156 | 587309 | 118170 | 320669 | 25761 | 10249 | 1124 |
| COE EXPENSE | COEX | 3911227 | 988050 | 58579 | 645742 | 277178 | 6550 | 0 | 1124 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| C&WF EXPENSE | CWFX | 5899141 | 1539119 | 1217101 | 0 | 279772 | 42247 | 0 | 1124 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| NETWORK OPERATIONS EXP | NETOPX | 6407021 | 1651167 | 921892 | 185490 | 503350 | 40436 | 0 | 1124 |
| DEPREC & AMORT EXP | DEPAMX | 12176319 | 3121932 | 1530793 | 457274 | 1055801 | 73452 | 4613 | 1124 |
| MARKETING EXPENSE | MRKTX | 1397968 | 472923 | 263568 | 53031 | 143907 | 11561 | 855 | 1124 |
| SERVICES EXPENSE | SERVX | 6328525 | 1405517 | 297828 | 235379 | 247936 | 26409 | 597966 | 1124 |
| - CABSX EXPENSE | CABSX | 526040 | 263020 | 0 | 66899 | 181538 | 14584 | 0 | 1124 |
| EXEC & PLANNING EXP | EXEPLX | 1678522 | 424594 | 209242 | 70634 | 101266 | 8736 | 34717 | 1124 |
| GENERAL & ADMIN EXP | GENADX | 6795899 | 1787240 | 880759 | 297317 | 426256 | 36773 | 146135 | 1124 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 2359462 | 606990 | 338899 | 68188 | 185038 | 14865 | 0 | 1124 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1124 |
| NON-OPERATING INC & EXP | NONOPX | 86584 | 22599 | 12595 | 2534 | 6877 | 552 | 41 | 1124 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 2490729 | 632095 | 352278 | 70880 | 192343 | 15452 | 1143 | 1124 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 192957 | 64165 | 19479 | 20019 | 12319 | 12349 | 0 | 1125 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - GENERAL SUPPORT FACILITIES | GSF | 1394211 | 617635 | 188058 | 191417 | 118931 | 119228 | 0 | 1125 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4367004 | 2962095 | 106786 | 1876672 | 484703 | 493935 | 0 | 1125 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - - COE CAT 3 | COE3 | 2302303 | 1856659 | 0 | 1856659 | 0 | 0 | 0 | 1125 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - - COE CAT 4.13 | COE413 | 428203 | 106786 | 106786 | 0 | 0 | 0 | 0 | 1125 |
| - - COE CAT 4.2 | COE42 | 1261692 | 824298 | 0 | 0 | 330363 | 493935 | 0 | 1125 |
| - - COE CAT 4.3 | COE43 | 374806 | 154340 | 0 | 0 | 154340 | 0 | 0 | 1125 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - CABLE & WIRE FACILITIES | CWF | 9301960 | 3093249 | 1736952 | 0 | 681309 | 674988 | 0 | 1125 |
| - - C&WF CAT 1.1 | CWF11 | 17254 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - - C&WF CAT 1.3 | CWF13 | 6947809 | 1736952 | 1736952 | 0 | 0 | 0 | 0 | 1125 |
| - - C&WF CAT 2 | CWF2 | 692449 | 674988 | 0 | 0 | 0 | 674988 | 0 | 1125 |
| - - C&WF CAT 3 | CWF3 | 203637 | 88003 | 0 | 0 | 88003 | 0 | 0 | 1125 |
| - - C&WF CAT 4 | CWF4 | 1440811 | 593306 | 0 | 0 | 593306 | 0 | 0 | 1125 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| TELCOM PLANT-OTHER | PLTOTH | 564366 | 250014 | 75897 | 78000 | 47999 | 48118 | 0 | 1125 |
| ACCUM DEPRECIATION | ACCDEP | 8143217 | 3761772 | 1040339 | 1387661 | 665978 | 667795 | 0 | 1125 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| NET DEFERRED FIT | NTDFIT | 755862 | 338597 | 100966 | 112619 | 62442 | 62570 | 0 | 1125 |
| NETWORK SUPPORT EXP | NETSPX | 17859 | 7912 | 2402 | 2468 | 1519 | 1523 | 0 | 1125 |
| GENERAL SUPPORT EXP | GSFX | 62965 | 27893 | 8493 | 8645 | 5371 | 5385 | 0 | 1125 |
| COE EXPENSE | COEX | 267996 | 181779 | 7115 | 109455 | 32297 | 32912 | 0 | 1125 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| C&WF EXPENSE | CWFX | 350979 | 116714 | 65538 | 0 | 25707 | 25468 | 0 | 1125 |
| OTHER PROP & PL EXP | OTHPPX | 45476 | 20146 | 6134 | 6244 | 3879 | 3889 | 0 | 1125 |
| NETWORK OPERATIONS EXP | NETOPX | 250932 | 111163 | 33847 | 34452 | 21405 | 21459 | 0 | 1125 |
| DEPREC & AMORT EXP | DEPAMX | 747039 | 351920 | 91639 | 132556 | 63728 | 63998 | 0 | 1125 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| SERVICES EXPENSE | SERVX | 189587 | 59830 | 8657 | 7872 | 2739 | 2746 | 37815 | 1125 |
| - CABSX EXPENSE | CABSX | 19884 | 9942 | 0 | 4456 | 2739 | 2746 | 0 | 1125 |
| EXEC & PLANNING EXP | EXEPLX | 224125 | 99315 | 27588 | 30849 | 16948 | 17032 | 6897 | 1125 |
| GENERAL & ADMIN EXP | GENADX | 951715 | 514570 | 142940 | 159837 | 87810 | 88248 | 35736 | 1125 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 165957 | 72829 | 23284 | 20211 | 14650 | 14685 | 0 | 1125 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1125 |
| NON-OPERATING INC & EXP | NONOPX | 7016 | 3663 | 1112 | 1143 | 703 | 705 | 0 | 1125 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 185846 | 77963 | 23667 | 24323 | 14968 | 15005 | 0 | 1125 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 3873 | 1196 | 472 | 307 | 57 | 360 | 0 | 1126 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - GENERAL SUPPORT FACILITIES | GSF | 404044 | 154151 | 60879 | 39557 | 7357 | 46358 | 0 | 1126 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2531278 | 1259353 | 121310 | 642432 | 82460 | 413150 | 0 | 1126 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - - COE CAT 3 | COE3 | 1397312 | 642432 | 0 | 642432 | 0 | 0 | 0 | 1126 |
| - - COE CAT 4.11 | COE411 | 306815 | 306815 | 0 | 0 | 0 | 306815 | 0 | 1126 |
| - - COE CAT 4.12 | COE412 | 34320 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - - COE CAT 4.13 | COE413 | 492588 | 124404 | 121310 | 0 | 0 | 3093 | 0 | 1126 |
| - - COE CAT 4.2 | COE42 | 300243 | 185702 | 0 | 0 | 82460 | 103242 | 0 | 1126 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - INFORMATION ORIG/TERM | IOT | 1191 | 298 | 291 | 0 | 0 | 7 | 0 | 1126 |
| - CABLE & WIRE FACILITIES | CWF | 4029398 | 1243834 | 867095 | 0 | 37027 | 339712 | 0 | 1126 |
| - - C&WF CAT 1.1 | CWF11 | 30400 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - - C&WF CAT 1.2 | CWF12 | 22109 | 22109 | 0 | 0 | 0 | 22109 | 0 | 1126 |
| - - C&WF CAT 1.3 | CWF13 | 3468382 | 867095 | 867095 | 0 | 0 | 0 | 0 | 1126 |
| - - C&WF CAT 2 | CWF2 | 420407 | 314484 | 0 | 0 | 0 | 314484 | 0 | 1126 |
| - - C&WF CAT 3 | CWF3 | 88100 | 40146 | 0 | 0 | 37027 | 3119 | 0 | 1126 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| - INTANGIBLES | INTANG | 50506 | 19269 | 7610 | 4945 | 920 | 5795 | 0 | 1126 |
| TELCOM PLANT-OTHER | PLTOTH | 40626 | 15500 | 6121 | 3977 | 740 | 4661 | 0 | 1126 |
| ACCUM DEPRECIATION | ACCDEP | 3972019 | 1460945 | 635775 | 350206 | 61833 | 413130 | 0 | 1126 |
| ACCUM AMORTIZATION | ACCAMO | 34838 | 13291 | 5249 | 3411 | 634 | 3997 | 0 | 1126 |
| NET DEFERRED FIT | NTDFIT | 196000 | 74778 | 29532 | 19189 | 3569 | 22488 | 0 | 1126 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| GENERAL SUPPORT EXP | GSFX | 65209 | 24879 | 9825 | 6384 | 1187 | 7482 | 0 | 1126 |
| COE EXPENSE | COEX | 181383 | 90241 | 3264 | 58717 | 17145 | 11115 | 0 | 1126 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1126 |
| C&WF EXPENSE | CWFX | 371848 | 114786 | 80019 | 0 | 3417 | 31350 | 0 | 1126 |
| OTHER PROP & PL EXP | OTHPPX | 11086 | 4230 | 1670 | 1085 | 202 | 1272 | 0 | 1126 |
| NETWORK OPERATIONS EXP | NETOPX | 113251 | 43208 | 17064 | 11088 | 2062 | 12994 | 0 | 1126 |
| DEPREC & AMORT EXP | DEPAMX | 496314 | 192469 | 77112 | 36718 | 11168 | 67471 | 0 | 1126 |
| MARKETING EXPENSE | MRKTX | 154808 | 55928 | 22088 | 14352 | 2669 | 16819 | 0 | 1126 |
| SERVICES EXPENSE | SERVX | 127431 | 45079 | 7262 | 9885 | 1679 | 8330 | 17925 | 1126 |
| - CABSX EXPENSE | CABSX | 33262 | 16631 | 0 | 7053 | 1312 | 8266 | 0 | 1126 |
| EXEC & PLANNING EXP | EXEPLX | 79632 | 29314 | 10939 | 7865 | 2197 | 6924 | 1389 | 1126 |
| GENERAL & ADMIN EXP | GENADX | 220246 | 108072 | 40330 | 28996 | 8101 | 25525 | 5120 | 1126 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 68647 | 26347 | 10405 | 6761 | 1257 | 7923 | 0 | 1126 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 906 | 346 | 137 | 89 | 16 | 104 | 0 | 1126 |
| NON-OPERATING INC & EXP | NONOPX | 1566 | 717 | 283 | 184 | 34 | 216 | 0 | 1126 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 48424 | 19393 | 6681 | 5387 | 1057 | 6268 | 0 | 1126 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 46484 | 12396 | 7867 | 2103 | 563 | 1863 | 0 | 1127 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| - GENERAL SUPPORT FACILITIES | GSF | 5883273 | 1634641 | 1037418 | 277269 | 74308 | 245647 | 0 | 1127 |
| - CENTRAL OFFICE EQUIPMENT | COE | 11409675 | 3444586 | 681953 | 1695385 | 263323 | 803925 | 0 | 1127 |
| - - COE CAT 1 | COE1 | 331941 | 1591 | 0 | 1591 | 0 | 0 | 0 | 1127 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| - - COE CAT 3 | COE3 | 6261160 | 1693794 | 0 | 1693794 | 0 | 0 | 0 | 1127 |
| - - COE CAT 4.11 | COE411 | 403819 | 403819 | 0 | 0 | 0 | 403819 | 0 | 1127 |
| - - COE CAT 4.12 | COE412 | 579762 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| - - COE CAT 4.13 | COE413 | 2751619 | 689471 | 681953 | 0 | 0 | 7518 | 0 | 1127 |
| - - COE CAT 4.2 | COE42 | 1081374 | 655911 | 0 | 0 | 263323 | 392588 | 0 | 1127 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| - CABLE & WIRE FACILITIES | CWF | 24564154 | 6550582 | 5661437 | 0 | 191038 | 698108 | 0 | 1127 |
| - - C&WF CAT 1.1 | CWF11 | 135230 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| - - C&WF CAT 1.2 | CWF12 | 62414 | 62414 | 0 | 0 | 0 | 62414 | 0 | 1127 |
| - - C&WF CAT 1.3 | CWF13 | 22645747 | 5661437 | 5661437 | 0 | 0 | 0 | 0 | 1127 |
| - - C&WF CAT 2 | CWF2 | 1231578 | 634146 | 0 | 0 | 0 | 634146 | 0 | 1127 |
| - - C&WF CAT 3 | CWF3 | 489186 | 192586 | 0 | 0 | 191038 | 1548 | 0 | 1127 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| - TANGIBLES | TANGIB | 2643768 | 715203 | 0 | 715203 | 0 | 0 | 0 | 1127 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| TELCOM PLANT-OTHER | PLTOTH | 75151 | 20848 | 12464 | 4539 | 893 | 2951 | 0 | 1127 |
| ACCUM DEPRECIATION | ACCDEP | 18978891 | 5269145 | 3605844 | 565486 | 254703 | 843111 | 0 | 1127 |
| ACCUM AMORTIZATION | ACCAMO | 2582386 | 698597 | 0 | 698597 | 0 | 0 | 0 | 1127 |
| NET DEFERRED FIT | NTDFIT | 2625792 | 729572 | 463031 | 123716 | 33171 | 109654 | 0 | 1127 |
| NETWORK SUPPORT EXP | NETSPX | 10283 | 2857 | 1813 | 485 | 130 | 429 | 0 | 1127 |
| GENERAL SUPPORT EXP | GSFX | 391639 | 108815 | 69059 | 18457 | 4947 | 16352 | 0 | 1127 |
| COE EXPENSE | COEX | 726450 | 219317 | 5240 | 179464 | 28434 | 6178 | 0 | 1127 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| C&WF EXPENSE | CWFX | 262993 | 70133 | 60613 | 0 | 2045 | 7474 | 0 | 1127 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| NETWORK OPERATIONS EXP | NETOPX | 442375 | 122912 | 78006 | 20848 | 5587 | 18471 | 0 | 1127 |
| DEPREC & AMORT EXP | DEPAMX | 2128078 | 598106 | 350103 | 117309 | 30763 | 99931 | 0 | 1127 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1127 |
| SERVICES EXPENSE | SERVX | 674640 | 177087 | 47069 | 21271 | 5700 | 14923 | 88124 | 1127 |
| - CABSX EXPENSE | CABSX | 63862 | 31930 | 0 | 14824 | 3973 | 13133 | 0 | 1127 |
| EXEC & PLANNING EXP | EXEPLX | 710208 | 198737 | 83249 | 63229 | 12314 | 16779 | 23166 | 1127 |
| GENERAL & ADMIN EXP | GENADX | 525960 | 194928 | 81654 | 62017 | 12078 | 16457 | 22722 | 1127 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 356495 | 99870 | 63382 | 16940 | 4540 | 15008 | 0 | 1127 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 4842 | 1343 | 852 | 228 | 61 | 202 | 0 | 1127 |
| NON-OPERATING INC & EXP | NONOPX | 70369 | 22409 | 14222 | 3801 | 1019 | 3368 | 0 | 1127 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 505750 | 140596 | 82574 | 32208 | 6002 | 19813 | 0 | 1127 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 345315 | 106380 | 41982 | 16190 | 20007 | 28137 | 64 | 1128 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| - GENERAL SUPPORT FACILITIES | GSF | 5323702 | 1973373 | 776438 | 299423 | 370013 | 520373 | 7126 | 1128 |
| - CENTRAL OFFICE EQUIPMENT | COE | 9161147 | 4474968 | 382372 | 1490021 | 1200929 | 1401645 | 0 | 1128 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| - - COE CAT 3 | COE3 | 2778631 | 1490021 | 0 | 1490021 | 0 | 0 | 0 | 1128 |
| - - COE CAT 4.11 | COE411 | 1565677 | 1348567 | 0 | 0 | 0 | 1348567 | 0 | 1128 |
| - - COE CAT 4.12 | COE412 | 14062 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| - - COE CAT 4.13 | COE413 | 1554308 | 395085 | 382372 | 0 | 0 | 12713 | 0 | 1128 |
| - - COE CAT 4.2 | COE42 | 1289770 | 493605 | 0 | 0 | 453239 | 40365 | 0 | 1128 |
| - - COE CAT 4.3 | COE43 | 1958699 | 747690 | 0 | 0 | 747690 | 0 | 0 | 1128 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| - CABLE & WIRE FACILITIES | CWF | 17235599 | 5309696 | 3481428 | 0 | 640372 | 1187896 | 0 | 1128 |
| - - C&WF CAT 1.1 | CWF11 | 110237 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| - - C&WF CAT 1.2 | CWF12 | 115749 | 115749 | 0 | 0 | 0 | 115749 | 0 | 1128 |
| - - C&WF CAT 1.3 | CWF13 | 13925713 | 3481428 | 3481428 | 0 | 0 | 0 | 0 | 1128 |
| - - C&WF CAT 2 | CWF2 | 1323176 | 1022993 | 0 | 0 | 0 | 1022993 | 0 | 1128 |
| - - C&WF CAT 3 | CWF3 | 767323 | 310317 | 0 | 0 | 261163 | 49154 | 0 | 1128 |
| - - C&WF CAT 4 | CWF4 | 993401 | 379209 | 0 | 0 | 379209 | 0 | 0 | 1128 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| TELCOM PLANT-OTHER | PLTOTH | 83904 | 31082 | 12274 | 4733 | 5849 | 8226 | 0 | 1128 |
| ACCUM DEPRECIATION | ACCDEP | 19533994 | 7121079 | 2962640 | 628097 | 1471786 | 2052965 | 5591 | 1128 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| NETWORK SUPPORT EXP | NETSPX | 193784 | 71831 | 28348 | 10932 | 13509 | 18999 | 44 | 1128 |
| GENERAL SUPPORT EXP | GSFX | 228332 | 84637 | 33301 | 12842 | 15870 | 22319 | 306 | 1128 |
| COE EXPENSE | COEX | 352907 | 172385 | 9922 | 94928 | 31163 | 36372 | 0 | 1128 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| C&WF EXPENSE | CWFX | 536933 | 165411 | 108455 | 0 | 19949 | 37006 | 0 | 1128 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| NETWORK OPERATIONS EXP | NETOPX | 356135 | 132011 | 52129 | 20103 | 24842 | 34937 | 0 | 1128 |
| DEPREC & AMORT EXP | DEPAMX | 1285331 | 474900 | 189431 | 108050 | 71346 | 105676 | 397 | 1128 |
| MARKETING EXPENSE | MRKTX | 102 | 39 | 15 | 6 | 7 | 10 | 0 | 1128 |
| SERVICES EXPENSE | SERVX | 363613 | 82592 | 27226 | 7044 | 8331 | 6459 | 33533 | 1128 |
| - CABSX EXPENSE | CABSX | 28803 | 14402 | 0 | 3624 | 4479 | 6299 | 0 | 1128 |
| EXEC & PLANNING EXP | EXEPLX | 335200 | 115039 | 46303 | 22303 | 17382 | 23870 | 5181 | 1128 |
| GENERAL & ADMIN EXP | GENADX | 784864 | 288892 | 116280 | 56009 | 43650 | 59943 | 13011 | 1128 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 197243 | 71524 | 28244 | 10892 | 13460 | 18929 | 0 | 1128 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1128 |
| NON-OPERATING INC & EXP | NONOPX | 1680 | 606 | 239 | 92 | 114 | 160 | 0 | 1128 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1589 | 601 | 237 | 92 | 113 | 159 | 0 | 1128 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 24488 | 5960 | 4463 | 1180 | 201 | 116 | 0 | 1129 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| - GENERAL SUPPORT FACILITIES | GSF | 1102956 | 291496 | 218281 | 57705 | 9843 | 5667 | 0 | 1129 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3641196 | 1233191 | 291751 | 868221 | 39735 | 33485 | 0 | 1129 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| - - COE CAT 3 | COE3 | 2187560 | 868221 | 0 | 868221 | 0 | 0 | 0 | 1129 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| - - COE CAT 4.12 | COE412 | 34873 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| - - COE CAT 4.13 | COE413 | 1174012 | 294554 | 291751 | 0 | 0 | 2803 | 0 | 1129 |
| - - COE CAT 4.2 | COE42 | 118855 | 49991 | 0 | 0 | 19309 | 30682 | 0 | 1129 |
| - - COE CAT 4.3 | COE43 | 125896 | 20426 | 0 | 0 | 20426 | 0 | 0 | 1129 |
| - INFORMATION ORIG/TERM | IOT | 5757 | 1439 | 1425 | 0 | 0 | 14 | 0 | 1129 |
| - CABLE & WIRE FACILITIES | CWF | 12947891 | 3151152 | 2991029 | 0 | 108360 | 51763 | 0 | 1129 |
| - - C&WF CAT 1.1 | CWF11 | 43105 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| - - C&WF CAT 1.2 | CWF12 | 28737 | 28737 | 0 | 0 | 0 | 28737 | 0 | 1129 |
| - - C&WF CAT 1.3 | CWF13 | 11964118 | 2991029 | 2991029 | 0 | 0 | 0 | 0 | 1129 |
| - - C&WF CAT 2 | CWF2 | 360303 | 21971 | 0 | 0 | 0 | 21971 | 0 | 1129 |
| - - C&WF CAT 3 | CWF3 | 157557 | 45480 | 0 | 0 | 44425 | 1055 | 0 | 1129 |
| - - C&WF CAT 4 | CWF4 | 394071 | 63935 | 0 | 0 | 63935 | 0 | 0 | 1129 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| TELCOM PLANT-OTHER | PLTOTH | 78541 | 20757 | 15544 | 4109 | 701 | 404 | 0 | 1129 |
| ACCUM DEPRECIATION | ACCDEP | 9079769 | 2476962 | 1672712 | 666377 | 85048 | 52825 | 0 | 1129 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| NETWORK SUPPORT EXP | NETSPX | 4780 | 1263 | 946 | 250 | 43 | 25 | 0 | 1129 |
| GENERAL SUPPORT EXP | GSFX | 66985 | 17703 | 13257 | 3505 | 598 | 344 | 0 | 1129 |
| COE EXPENSE | COEX | 165078 | 55908 | 14497 | 37772 | 1974 | 1664 | 0 | 1129 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| C&WF EXPENSE | CWFX | 199805 | 48627 | 46156 | 0 | 1672 | 799 | 0 | 1129 |
| OTHER PROP & PL EXP | OTHPPX | 1876 | 496 | 371 | 98 | 17 | 10 | 0 | 1129 |
| NETWORK OPERATIONS EXP | NETOPX | 147604 | 39010 | 29212 | 7722 | 1317 | 758 | 0 | 1129 |
| DEPREC & AMORT EXP | DEPAMX | 876054 | 237113 | 163475 | 58662 | 9072 | 5904 | 0 | 1129 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| SERVICES EXPENSE | SERVX | 243087 | 70196 | 23296 | 15995 | 2729 | 1249 | 26927 | 1129 |
| - CABSX EXPENSE | CABSX | 31520 | 15760 | 0 | 12421 | 2119 | 1220 | 0 | 1129 |
| EXEC & PLANNING EXP | EXEPLX | 198992 | 56292 | 32556 | 14706 | 1879 | 1091 | 6060 | 1129 |
| GENERAL & ADMIN EXP | GENADX | 375379 | 138251 | 79956 | 36117 | 4615 | 2680 | 14883 | 1129 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 187507 | 49555 | 37109 | 9810 | 1673 | 963 | 0 | 1129 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1129 |
| NON-OPERATING INC & EXP | NONOPX | 2300 | 779 | 583 | 154 | 26 | 15 | 0 | 1129 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 655 | 167 | 125 | 33 | 6 | 3 | 0 | 1129 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 447907 | 129172 | 76006 | 18370 | 7358 | 27438 | 0 | 1130 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| - GENERAL SUPPORT FACILITIES | GSF | 8131439 | 2510868 | 1477422 | 357087 | 143022 | 533337 | 0 | 1130 |
| - CENTRAL OFFICE EQUIPMENT | COE | 12871594 | 4506315 | 1320670 | 1710274 | 522041 | 953330 | 0 | 1130 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| - - COE CAT 2 | COE2 | 1246583 | 409724 | 0 | 0 | 409724 | 0 | 0 | 1130 |
| - - COE CAT 3 | COE3 | 4638283 | 1710274 | 0 | 1710274 | 0 | 0 | 0 | 1130 |
| - - COE CAT 4.11 | COE411 | 409453 | 391912 | 0 | 0 | 0 | 391912 | 0 | 1130 |
| - - COE CAT 4.12 | COE412 | 258135 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| - - COE CAT 4.13 | COE413 | 5307761 | 1332852 | 1320670 | 0 | 0 | 12182 | 0 | 1130 |
| - - COE CAT 4.2 | COE42 | 911238 | 650237 | 0 | 0 | 101002 | 549236 | 0 | 1130 |
| - - COE CAT 4.3 | COE43 | 100141 | 11315 | 0 | 0 | 11315 | 0 | 0 | 1130 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| - CABLE & WIRE FACILITIES | CWF | 26074053 | 7519525 | 5755464 | 0 | 162965 | 1601096 | 0 | 1130 |
| - - C&WF CAT 1.1 | CWF11 | 56212 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| - - C&WF CAT 1.2 | CWF12 | 53089 | 53089 | 0 | 0 | 0 | 53089 | 0 | 1130 |
| - - C&WF CAT 1.3 | CWF13 | 23021855 | 5755464 | 5755464 | 0 | 0 | 0 | 0 | 1130 |
| - - C&WF CAT 2 | CWF2 | 1197796 | 585394 | 0 | 0 | 0 | 585394 | 0 | 1130 |
| - - C&WF CAT 3 | CWF3 | 1446320 | 1091818 | 0 | 0 | 129204 | 962613 | 0 | 1130 |
| - - C&WF CAT 4 | CWF4 | 298781 | 33761 | 0 | 0 | 33761 | 0 | 0 | 1130 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| TELCOM PLANT-OTHER | PLTOTH | 90287 | 27879 | 16404 | 3965 | 1588 | 5922 | 0 | 1130 |
| ACCUM DEPRECIATION | ACCDEP | 25757189 | 7814115 | 4993834 | 753954 | 362278 | 1704048 | 0 | 1130 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| NET DEFERRED FIT | NTDFIT | 16115 | 4976 | 2928 | 708 | 283 | 1057 | 0 | 1130 |
| NETWORK SUPPORT EXP | NETSPX | 53985 | 16670 | 9809 | 2371 | 950 | 3541 | 0 | 1130 |
| GENERAL SUPPORT EXP | GSFX | 491061 | 151632 | 89222 | 21565 | 8637 | 32208 | 0 | 1130 |
| COE EXPENSE | COEX | 786334 | 275294 | 36023 | 169579 | 43689 | 26003 | 0 | 1130 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| C&WF EXPENSE | CWFX | 498560 | 143780 | 110050 | 0 | 3116 | 30614 | 0 | 1130 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| NETWORK OPERATIONS EXP | NETOPX | 496513 | 153316 | 90213 | 21804 | 8733 | 32566 | 0 | 1130 |
| DEPREC & AMORT EXP | DEPAMX | 3728459 | 1191624 | 576787 | 288869 | 94602 | 231365 | 0 | 1130 |
| MARKETING EXPENSE | MRKTX | 38354 | 19517 | 11484 | 2776 | 1112 | 4146 | 0 | 1130 |
| SERVICES EXPENSE | SERVX | 761703 | 236552 | 36085 | 20866 | 7028 | 21582 | 150992 | 1130 |
| - CABSX EXPENSE | CABSX | 82149 | 41075 | 0 | 14192 | 5684 | 21198 | 0 | 1130 |
| EXEC & PLANNING EXP | EXEPLX | 429517 | 137843 | 57223 | 31383 | 9622 | 19786 | 19830 | 1130 |
| GENERAL & ADMIN EXP | GENADX | 1902877 | 636867 | 264382 | 144995 | 44455 | 91417 | 91618 | 1130 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 240343 | 72743 | 42803 | 10345 | 4144 | 15451 | 0 | 1130 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |
| NON-OPERATING INC & EXP | NONOPX | 3895 | 1294 | 761 | 184 | 74 | 275 | 0 | 1130 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1130 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 316666 | 81466 | 31383 | 46004 | 1767 | 2311 | 0 | 1131 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - GENERAL SUPPORT FACILITIES | GSF | 407245 | 166274 | 64054 | 93896 | 3606 | 4717 | 0 | 1131 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1075536 | 705345 | 21530 | 654392 | 17570 | 11853 | 0 | 1131 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - - COE CAT 3 | COE3 | 907718 | 654392 | 0 | 654392 | 0 | 0 | 0 | 1131 |
| - - COE CAT 4.11 | COE411 | 10409 | 10409 | 0 | 0 | 0 | 10409 | 0 | 1131 |
| - - COE CAT 4.12 | COE412 | 15614 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - - COE CAT 4.13 | COE413 | 87395 | 22315 | 21530 | 0 | 0 | 785 | 0 | 1131 |
| - - COE CAT 4.2 | COE42 | 54400 | 18229 | 0 | 0 | 17570 | 659 | 0 | 1131 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - CABLE & WIRE FACILITIES | CWF | 1762687 | 453470 | 424886 | 0 | 7560 | 21024 | 0 | 1131 |
| - - C&WF CAT 1.1 | CWF11 | 9678 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - - C&WF CAT 1.2 | CWF12 | 15486 | 15486 | 0 | 0 | 0 | 15486 | 0 | 1131 |
| - - C&WF CAT 1.3 | CWF13 | 1699544 | 424886 | 424886 | 0 | 0 | 0 | 0 | 1131 |
| - - C&WF CAT 2 | CWF2 | 13126 | 5284 | 0 | 0 | 0 | 5284 | 0 | 1131 |
| - - C&WF CAT 3 | CWF3 | 24853 | 7814 | 0 | 0 | 7560 | 254 | 0 | 1131 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| ACCUM DEPRECIATION | ACCDEP | 1921709 | 804399 | 295671 | 476848 | 12627 | 19253 | 0 | 1131 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| NETWORK SUPPORT EXP | NETSPX | 336 | 137 | 53 | 77 | 3 | 4 | 0 | 1131 |
| GENERAL SUPPORT EXP | GSFX | 19164 | 7824 | 3014 | 4419 | 170 | 222 | 0 | 1131 |
| COE EXPENSE | COEX | 101718 | 66707 | 2519 | 60746 | 2056 | 1387 | 0 | 1131 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| C&WF EXPENSE | CWFX | 55845 | 14367 | 13461 | 0 | 240 | 666 | 0 | 1131 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| NETWORK OPERATIONS EXP | NETOPX | 22572 | 9216 | 3550 | 5204 | 200 | 261 | 0 | 1131 |
| DEPREC & AMORT EXP | DEPAMX | 209902 | 85180 | 32428 | 46889 | 2839 | 3024 | 0 | 1131 |
| MARKETING EXPENSE | MRKTX | 5817 | 2289 | 882 | 1293 | 50 | 65 | 0 | 1131 |
| SERVICES EXPENSE | SERVX | 218788 | 71036 | 9687 | 32046 | 1171 | 1453 | 26678 | 1131 |
| - CABSX EXPENSE | CABSX | 52019 | 26010 | 0 | 23892 | 917 | 1200 | 0 | 1131 |
| EXEC & PLANNING EXP | EXEPLX | 79022 | 31944 | 6175 | 19323 | 724 | 756 | 4967 | 1131 |
| GENERAL & ADMIN EXP | GENADX | 273552 | 134855 | 26068 | 81573 | 3056 | 3190 | 20968 | 1131 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 30867 | 12327 | 4749 | 6961 | 267 | 350 | 0 | 1131 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1131 |
| NON-OPERATING INC & EXP | NONOPX | 460 | 218 | 84 | 123 | 5 | 6 | 0 | 1131 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 43 | 16 | 6 | 9 | 0 | 0 | 0 | 1131 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 212013 | 60226 | 26597 | 13592 | 11287 | 8750 | 0 | 1132 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| - GENERAL SUPPORT FACILITIES | GSF | 3689098 | 1302198 | 575071 | 293884 | 244043 | 189199 | 0 | 1132 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7358100 | 3669712 | 362679 | 1820783 | 913341 | 572910 | 0 | 1132 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| - - COE CAT 2 | COE2 | 300321 | 147494 | 0 | 0 | 147494 | 0 | 0 | 1132 |
| - - COE CAT 3 | COE3 | 3033465 | 1820783 | 0 | 1820783 | 0 | 0 | 0 | 1132 |
| - - COE CAT 4.11 | COE411 | 653767 | 549525 | 0 | 0 | 0 | 549525 | 0 | 1132 |
| - - COE CAT 4.12 | COE412 | 48828 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| - - COE CAT 4.13 | COE413 | 1480325 | 370659 | 362679 | 0 | 0 | 7980 | 0 | 1132 |
| - - COE CAT 4.2 | COE42 | 1246977 | 570922 | 0 | 0 | 555517 | 15405 | 0 | 1132 |
| - - COE CAT 4.3 | COE43 | 594417 | 210329 | 0 | 0 | 210329 | 0 | 0 | 1132 |
| - INFORMATION ORIG/TERM | IOT | 126554 | 31639 | 31639 | 0 | 0 | 0 | 0 | 1132 |
| - CABLE & WIRE FACILITIES | CWF | 15371478 | 4366531 | 3168589 | 0 | 598652 | 599290 | 0 | 1132 |
| - - C&WF CAT 1.1 | CWF11 | 188978 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| - - C&WF CAT 1.2 | CWF12 | 69720 | 69720 | 0 | 0 | 0 | 69720 | 0 | 1132 |
| - - C&WF CAT 1.3 | CWF13 | 12674354 | 3168589 | 3168589 | 0 | 0 | 0 | 0 | 1132 |
| - - C&WF CAT 2 | CWF2 | 941787 | 507104 | 0 | 0 | 0 | 507104 | 0 | 1132 |
| - - C&WF CAT 3 | CWF3 | 724116 | 347768 | 0 | 0 | 325302 | 22466 | 0 | 1132 |
| - - C&WF CAT 4 | CWF4 | 772523 | 273350 | 0 | 0 | 273350 | 0 | 0 | 1132 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| - INTANGIBLES | INTANG | 656 | 232 | 102 | 52 | 43 | 34 | 0 | 1132 |
| TELCOM PLANT-OTHER | PLTOTH | 73223 | 25847 | 11414 | 5833 | 4844 | 3755 | 0 | 1132 |
| ACCUM DEPRECIATION | ACCDEP | 20352683 | 6976871 | 3325829 | 1397794 | 1254781 | 998467 | 0 | 1132 |
| ACCUM AMORTIZATION | ACCAMO | 656 | 232 | 102 | 52 | 43 | 34 | 0 | 1132 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| NETWORK SUPPORT EXP | NETSPX | 2489 | 879 | 388 | 198 | 165 | 128 | 0 | 1132 |
| GENERAL SUPPORT EXP | GSFX | 187379 | 66142 | 29209 | 14927 | 12396 | 9610 | 0 | 1132 |
| COE EXPENSE | COEX | 497119 | 247929 | 2913 | 216709 | 23706 | 4601 | 0 | 1132 |
| IOT EXPENSE | IOTX | 272 | 68 | 68 | 0 | 0 | 0 | 0 | 1132 |
| C&WF EXPENSE | CWFX | 895022 | 254246 | 184495 | 0 | 34857 | 34894 | 0 | 1132 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| NETWORK OPERATIONS EXP | NETOPX | 225299 | 79527 | 35121 | 17948 | 14904 | 11555 | 0 | 1132 |
| DEPREC & AMORT EXP | DEPAMX | 1723581 | 649308 | 239423 | 192246 | 125574 | 92065 | 0 | 1132 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| SERVICES EXPENSE | SERVX | 656353 | 204345 | 22990 | 41016 | 32637 | 23609 | 84094 | 1132 |
| - CABSX EXPENSE | CABSX | 179174 | 89587 | 0 | 36209 | 30068 | 23311 | 0 | 1132 |
| EXEC & PLANNING EXP | EXEPLX | 432747 | 149595 | 54473 | 47861 | 19530 | 13890 | 13841 | 1132 |
| GENERAL & ADMIN EXP | GENADX | 1028260 | 385881 | 140514 | 123457 | 50378 | 35830 | 35702 | 1132 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 245935 | 87508 | 38645 | 19749 | 16400 | 12714 | 0 | 1132 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1132 |
| NON-OPERATING INC & EXP | NONOPX | 5385 | 1974 | 872 | 445 | 370 | 287 | 0 | 1132 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 156208 | 59786 | 26403 | 13493 | 11205 | 8686 | 0 | 1132 |

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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 60036 | 16790 | 8204 | 5244 | 361 | 2980 | 0 | 1133 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - GENERAL SUPPORT FACILITIES | GSF | 641723 | 237124 | 115869 | 74057 | 5105 | 42093 | 0 | 1133 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1954100 | 807961 | 327586 | 336773 | 3292 | 140310 | 0 | 1133 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - - COE CAT 3 | COE3 | 396204 | 333501 | 0 | 333501 | 0 | 0 | 0 | 1133 |
| - - COE CAT 4.11 | COE411 | 131710 | 82958 | 0 | 0 | 0 | 82958 | 0 | 1133 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - - COE CAT 4.13 | COE413 | 1310344 | 327586 | 327586 | 0 | 0 | 0 | 0 | 1133 |
| - - COE CAT 4.2 | COE42 | 109022 | 60644 | 0 | 0 | 3292 | 57352 | 0 | 1133 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - CABLE & WIRE FACILITIES | CWF | 992486 | 277564 | 204449 | 0 | 20148 | 52967 | 0 | 1133 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - - C&WF CAT 1.3 | CWF13 | 817797 | 204449 | 204449 | 0 | 0 | 0 | 0 | 1133 |
| - - C&WF CAT 2 | CWF2 | 70902 | 40429 | 0 | 0 | 0 | 40429 | 0 | 1133 |
| - - C&WF CAT 3 | CWF3 | 103787 | 32686 | 0 | 0 | 20148 | 12538 | 0 | 1133 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| TELCOM PLANT-OTHER | PLTOTH | 602918 | 222785 | 108863 | 69579 | 4796 | 39548 | 0 | 1133 |
| ACCUM DEPRECIATION | ACCDEP | 1790128 | 678562 | 319340 | 226084 | 10715 | 122423 | 0 | 1133 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| NET DEFERRED FIT | NTDFIT | 11145 | 4142 | 2004 | 1321 | 88 | 729 | 0 | 1133 |
| NETWORK SUPPORT EXP | NETSPX | 1493 | 552 | 270 | 172 | 12 | 98 | 0 | 1133 |
| GENERAL SUPPORT EXP | GSFX | 54869 | 20275 | 9907 | 6332 | 436 | 3599 | 0 | 1133 |
| COE EXPENSE | COEX | 183617 | 76228 | 40625 | 17794 | 408 | 17400 | 0 | 1133 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| C&WF EXPENSE | CWFX | 26341 | 7367 | 5426 | 0 | 535 | 1406 | 0 | 1133 |
| OTHER PROP & PL EXP | OTHPPX | 48 | 18 | 9 | 6 | 0 | 3 | 0 | 1133 |
| NETWORK OPERATIONS EXP | NETOPX | 59323 | 21921 | 10711 | 6846 | 472 | 3891 | 0 | 1133 |
| DEPREC & AMORT EXP | DEPAMX | 275229 | 105035 | 48835 | 35830 | 1628 | 18742 | 0 | 1133 |
| MARKETING EXPENSE | MRKTX | 8795 | 1863 | 910 | 582 | 40 | 331 | 0 | 1133 |
| SERVICES EXPENSE | SERVX | 25172 | 7623 | 1082 | 1954 | 96 | 792 | 3698 | 1133 |
| - CABSX EXPENSE | CABSX | 4543 | 2272 | 0 | 1387 | 96 | 789 | 0 | 1133 |
| EXEC & PLANNING EXP | EXEPLX | 36201 | 13728 | 6967 | 3404 | 202 | 2781 | 374 | 1133 |
| GENERAL & ADMIN EXP | GENADX | 383846 | 161711 | 82067 | 40100 | 2381 | 32761 | 4402 | 1133 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 6320 | 2335 | 1141 | 729 | 50 | 415 | 0 | 1133 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1133 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 55877 | 20134 | 9838 | 6288 | 433 | 3574 | 0 | 1133 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 5277 | 1458 | 1033 | 104 | 20 | 301 | 0 | 1134 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - GENERAL SUPPORT FACILITIES | GSF | 1196202 | 344061 | 243705 | 24613 | 4771 | 70971 | 0 | 1134 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3112867 | 1034485 | 320021 | 317650 | 35172 | 361642 | 0 | 1134 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - - COE CAT 3 | COE3 | 1094361 | 317650 | 0 | 317650 | 0 | 0 | 0 | 1134 |
| - - COE CAT 4.11 | COE411 | 152769 | 134370 | 0 | 0 | 0 | 134370 | 0 | 1134 |
| - - COE CAT 4.12 | COE412 | 79289 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - - COE CAT 4.13 | COE413 | 1297578 | 325190 | 320021 | 0 | 0 | 5170 | 0 | 1134 |
| - - COE CAT 4.2 | COE42 | 488870 | 257275 | 0 | 0 | 35172 | 222102 | 0 | 1134 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - CABLE & WIRE FACILITIES | CWF | 12325231 | 3405938 | 2825222 | 0 | 26408 | 554308 | 0 | 1134 |
| - - C&WF CAT 1.1 | CWF11 | 109272 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - - C&WF CAT 1.2 | CWF12 | 45824 | 45824 | 0 | 0 | 0 | 45824 | 0 | 1134 |
| - - C&WF CAT 1.3 | CWF13 | 11300889 | 2825222 | 2825222 | 0 | 0 | 0 | 0 | 1134 |
| - - C&WF CAT 2 | CWF2 | 471542 | 239732 | 0 | 0 | 0 | 239732 | 0 | 1134 |
| - - C&WF CAT 3 | CWF3 | 397704 | 295160 | 0 | 0 | 26408 | 268752 | 0 | 1134 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| ACCUM DEPRECIATION | ACCDEP | 7986409 | 2310169 | 1578935 | 213134 | 33575 | 484525 | 0 | 1134 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| NET DEFERRED FIT | NTDFIT | 171253 | 49264 | 34879 | 3529 | 684 | 10172 | 0 | 1134 |
| NETWORK SUPPORT EXP | NETSPX | 55063 | 15838 | 11218 | 1133 | 220 | 3267 | 0 | 1134 |
| GENERAL SUPPORT EXP | GSFX | 108322 | 31156 | 22069 | 2229 | 432 | 6427 | 0 | 1134 |
| COE EXPENSE | COEX | 327812 | 108940 | 6475 | 94436 | 712 | 7317 | 0 | 1134 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| C&WF EXPENSE | CWFX | 199852 | 55227 | 45811 | 0 | 428 | 8988 | 0 | 1134 |
| OTHER PROP & PL EXP | OTHPPX | 608 | 175 | 124 | 13 | 2 | 36 | 0 | 1134 |
| NETWORK OPERATIONS EXP | NETOPX | 124348 | 35766 | 25334 | 2559 | 496 | 7378 | 0 | 1134 |
| DEPREC & AMORT EXP | DEPAMX | 980930 | 285265 | 166651 | 60891 | 3839 | 53884 | 0 | 1134 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| SERVICES EXPENSE | SERVX | 393160 | 115949 | 31508 | 5304 | 977 | 12314 | 65846 | 1134 |
| - CABSX EXPENSE | CABSX | 33133 | 16567 | 0 | 4063 | 788 | 11716 | 0 | 1134 |
| EXEC & PLANNING EXP | EXEPLX | 556168 | 168091 | 73273 | 45438 | 1405 | 19662 | 28313 | 1134 |
| GENERAL & ADMIN EXP | GENADX | 564817 | 198479 | 86520 | 53653 | 1659 | 23217 | 33432 | 1134 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 197835 | 53840 | 38136 | 3852 | 747 | 11106 | 0 | 1134 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1134 |
| NON-OPERATING INC & EXP | NONOPX | 124970 | 40866 | 28946 | 2923 | 567 | 8430 | 0 | 1134 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 272781 | 78037 | 55275 | 5582 | 1082 | 16097 | 0 | 1134 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 490820 | 129583 | 71987 | 44128 | 5996 | 7471 | 0 | 1135 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| - GENERAL SUPPORT FACILITIES | GSF | 4055182 | 1359876 | 755450 | 463093 | 62925 | 78408 | 0 | 1135 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8567858 | 3609917 | 1097044 | 2157943 | 196292 | 158637 | 0 | 1135 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| - - COE CAT 3 | COE3 | 3211593 | 2157943 | 0 | 2157943 | 0 | 0 | 0 | 1135 |
| - - COE CAT 4.11 | COE411 | 135724 | 118091 | 0 | 0 | 0 | 118091 | 0 | 1135 |
| - - COE CAT 4.12 | COE412 | 34904 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| - - COE CAT 4.13 | COE413 | 4437645 | 1130023 | 1097044 | 0 | 0 | 32978 | 0 | 1135 |
| - - COE CAT 4.2 | COE42 | 229559 | 95895 | 0 | 0 | 88328 | 7568 | 0 | 1135 |
| - - COE CAT 4.3 | COE43 | 518433 | 107964 | 0 | 0 | 107964 | 0 | 0 | 1135 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| - CABLE & WIRE FACILITIES | CWF | 10328674 | 2726899 | 2423240 | 0 | 96928 | 206732 | 0 | 1135 |
| - - C&WF CAT 1.1 | CWF11 | 36423 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| - - C&WF CAT 1.2 | CWF12 | 72845 | 72845 | 0 | 0 | 0 | 72845 | 0 | 1135 |
| - - C&WF CAT 1.3 | CWF13 | 9692959 | 2423240 | 2423240 | 0 | 0 | 0 | 0 | 1135 |
| - - C&WF CAT 2 | CWF2 | 199364 | 128911 | 0 | 0 | 0 | 128911 | 0 | 1135 |
| - - C&WF CAT 3 | CWF3 | 151254 | 65287 | 0 | 0 | 60311 | 4976 | 0 | 1135 |
| - - C&WF CAT 4 | CWF4 | 175829 | 36617 | 0 | 0 | 36617 | 0 | 0 | 1135 |
| - TANGIBLES | TANGIB | 19853 | 6658 | 3698 | 2267 | 308 | 384 | 0 | 1135 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| ACCUM DEPRECIATION | ACCDEP | 14447444 | 4659636 | 2779960 | 1336632 | 247646 | 295398 | 0 | 1135 |
| ACCUM AMORTIZATION | ACCAMO | 9180 | 3078 | 1710 | 1048 | 142 | 177 | 0 | 1135 |
| NET DEFERRED FIT | NTDFIT | 1241914 | 416128 | 231359 | 141485 | 19271 | 24013 | 0 | 1135 |
| NETWORK SUPPORT EXP | NETSPX | 42089 | 14114 | 7841 | 4806 | 653 | 814 | 0 | 1135 |
| GENERAL SUPPORT EXP | GSFX | 126669 | 42478 | 23597 | 14465 | 1966 | 2449 | 0 | 1135 |
| COE EXPENSE | COEX | 650566 | 274105 | 88814 | 156556 | 15891 | 12843 | 0 | 1135 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| C&WF EXPENSE | CWFX | 629231 | 166125 | 147626 | 0 | 5905 | 12594 | 0 | 1135 |
| OTHER PROP & PL EXP | OTHPPX | -6657 | -2232 | -1240 | -760 | -103 | -129 | 0 | 1135 |
| NETWORK OPERATIONS EXP | NETOPX | 358545 | 120235 | 66794 | 40945 | 5564 | 6933 | 0 | 1135 |
| DEPREC & AMORT EXP | DEPAMX | 1696239 | 579710 | 305057 | 209528 | 31054 | 34071 | 0 | 1135 |
| MARKETING EXPENSE | MRKTX | 21427 | 6163 | 3424 | 2099 | 285 | 355 | 0 | 1135 |
| SERVICES EXPENSE | SERVX | 122824 | 24766 | 3755 | 4983 | 672 | 775 | 14581 | 1135 |
| - CABSX EXPENSE | CABSX | 11570 | 5787 | 0 | 4433 | 602 | 751 | 0 | 1135 |
| EXEC & PLANNING EXP | EXEPLX | 633071 | 210028 | 113967 | 70232 | 9706 | 11533 | 4590 | 1135 |
| GENERAL & ADMIN EXP | GENADX | 600969 | 242567 | 131624 | 81113 | 11210 | 13319 | 5301 | 1135 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 213446 | 72037 | 40018 | 24531 | 3333 | 4154 | 0 | 1135 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1135 |
| NON-OPERATING INC & EXP | NONOPX | 500 | 183 | 102 | 62 | 8 | 11 | 0 | 1135 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 451330 | 160084 | 88931 | 54515 | 7407 | 9230 | 0 | 1135 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 43295 | 10946 | 10510 | 155 | 281 | 0 | 0 | 1136 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - GENERAL SUPPORT FACILITIES | GSF | 918305 | 233236 | 223948 | 3296 | 5992 | 0 | 0 | 1136 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5352530 | 1374335 | 1300704 | 65365 | 8265 | 0 | 0 | 1136 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - - COE CAT 3 | COE3 | 127447 | 65365 | 0 | 65365 | 0 | 0 | 0 | 1136 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - - COE CAT 4.12 | COE412 | 9590 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - - COE CAT 4.13 | COE413 | 5202816 | 1300704 | 1300704 | 0 | 0 | 0 | 0 | 1136 |
| - - COE CAT 4.2 | COE42 | 12677 | 8265 | 0 | 0 | 8265 | 0 | 0 | 1136 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - CABLE & WIRE FACILITIES | CWF | 12858008 | 3250874 | 3140317 | 0 | 110557 | 0 | 0 | 1136 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - - C&WF CAT 1.3 | CWF13 | 12561267 | 3140317 | 3140317 | 0 | 0 | 0 | 0 | 1136 |
| - - C&WF CAT 2 | CWF2 | 127175 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - - C&WF CAT 3 | CWF3 | 169567 | 110557 | 0 | 0 | 110557 | 0 | 0 | 1136 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| TELCOM PLANT-OTHER | PLTOTH | 84317 | 21415 | 20562 | 303 | 550 | 0 | 0 | 1136 |
| ACCUM DEPRECIATION | ACCDEP | 5661987 | 1433891 | 1388884 | 19614 | 25394 | 0 | 0 | 1136 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| NET DEFERRED FIT | NTDFIT | 611872 | 160571 | 143677 | 11137 | 5757 | 0 | 0 | 1136 |
| NETWORK SUPPORT EXP | NETSPX | 42667 | 10837 | 10405 | 153 | 278 | 0 | 0 | 1136 |
| GENERAL SUPPORT EXP | GSFX | 444240 | 112830 | 108337 | 1595 | 2899 | 0 | 0 | 1136 |
| COE EXPENSE | COEX | 627673 | 161164 | 54934 | 105880 | 349 | 0 | 0 | 1136 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| C&WF EXPENSE | CWFX | 546408 | 138148 | 133449 | 0 | 4698 | 0 | 0 | 1136 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| NETWORK OPERATIONS EXP | NETOPX | 202608 | 51459 | 49410 | 727 | 1322 | 0 | 0 | 1136 |
| DEPREC & AMORT EXP | DEPAMX | 1597369 | 410640 | 385816 | 17075 | 7749 | 0 | 0 | 1136 |
| MARKETING EXPENSE | MRKTX | 488600 | 147668 | 141787 | 2087 | 3794 | 0 | 0 | 1136 |
| SERVICES EXPENSE | SERVX | 706794 | 171976 | 84448 | 27853 | 22395 | 0 | 37279 | 1136 |
| - CABSX EXPENSE | CABSX | 59792 | 29896 | 0 | 10610 | 19286 | 0 | 0 | 1136 |
| EXEC & PLANNING EXP | EXEPLX | 285353 | 74377 | 56454 | 11730 | 3031 | 0 | 3162 | 1136 |
| GENERAL & ADMIN EXP | GENADX | 725665 | 218081 | 165528 | 34394 | 8887 | 0 | 9271 | 1136 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 337814 | 87187 | 83715 | 1232 | 2240 | 0 | 0 | 1136 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1136 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 330618 | 83946 | 80603 | 1186 | 2157 | 0 | 0 | 1136 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 37724 | 10436 | 5922 | 1848 | 626 | 2039 | 0 | 1137 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1137 |
| - GENERAL SUPPORT FACILITIES | GSF | 9868647 | 2969778 | 1685388 | 525925 | 178152 | 580313 | 0 | 1137 |
| - CENTRAL OFFICE EQUIPMENT | COE | 25329986 | 8608099 | 2203209 | 3511276 | 772247 | 2121367 | 0 | 1137 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1137 |
| - - COE CAT 2 | COE2 | 1000241 | 492629 | 0 | 0 | 492629 | 0 | 0 | 1137 |
| - - COE CAT 3 | COE3 | 11987355 | 3511276 | 0 | 3511276 | 0 | 0 | 0 | 1137 |
| - - COE CAT 4.11 | COE411 | 1390641 | 1268232 | 0 | 0 | 0 | 1268232 | 0 | 1137 |
| - - COE CAT 4.12 | COE412 | 136552 | 0 | 0 | 0 | 0 | 0 | 0 | 1137 |
| - - COE CAT 4.13 | COE413 | 8932020 | 2254153 | 2203209 | 0 | 0 | 50945 | 0 | 1137 |
| - - COE CAT 4.2 | COE42 | 1489641 | 1035116 | 0 | 0 | 232926 | 802190 | 0 | 1137 |
| - - COE CAT 4.3 | COE43 | 393536 | 46692 | 0 | 0 | 46692 | 0 | 0 | 1137 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1137 |
| - CABLE & WIRE FACILITIES | CWF | 40556884 | 11219277 | 9049088 | 0 | 417164 | 1753025 | 0 | 1137 |
| - - C&WF CAT 1.1 | CWF11 | 280281 | 0 | 0 | 0 | 0 | 0 | 0 | 1137 |
| - - C&WF CAT 1.2 | CWF12 | 209242 | 209242 | 0 | 0 | 0 | 209242 | 0 | 1137 |
| - - C&WF CAT 1.3 | CWF13 | 36196352 | 9049088 | 9049088 | 0 | 0 | 0 | 0 | 1137 |
| - - C&WF CAT 2 | CWF2 | 597366 | 204237 | 0 | 0 | 0 | 204237 | 0 | 1137 |
| - - C&WF CAT 3 | CWF3 | 2464058 | 1660654 | 0 | 0 | 321108 | 1339546 | 0 | 1137 |
| - - C&WF CAT 4 | CWF4 | 809584 | 96056 | 0 | 0 | 96056 | 0 | 0 | 1137 |
| - TANGIBLES | TANGIB | 2235 | 673 | 382 | 119 | 40 | 131 | 0 | 1137 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1137 |
| TELCOM PLANT-OTHER | PLTOTH | 848359 | 240346 | 136400 | 42563 | 14418 | 46965 | 0 | 1137 |
| ACCUM DEPRECIATION | ACCDEP | 39306456 | 11923889 | 6403009 | 2439167 | 751861 | 2329852 | 0 | 1137 |
| ACCUM AMORTIZATION | ACCAMO | 595 | 179 | 102 | 32 | 11 | 35 | 0 | 1137 |
| NET DEFERRED FIT | NTDFIT | 5283204 | 1657238 | 795722 | 383172 | 112667 | 365677 | 0 | 1137 |
| NETWORK SUPPORT EXP | NETSPX | 6736 | 2027 | 1150 | 359 | 122 | 396 | 0 | 1137 |
| GENERAL SUPPORT EXP | GSFX | 113105 | 34037 | 19316 | 6028 | 2042 | 6651 | 0 | 1137 |
| COE EXPENSE | COEX | 278561 | 94666 | 33067 | 22419 | 7342 | 31838 | 0 | 1137 |
| IOT EXPENSE | IOTX | 311 | 0 | 0 | 0 | 0 | 0 | 0 | 1137 |
| C&WF EXPENSE | CWFX | 976396 | 270101 | 217854 | 0 | 10043 | 42204 | 0 | 1137 |
| OTHER PROP & PL EXP | OTHPPX | 891 | 268 | 152 | 47 | 16 | 52 | 0 | 1137 |
| NETWORK OPERATIONS EXP | NETOPX | 648723 | 195221 | 110790 | 34572 | 11711 | 38147 | 0 | 1137 |
| DEPREC & AMORT EXP | DEPAMX | 4787878 | 1477768 | 801583 | 253864 | 91060 | 331261 | 0 | 1137 |
| MARKETING EXPENSE | MRKTX | 302192 | 2811 | 1595 | 498 | 169 | 549 | 0 | 1137 |
| SERVICES EXPENSE | SERVX | 2214994 | 809493 | 99144 | 125763 | 39308 | 108976 | 436302 | 1137 |
| - CABSX EXPENSE | CABSX | 478604 | 239302 | 0 | 97988 | 33192 | 108121 | 0 | 1137 |
| EXEC & PLANNING EXP | EXEPLX | 871349 | 270459 | 131956 | 28385 | 10588 | 34240 | 65289 | 1137 |
| GENERAL & ADMIN EXP | GENADX | 1107414 | 343731 | 167706 | 36075 | 13456 | 43517 | 82977 | 1137 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 984490 | 296154 | 168072 | 52447 | 17766 | 57870 | 0 | 1137 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 30569 | 9199 | 5221 | 1629 | 552 | 1798 | 0 | 1137 |
| NON-OPERATING INC & EXP | NONOPX | 2735 | 849 | 482 | 150 | 51 | 166 | 0 | 1137 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 281579 | 83170 | 47200 | 14729 | 4989 | 16252 | 0 | 1137 |

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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 41082 | 10517 | 6347 | 2240 | 353 | 1577 | 0 | 1138 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - GENERAL SUPPORT FACILITIES | GSF | 2866010 | 909456 | 548877 | 193673 | 30490 | 136417 | 0 | 1138 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10791270 | 4631216 | 1100723 | 2060012 | 181633 | 1288847 | 0 | 1138 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - - COE CAT 3 | COE3 | 4472472 | 2046362 | 0 | 2046362 | 0 | 0 | 0 | 1138 |
| - - COE CAT 4.11 | COE411 | 1228173 | 1228173 | 0 | 0 | 0 | 1228173 | 0 | 1138 |
| - - COE CAT 4.12 | COE412 | 229770 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - - COE CAT 4.13 | COE413 | 4477543 | 1136287 | 1100723 | 0 | 0 | 35564 | 0 | 1138 |
| - - COE CAT 4.2 | COE42 | 361260 | 206743 | 0 | 0 | 181633 | 25110 | 0 | 1138 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - INFORMATION ORIG/TERM | IOT | 47957 | 11989 | 11989 | 0 | 0 | 0 | 0 | 1138 |
| - CABLE & WIRE FACILITIES | CWF | 19847242 | 5080723 | 4764132 | 0 | 144820 | 171771 | 0 | 1138 |
| - - C&WF CAT 1.1 | CWF11 | 169168 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - - C&WF CAT 1.2 | CWF12 | 153927 | 153927 | 0 | 0 | 0 | 153927 | 0 | 1138 |
| - - C&WF CAT 1.3 | CWF13 | 19056529 | 4764132 | 4764132 | 0 | 0 | 0 | 0 | 1138 |
| - - C&WF CAT 2 | CWF2 | 183287 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - - C&WF CAT 3 | CWF3 | 284331 | 162664 | 0 | 0 | 144820 | 17844 | 0 | 1138 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| - INTANGIBLES | INTANG | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| TELCOM PLANT-OTHER | PLTOTH | 6749 | 2142 | 1293 | 456 | 72 | 321 | 0 | 1138 |
| ACCUM DEPRECIATION | ACCDEP | 15525908 | 4823225 | 2939595 | 1286921 | 131591 | 465118 | 0 | 1138 |
| ACCUM AMORTIZATION | ACCAMO | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| NET DEFERRED FIT | NTDFIT | 3841605 | 1219037 | 735716 | 259599 | 40868 | 182854 | 0 | 1138 |
| NETWORK SUPPORT EXP | NETSPX | 14991 | 4757 | 2871 | 1013 | 159 | 714 | 0 | 1138 |
| GENERAL SUPPORT EXP | GSFX | 226359 | 71829 | 43351 | 15296 | 2408 | 10774 | 0 | 1138 |
| COE EXPENSE | COEX | 520954 | 224233 | 13717 | 192191 | 2263 | 16061 | 0 | 1138 |
| IOT EXPENSE | IOTX | 48 | 12 | 12 | 0 | 0 | 0 | 0 | 1138 |
| C&WF EXPENSE | CWFX | 951468 | 243568 | 228390 | 0 | 6943 | 8235 | 0 | 1138 |
| OTHER PROP & PL EXP | OTHPPX | 8944 | 2838 | 1713 | 604 | 95 | 426 | 0 | 1138 |
| NETWORK OPERATIONS EXP | NETOPX | 504552 | 160107 | 96628 | 34095 | 5368 | 24016 | 0 | 1138 |
| DEPREC & AMORT EXP | DEPAMX | 1377497 | 435083 | 264016 | 94988 | 14247 | 61832 | 0 | 1138 |
| MARKETING EXPENSE | MRKTX | 290065 | 105306 | 63555 | 22425 | 3530 | 15796 | 0 | 1138 |
| SERVICES EXPENSE | SERVX | 1453275 | 224082 | 104931 | 40956 | 5768 | 30524 | 41903 | 1138 |
| - CABSX EXPENSE | CABSX | 58845 | 29423 | 0 | 15803 | 2488 | 11131 | 0 | 1138 |
| EXEC & PLANNING EXP | EXEPLX | 140566 | 36992 | 22016 | 9535 | 825 | 3314 | 1303 | 1138 |
| GENERAL & ADMIN EXP | GENADX | 866408 | 235500 | 140158 | 60698 | 5253 | 21094 | 8296 | 1138 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 1078304 | 345340 | 208252 | 72016 | 11754 | 53317 | 0 | 1138 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1138 |
| NON-OPERATING INC & EXP | NONOPX | 17433 | 5206 | 3142 | 1109 | 175 | 781 | 0 | 1138 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 411541 | 133513 | 80578 | 28432 | 4476 | 20027 | 0 | 1138 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 64124 | 17380 | 9561 | 4704 | 1553 | 1563 | 0 | 1139 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1139 |
| - GENERAL SUPPORT FACILITIES | GSF | 2826701 | 910237 | 500709 | 246336 | 81315 | 81878 | 0 | 1139 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4540416 | 2031791 | 268533 | 1369742 | 316603 | 76914 | 0 | 1139 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1139 |
| - - COE CAT 2 | COE2 | 343741 | 129965 | 0 | 0 | 129965 | 0 | 0 | 1139 |
| - - COE CAT 3 | COE3 | 2458903 | 1369742 | 0 | 1369742 | 0 | 0 | 0 | 1139 |
| - - COE CAT 4.11 | COE411 | 76638 | 64070 | 0 | 0 | 0 | 64070 | 0 | 1139 |
| - - COE CAT 4.12 | COE412 | 43838 | 0 | 0 | 0 | 0 | 0 | 0 | 1139 |
| - - COE CAT 4.13 | COE413 | 1084129 | 276336 | 268533 | 0 | 0 | 7803 | 0 | 1139 |
| - - COE CAT 4.2 | COE42 | 413323 | 167163 | 0 | 0 | 162123 | 5041 | 0 | 1139 |
| - - COE CAT 4.3 | COE43 | 119844 | 24515 | 0 | 0 | 24515 | 0 | 0 | 1139 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1139 |
| - CABLE & WIRE FACILITIES | CWF | 11177345 | 3029547 | 2515637 | 0 | 135543 | 378366 | 0 | 1139 |
| - - C&WF CAT 1.1 | CWF11 | 20559 | 0 | 0 | 0 | 0 | 0 | 0 | 1139 |
| - - C&WF CAT 1.2 | CWF12 | 73099 | 73099 | 0 | 0 | 0 | 73099 | 0 | 1139 |
| - - C&WF CAT 1.3 | CWF13 | 10062550 | 2515637 | 2515637 | 0 | 0 | 0 | 0 | 1139 |
| - - C&WF CAT 2 | CWF2 | 489702 | 298058 | 0 | 0 | 0 | 298058 | 0 | 1139 |
| - - C&WF CAT 3 | CWF3 | 167438 | 68295 | 0 | 0 | 61086 | 7209 | 0 | 1139 |
| - - C&WF CAT 4 | CWF4 | 363997 | 74457 | 0 | 0 | 74457 | 0 | 0 | 1139 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1139 |
| - INTANGIBLES | INTANG | 184 | 59 | 33 | 16 | 5 | 5 | 0 | 1139 |
| TELCOM PLANT-OTHER | PLTOTH | 165035 | 53144 | 29234 | 14382 | 4747 | 4780 | 0 | 1139 |
| ACCUM DEPRECIATION | ACCDEP | 10817213 | 3472393 | 1923258 | 919069 | 314551 | 315516 | 0 | 1139 |
| ACCUM AMORTIZATION | ACCAMO | 184 | 59 | 33 | 16 | 5 | 5 | 0 | 1139 |
| NET DEFERRED FIT | NTDFIT | 823930 | 265317 | 145947 | 71802 | 23702 | 23866 | 0 | 1139 |
| NETWORK SUPPORT EXP | NETSPX | 74614 | 24027 | 13217 | 6502 | 2146 | 2161 | 0 | 1139 |
| GENERAL SUPPORT EXP | GSFX | 165573 | 53317 | 29329 | 14429 | 4763 | 4796 | 0 | 1139 |
| COE EXPENSE | COEX | 312013 | 139623 | 18471 | 94095 | 21766 | 5291 | 0 | 1139 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1139 |
| C&WF EXPENSE | CWFX | 335268 | 90872 | 75457 | 0 | 4066 | 11349 | 0 | 1139 |
| OTHER PROP & PL EXP | OTHPPX | 352 | 113 | 62 | 31 | 10 | 10 | 0 | 1139 |
| NETWORK OPERATIONS EXP | NETOPX | 289146 | 93109 | 51218 | 25198 | 8318 | 8375 | 0 | 1139 |
| DEPREC & AMORT EXP | DEPAMX | 1041399 | 350921 | 170583 | 118606 | 33340 | 28392 | 0 | 1139 |
| MARKETING EXPENSE | MRKTX | 39596 | 10259 | 5643 | 2776 | 916 | 923 | 0 | 1139 |
| SERVICES EXPENSE | SERVX | 334563 | 86790 | 11579 | 19668 | 6392 | 5819 | 43333 | 1139 |
| - CABSX EXPENSE | CABSX | 56570 | 28285 | 0 | 17014 | 5616 | 5655 | 0 | 1139 |
| EXEC & PLANNING EXP | EXEPLX | 382579 | 122795 | 56617 | 36731 | 10922 | 8742 | 9783 | 1139 |
| GENERAL & ADMIN EXP | GENADX | 897408 | 319674 | 147393 | 95622 | 28432 | 22759 | 25468 | 1139 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 219593 | 70922 | 39013 | 19194 | 6336 | 6380 | 0 | 1139 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 6902 | 2223 | 1223 | 601 | 199 | 200 | 0 | 1139 |
| NON-OPERATING INC & EXP | NONOPX | 4282 | 1480 | 814 | 401 | 132 | 133 | 0 | 1139 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 79153 | 25573 | 14067 | 6921 | 2285 | 2300 | 0 | 1139 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 167348 | 44583 | 17851 | 11413 | 11963 | 3207 | 150 | 1140 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - GENERAL SUPPORT FACILITIES | GSF | 8433048 | 2574766 | 1022064 | 653455 | 684970 | 183603 | 30674 | 1140 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8089364 | 2991219 | 112678 | 1685269 | 1097136 | 96137 | 0 | 1140 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - - COE CAT 2 | COE2 | 21036 | 7142 | 0 | 0 | 7142 | 0 | 0 | 1140 |
| - - COE CAT 3 | COE3 | 3563267 | 1685269 | 0 | 1685269 | 0 | 0 | 0 | 1140 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - - COE CAT 4.12 | COE412 | 120409 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - - COE CAT 4.13 | COE413 | 473745 | 123289 | 112678 | 0 | 0 | 10611 | 0 | 1140 |
| - - COE CAT 4.2 | COE42 | 2901620 | 983348 | 0 | 0 | 897822 | 85526 | 0 | 1140 |
| - - COE CAT 4.3 | COE43 | 1009287 | 192171 | 0 | 0 | 192171 | 0 | 0 | 1140 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - CABLE & WIRE FACILITIES | CWF | 13400478 | 3570029 | 2523240 | 0 | 669411 | 377378 | 0 | 1140 |
| - - C&WF CAT 1.1 | CWF11 | 278187 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - - C&WF CAT 1.2 | CWF12 | 237618 | 237618 | 0 | 0 | 0 | 237618 | 0 | 1140 |
| - - C&WF CAT 1.3 | CWF13 | 10092960 | 2523240 | 2523240 | 0 | 0 | 0 | 0 | 1140 |
| - - C&WF CAT 2 | CWF2 | 109913 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - - C&WF CAT 3 | CWF3 | 1849576 | 650713 | 0 | 0 | 510952 | 139761 | 0 | 1140 |
| - - C&WF CAT 4 | CWF4 | 832225 | 158458 | 0 | 0 | 158458 | 0 | 0 | 1140 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| TELCOM PLANT-OTHER | PLTOTH | 203889 | 62042 | 24925 | 15936 | 16704 | 4477 | 0 | 1140 |
| ACCUM DEPRECIATION | ACCDEP | 23124586 | 6828130 | 3028884 | 1273082 | 1963594 | 539358 | 23212 | 1140 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| NETWORK SUPPORT EXP | NETSPX | 78186 | 23872 | 9558 | 6111 | 6406 | 1717 | 80 | 1140 |
| GENERAL SUPPORT EXP | GSFX | 296097 | 90404 | 35886 | 22944 | 24050 | 6447 | 1077 | 1140 |
| COE EXPENSE | COEX | 578636 | 213963 | 3184 | 164738 | 43325 | 2717 | 0 | 1140 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| C&WF EXPENSE | CWFX | 583360 | 155413 | 109844 | 0 | 29141 | 16428 | 0 | 1140 |
| OTHER PROP & PL EXP | OTHPPX | 2836 | 866 | 348 | 222 | 233 | 62 | 0 | 1140 |
| NETWORK OPERATIONS EXP | NETOPX | 454388 | 138733 | 55735 | 35634 | 37352 | 10012 | 0 | 1140 |
| DEPREC & AMORT EXP | DEPAMX | 1599886 | 498170 | 167373 | 140462 | 155511 | 33298 | 1527 | 1140 |
| MARKETING EXPENSE | MRKTX | 3519 | 842 | 337 | 215 | 226 | 61 | 3 | 1140 |
| SERVICES EXPENSE | SERVX | 462131 | 122705 | 30506 | 18995 | 19912 | 3721 | 49570 | 1140 |
| - CABSX EXPENSE | CABSX | 53077 | 26538 | 0 | 11393 | 11943 | 3201 | 0 | 1140 |
| EXEC & PLANNING EXP | EXEPLX | 299299 | 90803 | 31755 | 29307 | 18918 | 4848 | 5974 | 1140 |
| GENERAL & ADMIN EXP | GENADX | 1112571 | 354361 | 123926 | 114371 | 73830 | 18919 | 23315 | 1140 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 170756 | 52400 | 21051 | 13459 | 14108 | 3782 | 0 | 1140 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1140 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 86796 | 29233 | 8349 | 12886 | 6350 | 1554 | 95 | 1140 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 664271 | 185781 | 113716 | 23149 | 12280 | 36636 | 0 | 1141 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| - GENERAL SUPPORT FACILITIES | GSF | 3608267 | 1135360 | 694951 | 141472 | 75044 | 223893 | 0 | 1141 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8968062 | 3392038 | 1134074 | 990751 | 339124 | 928090 | 0 | 1141 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| - - COE CAT 3 | COE3 | 2350230 | 990751 | 0 | 990751 | 0 | 0 | 0 | 1141 |
| - - COE CAT 4.11 | COE411 | 582427 | 582427 | 0 | 0 | 0 | 582427 | 0 | 1141 |
| - - COE CAT 4.12 | COE412 | 73659 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| - - COE CAT 4.13 | COE413 | 4611023 | 1189640 | 1134074 | 0 | 0 | 55566 | 0 | 1141 |
| - - COE CAT 4.2 | COE42 | 816040 | 449921 | 0 | 0 | 159825 | 290097 | 0 | 1141 |
| - - COE CAT 4.3 | COE43 | 534683 | 179299 | 0 | 0 | 179299 | 0 | 0 | 1141 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| - CABLE & WIRE FACILITIES | CWF | 16301275 | 4559091 | 3732794 | 0 | 186420 | 639876 | 0 | 1141 |
| - - C&WF CAT 1.1 | CWF11 | 63067 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| - - C&WF CAT 1.2 | CWF12 | 182895 | 182895 | 0 | 0 | 0 | 182895 | 0 | 1141 |
| - - C&WF CAT 1.3 | CWF13 | 14931178 | 3732794 | 3732794 | 0 | 0 | 0 | 0 | 1141 |
| - - C&WF CAT 2 | CWF2 | 567526 | 448618 | 0 | 0 | 0 | 448618 | 0 | 1141 |
| - - C&WF CAT 3 | CWF3 | 156283 | 60539 | 0 | 0 | 52176 | 8363 | 0 | 1141 |
| - - C&WF CAT 4 | CWF4 | 400326 | 134244 | 0 | 0 | 134244 | 0 | 0 | 1141 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| TELCOM PLANT-OTHER | PLTOTH | 625936 | 196954 | 120555 | 24541 | 13018 | 38839 | 0 | 1141 |
| ACCUM DEPRECIATION | ACCDEP | 17927103 | 5622372 | 3490417 | 622710 | 379084 | 1130160 | 0 | 1141 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| NETWORK SUPPORT EXP | NETSPX | 43919 | 13819 | 8459 | 1722 | 913 | 2725 | 0 | 1141 |
| GENERAL SUPPORT EXP | GSFX | 248827 | 78295 | 47924 | 9756 | 5175 | 15440 | 0 | 1141 |
| COE EXPENSE | COEX | 341306 | 129094 | 28935 | 61796 | 14683 | 23680 | 0 | 1141 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| C&WF EXPENSE | CWFX | 434057 | 121396 | 99394 | 0 | 4964 | 17038 | 0 | 1141 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| NETWORK OPERATIONS EXP | NETOPX | 431857 | 135886 | 83176 | 16932 | 8982 | 26797 | 0 | 1141 |
| DEPREC & AMORT EXP | DEPAMX | 1628983 | 513216 | 311928 | 68270 | 33361 | 99657 | 0 | 1141 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| SERVICES EXPENSE | SERVX | 348398 | 119113 | 18904 | 15846 | 8405 | 24707 | 51251 | 1141 |
| - CABSX EXPENSE | CABSX | 85557 | 42779 | 0 | 13742 | 7289 | 21748 | 0 | 1141 |
| EXEC & PLANNING EXP | EXEPLX | 272494 | 88545 | 44792 | 14929 | 6070 | 15539 | 7215 | 1141 |
| GENERAL & ADMIN EXP | GENADX | 373425 | 151356 | 76565 | 25519 | 10376 | 26562 | 12333 | 1141 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 397227 | 125456 | 76791 | 15632 | 8292 | 24740 | 0 | 1141 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1141 |
| NON-OPERATING INC & EXP | NONOPX | 5429 | 2016 | 1234 | 251 | 133 | 398 | 0 | 1141 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 72879 | 22903 | 13733 | 3309 | 1470 | 4391 | 0 | 1141 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 2960389 | 844391 | 519653 | 45748 | 16547 | 262443 | 0 | 1142 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| - GENERAL SUPPORT FACILITIES | GSF | 11046058 | 3540009 | 2178584 | 191794 | 69371 | 1100260 | 0 | 1142 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13128954 | 6302367 | 873338 | 1259894 | 185276 | 3983859 | 0 | 1142 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| - - COE CAT 3 | COE3 | 4492723 | 1259894 | 0 | 1259894 | 0 | 0 | 0 | 1142 |
| - - COE CAT 4.11 | COE411 | 2852689 | 2852689 | 0 | 0 | 0 | 2852689 | 0 | 1142 |
| - - COE CAT 4.12 | COE412 | 264128 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| - - COE CAT 4.13 | COE413 | 3549001 | 897904 | 873338 | 0 | 0 | 24566 | 0 | 1142 |
| - - COE CAT 4.2 | COE42 | 1362468 | 1177734 | 0 | 0 | 71130 | 1106604 | 0 | 1142 |
| - - COE CAT 4.3 | COE43 | 607945 | 114146 | 0 | 0 | 114146 | 0 | 0 | 1142 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| - CABLE & WIRE FACILITIES | CWF | 59432492 | 16951919 | 13437762 | 0 | 270419 | 3243738 | 0 | 1142 |
| - - C&WF CAT 1.1 | CWF11 | 478267 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| - - C&WF CAT 1.2 | CWF12 | 377985 | 377985 | 0 | 0 | 0 | 377985 | 0 | 1142 |
| - - C&WF CAT 1.3 | CWF13 | 53751047 | 13437762 | 13437762 | 0 | 0 | 0 | 0 | 1142 |
| - - C&WF CAT 2 | CWF2 | 3538851 | 2848904 | 0 | 0 | 0 | 2848904 | 0 | 1142 |
| - - C&WF CAT 3 | CWF3 | 283300 | 98940 | 0 | 0 | 82091 | 16849 | 0 | 1142 |
| - - C&WF CAT 4 | CWF4 | 1003042 | 188328 | 0 | 0 | 188328 | 0 | 0 | 1142 |
| - TANGIBLES | TANGIB | 95007 | 30448 | 18738 | 1650 | 597 | 9463 | 0 | 1142 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| TELCOM PLANT-OTHER | PLTOTH | 1441801 | 462064 | 284363 | 25034 | 9055 | 143613 | 0 | 1142 |
| ACCUM DEPRECIATION | ACCDEP | 52154466 | 17149948 | 10250789 | 725086 | 354947 | 5819126 | 0 | 1142 |
| ACCUM AMORTIZATION | ACCAMO | 95007 | 30448 | 18738 | 1650 | 597 | 9463 | 0 | 1142 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| NETWORK SUPPORT EXP | NETSPX | 68870 | 22071 | 13583 | 1196 | 433 | 6860 | 0 | 1142 |
| GENERAL SUPPORT EXP | GSFX | 457293 | 146552 | 90191 | 7940 | 2872 | 45549 | 0 | 1142 |
| COE EXPENSE | COEX | 1377808 | 661398 | 64524 | 265680 | 36860 | 294334 | 0 | 1142 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| C&WF EXPENSE | CWFX | 959768 | 273754 | 217005 | 0 | 4367 | 52383 | 0 | 1142 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| NETWORK OPERATIONS EXP | NETOPX | 1492518 | 478318 | 294365 | 25915 | 9373 | 148665 | 0 | 1142 |
| DEPREC & AMORT EXP | DEPAMX | 5923172 | 2030461 | 1074255 | 150330 | 43957 | 761919 | 0 | 1142 |
| MARKETING EXPENSE | MRKTX | 12160 | 3737 | 2300 | 202 | 73 | 1161 | 0 | 1142 |
| SERVICES EXPENSE | SERVX | 655418 | 147077 | 27474 | 8097 | 2931 | 43672 | 64904 | 1142 |
| - CABSX EXPENSE | CABSX | 106412 | 53206 | 0 | 7496 | 2711 | 42999 | 0 | 1142 |
| EXEC & PLANNING EXP | EXEPLX | 704042 | 244865 | 105445 | 42097 | 7752 | 80729 | 8841 | 1142 |
| GENERAL & ADMIN EXP | GENADX | 2418826 | 895933 | 385813 | 154028 | 28364 | 295378 | 32350 | 1142 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 708909 | 227189 | 139816 | 12309 | 4452 | 70612 | 0 | 1142 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1142 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 394910 | 120612 | 77559 | 8775 | 2156 | 32122 | 0 | 1142 |

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COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 282498 | 77689 | 44967 | 14057 | 4939 | 13611 | 115 | 1143 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| - GENERAL SUPPORT FACILITIES | GSF | 3144170 | 1030616 | 593288 | 185464 | 65162 | 179574 | 7128 | 1143 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2765794 | 1367793 | 203949 | 683323 | 100867 | 379654 | 0 | 1143 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| - - COE CAT 3 | COE3 | 1046176 | 683323 | 0 | 683323 | 0 | 0 | 0 | 1143 |
| - - COE CAT 4.11 | COE411 | 184196 | 184196 | 0 | 0 | 0 | 184196 | 0 | 1143 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| - - COE CAT 4.13 | COE413 | 823042 | 207974 | 203949 | 0 | 0 | 4025 | 0 | 1143 |
| - - COE CAT 4.2 | COE42 | 382866 | 191433 | 0 | 0 | 0 | 191433 | 0 | 1143 |
| - - COE CAT 4.3 | COE43 | 329514 | 100867 | 0 | 0 | 100867 | 0 | 0 | 1143 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| - CABLE & WIRE FACILITIES | CWF | 8738455 | 2403142 | 1981957 | 0 | 139216 | 281969 | 0 | 1143 |
| - - C&WF CAT 1.1 | CWF11 | 31289 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| - - C&WF CAT 1.2 | CWF12 | 39111 | 39111 | 0 | 0 | 0 | 39111 | 0 | 1143 |
| - - C&WF CAT 1.3 | CWF13 | 7927827 | 1981957 | 1981957 | 0 | 0 | 0 | 0 | 1143 |
| - - C&WF CAT 2 | CWF2 | 204758 | 204758 | 0 | 0 | 0 | 204758 | 0 | 1143 |
| - - C&WF CAT 3 | CWF3 | 80677 | 38100 | 0 | 0 | 0 | 38100 | 0 | 1143 |
| - - C&WF CAT 4 | CWF4 | 454793 | 139216 | 0 | 0 | 139216 | 0 | 0 | 1143 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| TELCOM PLANT-OTHER | PLTOTH | 2109 | 690 | 400 | 125 | 44 | 121 | 0 | 1143 |
| ACCUM DEPRECIATION | ACCDEP | 11119139 | 3557787 | 2165088 | 530217 | 230655 | 626386 | 5442 | 1143 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| NETWORK SUPPORT EXP | NETSPX | 10912 | 3577 | 2070 | 647 | 227 | 627 | 5 | 1143 |
| GENERAL SUPPORT EXP | GSFX | 118493 | 38840 | 22359 | 6990 | 2456 | 6768 | 269 | 1143 |
| COE EXPENSE | COEX | 322202 | 159342 | 8118 | 132097 | 4015 | 15111 | 0 | 1143 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| C&WF EXPENSE | CWFX | 1452401 | 399421 | 329417 | 0 | 23139 | 46866 | 0 | 1143 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| NETWORK OPERATIONS EXP | NETOPX | 281595 | 92303 | 53505 | 16726 | 5877 | 16195 | 0 | 1143 |
| DEPREC & AMORT EXP | DEPAMX | 1048999 | 359493 | 188886 | 84255 | 22334 | 63607 | 411 | 1143 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| SERVICES EXPENSE | SERVX | 248939 | 96924 | 28262 | 14788 | 4852 | 9262 | 39760 | 1143 |
| - CABSX EXPENSE | CABSX | 34490 | 17245 | 0 | 7435 | 2612 | 7198 | 0 | 1143 |
| EXEC & PLANNING EXP | EXEPLX | 536500 | 174088 | 97732 | 37718 | 8935 | 20886 | 8817 | 1143 |
| GENERAL & ADMIN EXP | GENADX | 1026161 | 352355 | 197811 | 76340 | 18084 | 42273 | 17847 | 1143 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 73658 | 23781 | 13785 | 4309 | 1514 | 4172 | 0 | 1143 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1143 |
| NON-OPERATING INC & EXP | NONOPX | 2981 | 1004 | 581 | 182 | 64 | 176 | 1 | 1143 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 103286 | 35806 | 20725 | 6479 | 2276 | 6273 | 53 | 1143 |

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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 1056141 | 288566 | 146385 | 80688 | 43188 | 16349 | 1955 | 1144 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| - GENERAL SUPPORT FACILITIES | GSF | 9498160 | 3414381 | 1655782 | 912675 | 488508 | 184923 | 172494 | 1144 |
| - CENTRAL OFFICE EQUIPMENT | COE | 16560887 | 9813786 | 1373196 | 6205694 | 1378260 | 856636 | 0 | 1144 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| - - COE CAT 2 | COE2 | 125664 | 68865 | 0 | 0 | 68865 | 0 | 0 | 1144 |
| - - COE CAT 3 | COE3 | 7300817 | 6205694 | 0 | 6205694 | 0 | 0 | 0 | 1144 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| - - COE CAT 4.12 | COE412 | 68529 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| - - COE CAT 4.13 | COE413 | 5582063 | 1390365 | 1373196 | 0 | 0 | 17169 | 0 | 1144 |
| - - COE CAT 4.2 | COE42 | 3125834 | 2073234 | 0 | 0 | 1233768 | 839467 | 0 | 1144 |
| - - COE CAT 4.3 | COE43 | 357980 | 75627 | 0 | 0 | 75627 | 0 | 0 | 1144 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| - CABLE & WIRE FACILITIES | CWF | 44758674 | 12229264 | 9885208 | 0 | 1943327 | 400729 | 0 | 1144 |
| - - C&WF CAT 1.1 | CWF11 | 519103 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| - - C&WF CAT 1.2 | CWF12 | 123596 | 123596 | 0 | 0 | 0 | 123596 | 0 | 1144 |
| - - C&WF CAT 1.3 | CWF13 | 39540833 | 9885208 | 9885208 | 0 | 0 | 0 | 0 | 1144 |
| - - C&WF CAT 2 | CWF2 | 450407 | 145063 | 0 | 0 | 0 | 145063 | 0 | 1144 |
| - - C&WF CAT 3 | CWF3 | 4067847 | 2063378 | 0 | 0 | 1931309 | 132069 | 0 | 1144 |
| - - C&WF CAT 4 | CWF4 | 56888 | 12018 | 0 | 0 | 12018 | 0 | 0 | 1144 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| - INTANGIBLES | INTANG | 10105 | 3633 | 1843 | 1016 | 544 | 206 | 25 | 1144 |
| TELCOM PLANT-OTHER | PLTOTH | 10049160 | 3587977 | 1832546 | 1010109 | 540659 | 204663 | 0 | 1144 |
| ACCUM DEPRECIATION | ACCDEP | 25259319 | 9617026 | 4400239 | 3412211 | 1261420 | 454642 | 88513 | 1144 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| NET DEFERRED FIT | NTDFIT | 1640132 | 579689 | 303128 | 156524 | 87546 | 32491 | 0 | 1144 |
| NETWORK SUPPORT EXP | NETSPX | 18670 | 6711 | 3405 | 1877 | 1004 | 380 | 45 | 1144 |
| GENERAL SUPPORT EXP | GSFX | 416780 | 149823 | 72656 | 40048 | 21436 | 8114 | 7569 | 1144 |
| COE EXPENSE | COEX | 436951 | 258932 | 32637 | 172895 | 33039 | 20360 | 0 | 1144 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| C&WF EXPENSE | CWFX | 1617428 | 441924 | 357218 | 0 | 70225 | 14481 | 0 | 1144 |
| OTHER PROP & PL EXP | OTHPPX | 12663 | 4552 | 2325 | 1282 | 686 | 260 | 0 | 1144 |
| NETWORK OPERATIONS EXP | NETOPX | 655970 | 235807 | 120438 | 66386 | 35533 | 13451 | 0 | 1144 |
| DEPREC & AMORT EXP | DEPAMX | 3989834 | 1562158 | 668239 | 532007 | 242052 | 107830 | 12029 | 1144 |
| MARKETING EXPENSE | MRKTX | 120618 | 45879 | 23274 | 12829 | 6866 | 2599 | 311 | 1144 |
| SERVICES EXPENSE | SERVX | 841051 | 304227 | 26142 | 66910 | 34626 | 11425 | 165122 | 1144 |
| - CABSX EXPENSE | CABSX | 191447 | 95724 | 0 | 55081 | 29482 | 11160 | 0 | 1144 |
| EXEC & PLANNING EXP | EXEPLX | 387782 | 136512 | 70620 | 29475 | 16552 | 5783 | 14081 | 1144 |
| GENERAL & ADMIN EXP | GENADX | 1687217 | 642364 | 332306 | 138697 | 77888 | 27213 | 66260 | 1144 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 1607871 | 621596 | 323701 | 164485 | 96054 | 36697 | 659 | 1144 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1144 |
| NON-OPERATING INC & EXP | NONOPX | 5215 | 1988 | 1008 | 556 | 297 | 113 | 13 | 1144 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 2524855 | 879165 | 445988 | 245831 | 131580 | 49809 | 5957 | 1144 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 189095 | 50262 | 28313 | 15914 | 1214 | 4820 | 0 | 1145 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - GENERAL SUPPORT FACILITIES | GSF | 1094754 | 380398 | 214281 | 120445 | 9191 | 36481 | 0 | 1145 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1980265 | 997513 | 223508 | 634690 | 30060 | 109255 | 0 | 1145 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - - COE CAT 3 | COE3 | 856389 | 634690 | 0 | 634690 | 0 | 0 | 0 | 1145 |
| - - COE CAT 4.11 | COE411 | 109255 | 109255 | 0 | 0 | 0 | 109255 | 0 | 1145 |
| - - COE CAT 4.12 | COE412 | 62432 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - - COE CAT 4.13 | COE413 | 894033 | 223508 | 223508 | 0 | 0 | 0 | 0 | 1145 |
| - - COE CAT 4.2 | COE42 | 58156 | 30060 | 0 | 0 | 30060 | 0 | 0 | 1145 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - CABLE & WIRE FACILITIES | CWF | 3788592 | 1007011 | 905657 | 0 | 18372 | 82982 | 0 | 1145 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - - C&WF CAT 1.3 | CWF13 | 3622629 | 905657 | 905657 | 0 | 0 | 0 | 0 | 1145 |
| - - C&WF CAT 2 | CWF2 | 130419 | 82982 | 0 | 0 | 0 | 82982 | 0 | 1145 |
| - - C&WF CAT 3 | CWF3 | 35544 | 18372 | 0 | 0 | 18372 | 0 | 0 | 1145 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| - INTANGIBLES | INTANG | 1695 | 589 | 332 | 186 | 14 | 56 | 0 | 1145 |
| TELCOM PLANT-OTHER | PLTOTH | 22933 | 7969 | 4489 | 2523 | 193 | 764 | 0 | 1145 |
| ACCUM DEPRECIATION | ACCDEP | 1712917 | 606248 | 328265 | 194452 | 17109 | 66421 | 0 | 1145 |
| ACCUM AMORTIZATION | ACCAMO | 1695 | 589 | 332 | 186 | 14 | 56 | 0 | 1145 |
| NET DEFERRED FIT | NTDFIT | 631793 | 219531 | 123664 | 69510 | 5304 | 21053 | 0 | 1145 |
| NETWORK SUPPORT EXP | NETSPX | 14768 | 5131 | 2891 | 1625 | 124 | 492 | 0 | 1145 |
| GENERAL SUPPORT EXP | GSFX | 42141 | 14643 | 8248 | 4636 | 354 | 1404 | 0 | 1145 |
| COE EXPENSE | COEX | 88227 | 44442 | 7044 | 33007 | 947 | 3443 | 0 | 1145 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| C&WF EXPENSE | CWFX | 83873 | 22294 | 20050 | 0 | 407 | 1837 | 0 | 1145 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| NETWORK OPERATIONS EXP | NETOPX | 33040 | 11481 | 6467 | 3635 | 277 | 1101 | 0 | 1145 |
| DEPREC & AMORT EXP | DEPAMX | 371414 | 144944 | 64685 | 65455 | 3002 | 11802 | 0 | 1145 |
| MARKETING EXPENSE | MRKTX | 24529 | 8957 | 5046 | 2836 | 216 | 859 | 0 | 1145 |
| SERVICES EXPENSE | SERVX | 18926 | 4379 | 449 | 2544 | 194 | 771 | 420 | 1145 |
| - CABSX EXPENSE | CABSX | 6930 | 3465 | 0 | 2512 | 192 | 761 | 0 | 1145 |
| EXEC & PLANNING EXP | EXEPLX | 220719 | 81456 | 36727 | 35329 | 1844 | 7249 | 307 | 1145 |
| GENERAL & ADMIN EXP | GENADX | 252665 | 115460 | 52059 | 50077 | 2613 | 10275 | 436 | 1145 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 77513 | 31236 | 17711 | 9868 | 733 | 2923 | 0 | 1145 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1145 |
| NON-OPERATING INC & EXP | NONOPX | 1500 | 630 | 355 | 199 | 15 | 60 | 0 | 1145 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 292951 | 100152 | 56416 | 31711 | 2420 | 9605 | 0 | 1145 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 39980 | 11963 | 3189 | 4971 | 2329 | 1474 | 0 | 1146 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - GENERAL SUPPORT FACILITIES | GSF | 884339 | 435707 | 116155 | 181060 | 84818 | 53673 | 0 | 1146 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2494163 | 1749352 | 114163 | 1063338 | 302509 | 269342 | 0 | 1146 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - - COE CAT 3 | COE3 | 1250986 | 1031444 | 0 | 1031444 | 0 | 0 | 0 | 1146 |
| - - COE CAT 4.11 | COE411 | 238516 | 238516 | 0 | 0 | 0 | 238516 | 0 | 1146 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - - COE CAT 4.13 | COE413 | 474625 | 124375 | 114163 | 0 | 0 | 10211 | 0 | 1146 |
| - - COE CAT 4.2 | COE42 | 261648 | 207954 | 0 | 0 | 187339 | 20615 | 0 | 1146 |
| - - COE CAT 4.3 | COE43 | 232467 | 115169 | 0 | 0 | 115169 | 0 | 0 | 1146 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - CABLE & WIRE FACILITIES | CWF | 2855203 | 854342 | 588460 | 0 | 210554 | 55328 | 0 | 1146 |
| - - C&WF CAT 1.1 | CWF11 | 40003 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - - C&WF CAT 1.2 | CWF12 | 52635 | 52635 | 0 | 0 | 0 | 52635 | 0 | 1146 |
| - - C&WF CAT 1.3 | CWF13 | 2353840 | 588460 | 588460 | 0 | 0 | 0 | 0 | 1146 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - - C&WF CAT 3 | CWF3 | 35602 | 28393 | 0 | 0 | 25701 | 2693 | 0 | 1146 |
| - - C&WF CAT 4 | CWF4 | 373123 | 184854 | 0 | 0 | 184854 | 0 | 0 | 1146 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| - INTANGIBLES | INTANG | 109203 | 53803 | 14343 | 22358 | 10474 | 6628 | 0 | 1146 |
| TELCOM PLANT-OTHER | PLTOTH | 120359 | 59300 | 15809 | 24642 | 11544 | 7305 | 0 | 1146 |
| ACCUM DEPRECIATION | ACCDEP | 2762100 | 1516667 | 304007 | 783399 | 255583 | 173678 | 0 | 1146 |
| ACCUM AMORTIZATION | ACCAMO | 25428 | 12528 | 3340 | 5206 | 2439 | 1543 | 0 | 1146 |
| NET DEFERRED FIT | NTDFIT | 54251 | 26729 | 7126 | 11107 | 5203 | 3293 | 0 | 1146 |
| NETWORK SUPPORT EXP | NETSPX | 9554 | 4707 | 1255 | 1956 | 916 | 580 | 0 | 1146 |
| GENERAL SUPPORT EXP | GSFX | 68016 | 33511 | 8934 | 13926 | 6523 | 4128 | 0 | 1146 |
| COE EXPENSE | COEX | 330006 | 235679 | 26562 | 76067 | 70384 | 62667 | 0 | 1146 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| C&WF EXPENSE | CWFX | 229631 | 68711 | 47327 | 0 | 16934 | 4450 | 0 | 1146 |
| OTHER PROP & PL EXP | OTHPPX | 158 | 78 | 21 | 32 | 15 | 10 | 0 | 1146 |
| NETWORK OPERATIONS EXP | NETOPX | 90674 | 44674 | 11910 | 18565 | 8697 | 5503 | 0 | 1146 |
| DEPREC & AMORT EXP | DEPAMX | 403356 | 217654 | 45695 | 103640 | 40326 | 27992 | 0 | 1146 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| SERVICES EXPENSE | SERVX | 136772 | 54035 | 9055 | 20833 | 8463 | 4159 | 11525 | 1146 |
| - CABSX EXPENSE | CABSX | 37634 | 18817 | 0 | 10662 | 4995 | 3161 | 0 | 1146 |
| EXEC & PLANNING EXP | EXEPLX | 132991 | 68339 | 17043 | 20037 | 17072 | 12430 | 1758 | 1146 |
| GENERAL & ADMIN EXP | GENADX | 352594 | 218795 | 54565 | 64152 | 54656 | 39795 | 5628 | 1146 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1146 |
| NON-OPERATING INC & EXP | NONOPX | 1421 | 866 | 231 | 360 | 169 | 107 | 0 | 1146 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 139040 | 62522 | 20419 | 20255 | 13654 | 8194 | 0 | 1146 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 78789 | 21305 | 6700 | 6896 | 3646 | 4063 | 0 | 1147 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - GENERAL SUPPORT FACILITIES | GSF | 2676971 | 1235330 | 388490 | 399861 | 211389 | 235590 | 0 | 1147 |
| - CENTRAL OFFICE EQUIPMENT | COE | 11960734 | 7644877 | 730482 | 3448235 | 1822933 | 1643227 | 0 | 1147 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - - COE CAT 3 | COE3 | 4056747 | 3448235 | 0 | 3448235 | 0 | 0 | 0 | 1147 |
| - - COE CAT 4.11 | COE411 | 621637 | 606228 | 0 | 0 | 0 | 606228 | 0 | 1147 |
| - - COE CAT 4.12 | COE412 | 320754 | 240567 | 0 | 0 | 0 | 240567 | 0 | 1147 |
| - - COE CAT 4.13 | COE413 | 3042838 | 798100 | 730482 | 0 | 0 | 67619 | 0 | 1147 |
| - - COE CAT 4.2 | COE42 | 3918758 | 2551747 | 0 | 0 | 1822933 | 728814 | 0 | 1147 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - CABLE & WIRE FACILITIES | CWF | 11124331 | 3008088 | 2619688 | 0 | 0 | 388400 | 0 | 1147 |
| - - C&WF CAT 1.1 | CWF11 | 191121 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - - C&WF CAT 1.2 | CWF12 | 242497 | 242497 | 0 | 0 | 0 | 242497 | 0 | 1147 |
| - - C&WF CAT 1.3 | CWF13 | 10478752 | 2619688 | 2619688 | 0 | 0 | 0 | 0 | 1147 |
| - - C&WF CAT 2 | CWF2 | 211961 | 145903 | 0 | 0 | 0 | 145903 | 0 | 1147 |
| - - C&WF CAT 3 | CWF3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| - TANGIBLES | TANGIB | 324680 | 85160 | 77945 | 0 | 0 | 7215 | 0 | 1147 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| TELCOM PLANT-OTHER | PLTOTH | 1331631 | 611201 | 194824 | 196431 | 103845 | 116101 | 0 | 1147 |
| ACCUM DEPRECIATION | ACCDEP | 15067196 | 6919272 | 2189406 | 2089323 | 1257290 | 1383254 | 0 | 1147 |
| ACCUM AMORTIZATION | ACCAMO | 158547 | 41585 | 38062 | 0 | 0 | 3523 | 0 | 1147 |
| NET DEFERRED FIT | NTDFIT | 1271612 | 913285 | 50359 | 653023 | 109900 | 100003 | 0 | 1147 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| GENERAL SUPPORT EXP | GSFX | 236026 | 108918 | 34253 | 35255 | 18638 | 20772 | 0 | 1147 |
| COE EXPENSE | COEX | 873545 | 558339 | 45316 | 297999 | 113086 | 101938 | 0 | 1147 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| C&WF EXPENSE | CWFX | 376933 | 101925 | 88765 | 0 | 0 | 13160 | 0 | 1147 |
| OTHER PROP & PL EXP | OTHPPX | 6162 | 2828 | 889 | 915 | 484 | 539 | 0 | 1147 |
| NETWORK OPERATIONS EXP | NETOPX | 460544 | 212525 | 66835 | 68792 | 36367 | 40531 | 0 | 1147 |
| DEPREC & AMORT EXP | DEPAMX | 2592186 | 1276576 | 339999 | 468760 | 226882 | 240935 | 0 | 1147 |
| MARKETING EXPENSE | MRKTX | 93703 | 44549 | 14010 | 14420 | 7623 | 8496 | 0 | 1147 |
| SERVICES EXPENSE | SERVX | 358348 | 121615 | 24991 | 42010 | 20813 | 13952 | 19849 | 1147 |
| - CABSX EXPENSE | CABSX | 95508 | 47754 | 0 | 22549 | 11920 | 13285 | 0 | 1147 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| GENERAL & ADMIN EXP | GENADX | 1142253 | 589218 | 156625 | 226953 | 97330 | 98504 | 9806 | 1147 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 366750 | 179369 | 59197 | 55599 | 30306 | 34267 | 0 | 1147 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1147 |
| NON-OPERATING INC & EXP | NONOPX | 20178 | 10720 | 3371 | 3470 | 1834 | 2044 | 0 | 1147 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 323942 | 139724 | 51362 | 38679 | 22877 | 26806 | 0 | 1147 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 41118 | 13621 | 6142 | 3260 | 860 | 3360 | 0 | 1148 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - GENERAL SUPPORT FACILITIES | GSF | 502296 | 201759 | 90982 | 48283 | 12731 | 49764 | 0 | 1148 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1215594 | 662960 | 134815 | 355369 | 10827 | 161950 | 0 | 1148 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - - COE CAT 3 | COE3 | 461254 | 355369 | 0 | 355369 | 0 | 0 | 0 | 1148 |
| - - COE CAT 4.11 | COE411 | 149776 | 148813 | 0 | 0 | 0 | 148813 | 0 | 1148 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - - COE CAT 4.13 | COE413 | 548067 | 134815 | 134815 | 0 | 0 | 0 | 0 | 1148 |
| - - COE CAT 4.2 | COE42 | 56497 | 23964 | 0 | 0 | 10827 | 13137 | 0 | 1148 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - CABLE & WIRE FACILITIES | CWF | 2481385 | 822021 | 534825 | 0 | 82877 | 204319 | 0 | 1148 |
| - - C&WF CAT 1.1 | CWF11 | 34943 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - - C&WF CAT 1.3 | CWF13 | 2139302 | 534825 | 534825 | 0 | 0 | 0 | 0 | 1148 |
| - - C&WF CAT 2 | CWF2 | 75239 | 75239 | 0 | 0 | 75239 | 0 | 0 | 1148 |
| - - C&WF CAT 3 | CWF3 | 231901 | 211957 | 0 | 0 | 7638 | 204319 | 0 | 1148 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| ACCUM DEPRECIATION | ACCDEP | 1968063 | 840751 | 331811 | 280170 | 46345 | 182425 | 0 | 1148 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| NET DEFERRED FIT | NTDFIT | 283907 | 115869 | 50523 | 31103 | 7116 | 27128 | 0 | 1148 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| GENERAL SUPPORT EXP | GSFX | 46588 | 18713 | 8439 | 4478 | 1181 | 4616 | 0 | 1148 |
| COE EXPENSE | COEX | 85819 | 46804 | 3318 | 39233 | 266 | 3986 | 0 | 1148 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| C&WF EXPENSE | CWFX | 63192 | 20934 | 13620 | 0 | 2111 | 5203 | 0 | 1148 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| NETWORK OPERATIONS EXP | NETOPX | 8481 | 3407 | 1536 | 815 | 215 | 840 | 0 | 1148 |
| DEPREC & AMORT EXP | DEPAMX | 206413 | 95770 | 31074 | 42823 | 4295 | 17578 | 0 | 1148 |
| MARKETING EXPENSE | MRKTX | 10797 | 3426 | 1545 | 820 | 216 | 845 | 0 | 1148 |
| SERVICES EXPENSE | SERVX | 52979 | 23828 | 6670 | 4696 | 1178 | 1748 | 9535 | 1148 |
| - CABSX EXPENSE | CABSX | 7655 | 3828 | 0 | 1668 | 440 | 1720 | 0 | 1148 |
| EXEC & PLANNING EXP | EXEPLX | 125898 | 55987 | 16794 | 23924 | 2470 | 8241 | 4559 | 1148 |
| GENERAL & ADMIN EXP | GENADX | 182369 | 92219 | 27662 | 39406 | 4068 | 13574 | 7509 | 1148 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 30189 | 13449 | 6373 | 2701 | 892 | 3483 | 0 | 1148 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1148 |
| NON-OPERATING INC & EXP | NONOPX | 1201 | 577 | 260 | 138 | 36 | 142 | 0 | 1148 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 55331 | 20746 | 10699 | 2709 | 1498 | 5840 | 0 | 1148 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 48627 | 13346 | 7240 | 4328 | 40 | 1737 | 0 | 1149 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - GENERAL SUPPORT FACILITIES | GSF | 597536 | 214983 | 116628 | 69722 | 645 | 27988 | 0 | 1149 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1643631 | 765165 | 211686 | 439467 | 3840 | 110171 | 0 | 1149 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - - COE CAT 3 | COE3 | 638617 | 412285 | 0 | 412285 | 0 | 0 | 0 | 1149 |
| - - COE CAT 4.11 | COE411 | 43979 | 43979 | 0 | 0 | 0 | 43979 | 0 | 1149 |
| - - COE CAT 4.12 | COE412 | 60953 | 43878 | 0 | 0 | 3840 | 40038 | 0 | 1149 |
| - - COE CAT 4.13 | COE413 | 860186 | 225127 | 211686 | 0 | 0 | 13440 | 0 | 1149 |
| - - COE CAT 4.2 | COE42 | 12714 | 12714 | 0 | 0 | 0 | 12714 | 0 | 1149 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - CABLE & WIRE FACILITIES | CWF | 2355692 | 646540 | 568910 | 0 | 477 | 77153 | 0 | 1149 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - - C&WF CAT 1.2 | CWF12 | 36121 | 36121 | 0 | 0 | 0 | 36121 | 0 | 1149 |
| - - C&WF CAT 1.3 | CWF13 | 2275641 | 568910 | 568910 | 0 | 0 | 0 | 0 | 1149 |
| - - C&WF CAT 2 | CWF2 | 18204 | 15783 | 0 | 0 | 477 | 15306 | 0 | 1149 |
| - - C&WF CAT 3 | CWF3 | 25726 | 25726 | 0 | 0 | 0 | 25726 | 0 | 1149 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| TELCOM PLANT-OTHER | PLTOTH | 95284 | 34282 | 18598 | 11118 | 103 | 4463 | 0 | 1149 |
| ACCUM DEPRECIATION | ACCDEP | 1385050 | 520831 | 257949 | 194344 | 1651 | 66886 | 0 | 1149 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| NET DEFERRED FIT | NTDFIT | 482944 | 173755 | 94262 | 56351 | 521 | 22621 | 0 | 1149 |
| NETWORK SUPPORT EXP | NETSPX | 10471 | 3767 | 2044 | 1222 | 11 | 490 | 0 | 1149 |
| GENERAL SUPPORT EXP | GSFX | 28823 | 10370 | 5626 | 3363 | 31 | 1350 | 0 | 1149 |
| COE EXPENSE | COEX | 123127 | 59356 | 11241 | 42061 | 204 | 5850 | 0 | 1149 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| C&WF EXPENSE | CWFX | 102802 | 28215 | 24827 | 0 | 21 | 3367 | 0 | 1149 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| NETWORK OPERATIONS EXP | NETOPX | 14503 | 5218 | 2831 | 1692 | 16 | 679 | 0 | 1149 |
| DEPREC & AMORT EXP | DEPAMX | 276930 | 107989 | 49420 | 44877 | 340 | 13351 | 0 | 1149 |
| MARKETING EXPENSE | MRKTX | 9308 | 3204 | 1738 | 1039 | 10 | 417 | 0 | 1149 |
| SERVICES EXPENSE | SERVX | 82402 | 31639 | 6534 | 12972 | 81 | 2816 | 9236 | 1149 |
| - CABSX EXPENSE | CABSX | 16957 | 8479 | 0 | 6010 | 56 | 2413 | 0 | 1149 |
| EXEC & PLANNING EXP | EXEPLX | 78724 | 30251 | 11702 | 13304 | 80 | 3194 | 1971 | 1149 |
| GENERAL & ADMIN EXP | GENADX | 253819 | 134384 | 51983 | 59102 | 354 | 14190 | 8755 | 1149 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 59666 | 22414 | 12352 | 7070 | 67 | 2925 | 0 | 1149 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1149 |
| NON-OPERATING INC & EXP | NONOPX | 140 | 69 | 38 | 22 | 0 | 9 | 0 | 1149 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 30516 | 10736 | 5986 | 3314 | 32 | 1404 | 0 | 1149 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 88972 | 28480 | 9773 | 6149 | 9872 | 2685 | 0 | 1150 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| - GENERAL SUPPORT FACILITIES | GSF | 2909237 | 1222730 | 419587 | 264014 | 423849 | 115281 | 0 | 1150 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4094214 | 2368491 | 226546 | 956960 | 941241 | 243745 | 0 | 1150 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| - - COE CAT 3 | COE3 | 1125835 | 956960 | 0 | 956960 | 0 | 0 | 0 | 1150 |
| - - COE CAT 4.11 | COE411 | 47181 | 45813 | 0 | 0 | 0 | 45813 | 0 | 1150 |
| - - COE CAT 4.12 | COE412 | 179917 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| - - COE CAT 4.13 | COE413 | 916404 | 231879 | 226546 | 0 | 0 | 5333 | 0 | 1150 |
| - - COE CAT 4.2 | COE42 | 1395330 | 949778 | 0 | 0 | 757180 | 192598 | 0 | 1150 |
| - - COE CAT 4.3 | COE43 | 429547 | 184061 | 0 | 0 | 184061 | 0 | 0 | 1150 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| - CABLE & WIRE FACILITIES | CWF | 6450779 | 2063489 | 1294313 | 0 | 595066 | 174110 | 0 | 1150 |
| - - C&WF CAT 1.1 | CWF11 | 27930 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| - - C&WF CAT 1.2 | CWF12 | 30469 | 30469 | 0 | 0 | 0 | 30469 | 0 | 1150 |
| - - C&WF CAT 1.3 | CWF13 | 5177251 | 1294313 | 1294313 | 0 | 0 | 0 | 0 | 1150 |
| - - C&WF CAT 2 | CWF2 | 155395 | 64709 | 0 | 0 | 0 | 64709 | 0 | 1150 |
| - - C&WF CAT 3 | CWF3 | 928804 | 618997 | 0 | 0 | 540066 | 78932 | 0 | 1150 |
| - - C&WF CAT 4 | CWF4 | 130929 | 55001 | 0 | 0 | 55001 | 0 | 0 | 1150 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| TELCOM PLANT-OTHER | PLTOTH | 435553 | 183060 | 62818 | 39527 | 63456 | 17259 | 0 | 1150 |
| ACCUM DEPRECIATION | ACCDEP | 9430985 | 4116193 | 1288752 | 1047814 | 1400426 | 379200 | 0 | 1150 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| NET DEFERRED FIT | NTDFIT | 111566 | 46890 | 16091 | 10125 | 16254 | 4421 | 0 | 1150 |
| NETWORK SUPPORT EXP | NETSPX | 7075 | 2974 | 1020 | 642 | 1031 | 280 | 0 | 1150 |
| GENERAL SUPPORT EXP | GSFX | 144833 | 60872 | 20889 | 13144 | 21101 | 5739 | 0 | 1150 |
| COE EXPENSE | COEX | 784241 | 453681 | 56445 | 101991 | 234515 | 60730 | 0 | 1150 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| C&WF EXPENSE | CWFX | 210878 | 67456 | 42311 | 0 | 19453 | 5692 | 0 | 1150 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| NETWORK OPERATIONS EXP | NETOPX | 16369 | 6880 | 2361 | 1485 | 2385 | 649 | 0 | 1150 |
| DEPREC & AMORT EXP | DEPAMX | 720823 | 335617 | 99715 | 148743 | 68080 | 19079 | 0 | 1150 |
| MARKETING EXPENSE | MRKTX | 20211 | 9439 | 3239 | 2038 | 3272 | 890 | 0 | 1150 |
| SERVICES EXPENSE | SERVX | 194129 | 60022 | 9956 | 10283 | 12063 | 2527 | 25194 | 1150 |
| - CABSX EXPENSE | CABSX | 33949 | 16975 | 0 | 5580 | 8958 | 2437 | 0 | 1150 |
| EXEC & PLANNING EXP | EXEPLX | 264966 | 129518 | 31835 | 24106 | 54658 | 14232 | 4687 | 1150 |
| GENERAL & ADMIN EXP | GENADX | 352856 | 195651 | 48091 | 36415 | 82567 | 21499 | 7080 | 1150 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 95781 | 44485 | 17228 | 7082 | 15839 | 4335 | 0 | 1150 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1150 |
| NON-OPERATING INC & EXP | NONOPX | 9918 | 5311 | 1823 | 1147 | 1841 | 501 | 0 | 1150 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 110436 | 42550 | 14601 | 9187 | 14750 | 4012 | 0 | 1150 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 195067 | 54973 | 29612 | 11010 | 6288 | 8063 | 0 | 1151 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| - GENERAL SUPPORT FACILITIES | GSF | 1864397 | 668470 | 360086 | 133878 | 76457 | 98049 | 0 | 1151 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4745237 | 2616704 | 525912 | 1197344 | 322316 | 571132 | 0 | 1151 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| - - COE CAT 3 | COE3 | 1408640 | 1197344 | 0 | 1197344 | 0 | 0 | 0 | 1151 |
| - - COE CAT 4.11 | COE411 | 421959 | 420103 | 0 | 0 | 0 | 420103 | 0 | 1151 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| - - COE CAT 4.13 | COE413 | 2149850 | 531569 | 525912 | 0 | 0 | 5658 | 0 | 1151 |
| - - COE CAT 4.2 | COE42 | 272515 | 236355 | 0 | 0 | 90984 | 145371 | 0 | 1151 |
| - - COE CAT 4.3 | COE43 | 492273 | 231332 | 0 | 0 | 231332 | 0 | 0 | 1151 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| - CABLE & WIRE FACILITIES | CWF | 11929141 | 3361813 | 2694546 | 0 | 361488 | 305780 | 0 | 1151 |
| - - C&WF CAT 1.1 | CWF11 | 207737 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| - - C&WF CAT 1.2 | CWF12 | 28987 | 28987 | 0 | 0 | 0 | 28987 | 0 | 1151 |
| - - C&WF CAT 1.3 | CWF13 | 10778182 | 2694546 | 2694546 | 0 | 0 | 0 | 0 | 1151 |
| - - C&WF CAT 2 | CWF2 | 82497 | 72584 | 0 | 0 | 0 | 72584 | 0 | 1151 |
| - - C&WF CAT 3 | CWF3 | 481147 | 400945 | 0 | 0 | 196736 | 204209 | 0 | 1151 |
| - - C&WF CAT 4 | CWF4 | 350591 | 164752 | 0 | 0 | 164752 | 0 | 0 | 1151 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| TELCOM PLANT-OTHER | PLTOTH | 198664 | 71230 | 38370 | 14266 | 8147 | 10448 | 0 | 1151 |
| ACCUM DEPRECIATION | ACCDEP | 8236150 | 3395072 | 1409017 | 1138109 | 353640 | 494306 | 0 | 1151 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| NETWORK SUPPORT EXP | NETSPX | 10360 | 3715 | 2001 | 744 | 425 | 545 | 0 | 1151 |
| GENERAL SUPPORT EXP | GSFX | 102831 | 36870 | 19861 | 7384 | 4217 | 5408 | 0 | 1151 |
| COE EXPENSE | COEX | 423100 | 233313 | 16809 | 187948 | 10302 | 18255 | 0 | 1151 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| C&WF EXPENSE | CWFX | 898539 | 253222 | 202961 | 0 | 27228 | 23032 | 0 | 1151 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| NETWORK OPERATIONS EXP | NETOPX | 17248 | 6184 | 3331 | 1239 | 707 | 907 | 0 | 1151 |
| DEPREC & AMORT EXP | DEPAMX | 1385221 | 558383 | 242293 | 178161 | 58211 | 79718 | 0 | 1151 |
| MARKETING EXPENSE | MRKTX | 1571 | 966 | 520 | 193 | 110 | 142 | 0 | 1151 |
| SERVICES EXPENSE | SERVX | 195117 | 68067 | 13999 | 15547 | 7769 | 16800 | 13951 | 1151 |
| - CABSX EXPENSE | CABSX | 59740 | 29870 | 0 | 12967 | 7406 | 9497 | 0 | 1151 |
| EXEC & PLANNING EXP | EXEPLX | 208168 | 76402 | 36016 | 25097 | 5979 | 7667 | 1643 | 1151 |
| GENERAL & ADMIN EXP | GENADX | 334184 | 147754 | 69651 | 48534 | 11563 | 14827 | 3178 | 1151 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 52925 | 18976 | 10222 | 3800 | 2170 | 2783 | 0 | 1151 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1151 |
| NON-OPERATING INC & EXP | NONOPX | 1467 | 619 | 334 | 124 | 71 | 91 | 0 | 1151 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 520 | 165 | 89 | 33 | 19 | 24 | 0 | 1151 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 107056 | 49996 | 15990 | 8879 | 19945 | 5164 | 17 | 1152 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - GENERAL SUPPORT FACILITIES | GSF | 1246304 | 591387 | 187365 | 104039 | 233707 | 60507 | 5769 | 1152 |
| - CENTRAL OFFICE EQUIPMENT | COE | 11536191 | 5640683 | 1734630 | 2844566 | 594718 | 466769 | 0 | 1152 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - - COE CAT 3 | COE3 | 3346548 | 2844566 | 0 | 2844566 | 0 | 0 | 0 | 1152 |
| - - COE CAT 4.11 | COE411 | 397099 | 380341 | 0 | 0 | 0 | 380341 | 0 | 1152 |
| - - COE CAT 4.12 | COE412 | 7891 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - - COE CAT 4.13 | COE413 | 7016046 | 1780895 | 1734630 | 0 | 0 | 46265 | 0 | 1152 |
| - - COE CAT 4.2 | COE42 | 768607 | 634881 | 0 | 0 | 594718 | 40163 | 0 | 1152 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - CABLE & WIRE FACILITIES | CWF | 22207028 | 10370906 | 3388168 | 0 | 5795155 | 1187583 | 0 | 1152 |
| - - C&WF CAT 1.1 | CWF11 | 61059 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - - C&WF CAT 1.2 | CWF12 | 90367 | 90367 | 0 | 0 | 0 | 90367 | 0 | 1152 |
| - - C&WF CAT 1.3 | CWF13 | 13552672 | 3388168 | 3388168 | 0 | 0 | 0 | 0 | 1152 |
| - - C&WF CAT 2 | CWF2 | 303384 | 66380 | 0 | 0 | 0 | 66380 | 0 | 1152 |
| - - C&WF CAT 3 | CWF3 | 8199546 | 6825991 | 0 | 0 | 5795155 | 1030836 | 0 | 1152 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| TELCOM PLANT-OTHER | PLTOTH | 45726 | 21690 | 6940 | 3853 | 8656 | 2241 | 0 | 1152 |
| ACCUM DEPRECIATION | ACCDEP | 18745312 | 9179551 | 2735516 | 2343500 | 3224224 | 872219 | 4093 | 1152 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| NET DEFERRED FIT | NTDFIT | 134649 | 63870 | 20435 | 11347 | 25489 | 6599 | 0 | 1152 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| GENERAL SUPPORT EXP | GSFX | 386197 | 183255 | 58059 | 32239 | 72420 | 18750 | 1788 | 1152 |
| COE EXPENSE | COEX | 518286 | 253419 | 74917 | 132658 | 25685 | 20159 | 0 | 1152 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| C&WF EXPENSE | CWFX | 369253 | 172445 | 56338 | 0 | 96360 | 19747 | 0 | 1152 |
| OTHER PROP & PL EXP | OTHPPX | 388 | 184 | 59 | 33 | 73 | 19 | 0 | 1152 |
| NETWORK OPERATIONS EXP | NETOPX | 316548 | 150206 | 48057 | 26685 | 59944 | 15520 | 0 | 1152 |
| DEPREC & AMORT EXP | DEPAMX | 2573319 | 1260715 | 376645 | 362866 | 403065 | 117660 | 479 | 1152 |
| MARKETING EXPENSE | MRKTX | 122298 | 41636 | 13317 | 7394 | 16610 | 4300 | 14 | 1152 |
| SERVICES EXPENSE | SERVX | 236862 | 94372 | 16079 | 16198 | 18565 | 3601 | 39929 | 1152 |
| - CABSX EXPENSE | CABSX | 17741 | 8871 | 0 | 2317 | 5205 | 1348 | 0 | 1152 |
| EXEC & PLANNING EXP | EXEPLX | 441203 | 200973 | 71520 | 44313 | 59643 | 16904 | 8593 | 1152 |
| GENERAL & ADMIN EXP | GENADX | 735444 | 358769 | 127674 | 79106 | 106473 | 30177 | 15339 | 1152 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 360818 | 177636 | 59634 | 21542 | 77020 | 19415 | 24 | 1152 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1152 |
| NON-OPERATING INC & EXP | NONOPX | 889 | 423 | 135 | 75 | 169 | 44 | 0 | 1152 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 672 | 307 | 98 | 55 | 123 | 32 | 0 | 1152 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 152636 | 41596 | 18485 | 11441 | 3942 | 7693 | 34 | 1153 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - GENERAL SUPPORT FACILITIES | GSF | 4389941 | 1482148 | 654825 | 405294 | 139647 | 272506 | 9876 | 1153 |
| - CENTRAL OFFICE EQUIPMENT | COE | 13424941 | 5593176 | 911232 | 2804310 | 447818 | 1429816 | 0 | 1153 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - - COE CAT 3 | COE3 | 7176350 | 2704821 | 0 | 2704821 | 0 | 0 | 0 | 1153 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - - COE CAT 4.12 | COE412 | 607640 | 462749 | 0 | 0 | 0 | 462749 | 0 | 1153 |
| - - COE CAT 4.13 | COE413 | 3769992 | 954388 | 911232 | 0 | 0 | 43156 | 0 | 1153 |
| - - COE CAT 4.2 | COE42 | 1652200 | 1356199 | 0 | 0 | 432288 | 923911 | 0 | 1153 |
| - - COE CAT 4.3 | COE43 | 85503 | 15531 | 0 | 0 | 15531 | 0 | 0 | 1153 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - CABLE & WIRE FACILITIES | CWF | 17817963 | 4855677 | 3780373 | 0 | 552704 | 522600 | 0 | 1153 |
| - - C&WF CAT 1.1 | CWF11 | 339809 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - - C&WF CAT 1.2 | CWF12 | 179039 | 179039 | 0 | 0 | 0 | 179039 | 0 | 1153 |
| - - C&WF CAT 1.3 | CWF13 | 15121492 | 3780373 | 3780373 | 0 | 0 | 0 | 0 | 1153 |
| - - C&WF CAT 2 | CWF2 | 134796 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - - C&WF CAT 3 | CWF3 | 1115680 | 727860 | 0 | 0 | 384298 | 343561 | 0 | 1153 |
| - - C&WF CAT 4 | CWF4 | 927147 | 168405 | 0 | 0 | 168405 | 0 | 0 | 1153 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| - INTANGIBLES | INTANG | 14413 | 4866 | 2163 | 1338 | 461 | 900 | 4 | 1153 |
| TELCOM PLANT-OTHER | PLTOTH | 30535 | 10301 | 4582 | 2836 | 977 | 1907 | 0 | 1153 |
| ACCUM DEPRECIATION | ACCDEP | 20123352 | 7010471 | 2598132 | 2683474 | 571284 | 1152550 | 5031 | 1153 |
| ACCUM AMORTIZATION | ACCAMO | 14413 | 4862 | 2163 | 1338 | 461 | 900 | 0 | 1153 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| NETWORK SUPPORT EXP | NETSPX | 30973 | 10457 | 4647 | 2876 | 991 | 1934 | 9 | 1153 |
| GENERAL SUPPORT EXP | GSFX | 188723 | 63717 | 28151 | 17424 | 6003 | 11715 | 425 | 1153 |
| COE EXPENSE | COEX | 887849 | 376480 | 27598 | 292014 | 13563 | 43305 | 0 | 1153 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| C&WF EXPENSE | CWFX | 646448 | 176167 | 137155 | 0 | 20052 | 18960 | 0 | 1153 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| NETWORK OPERATIONS EXP | NETOPX | 471740 | 159271 | 70839 | 43845 | 15107 | 29480 | 0 | 1153 |
| DEPREC & AMORT EXP | DEPAMX | 2323642 | 815616 | 318935 | 260428 | 74797 | 160832 | 624 | 1153 |
| MARKETING EXPENSE | MRKTX | 307236 | 72734 | 32324 | 20006 | 6893 | 13451 | 60 | 1153 |
| SERVICES EXPENSE | SERVX | 616746 | 210346 | 70433 | 53487 | 14323 | 12939 | 59165 | 1153 |
| - CABSX EXPENSE | CABSX | 75043 | 37521 | 0 | 18603 | 6410 | 12508 | 0 | 1153 |
| EXEC & PLANNING EXP | EXEPLX | 314156 | 106976 | 43738 | 38925 | 6970 | 11939 | 5405 | 1153 |
| GENERAL & ADMIN EXP | GENADX | 1052915 | 420477 | 171916 | 152995 | 27395 | 46927 | 21244 | 1153 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 236587 | 79812 | 35498 | 21971 | 7570 | 14773 | 0 | 1153 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |
| NON-OPERATING INC & EXP | NONOPX | 3784 | 1482 | 658 | 408 | 140 | 274 | 1 | 1153 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1153 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 158173 | 45566 | 16100 | 13942 | 12804 | 2721 | 0 | 1154 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - GENERAL SUPPORT FACILITIES | GSF | 1027261 | 415683 | 146872 | 127185 | 116804 | 24823 | 0 | 1154 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2799835 | 1622377 | 142789 | 866448 | 509997 | 103143 | 0 | 1154 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - - COE CAT 3 | COE3 | 1019351 | 866448 | 0 | 866448 | 0 | 0 | 0 | 1154 |
| - - COE CAT 4.11 | COE411 | 94378 | 92725 | 0 | 0 | 0 | 92725 | 0 | 1154 |
| - - COE CAT 4.12 | COE412 | 192539 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - - COE CAT 4.13 | COE413 | 571984 | 142789 | 142789 | 0 | 0 | 0 | 0 | 1154 |
| - - COE CAT 4.2 | COE42 | 921583 | 520415 | 0 | 0 | 509997 | 10418 | 0 | 1154 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - CABLE & WIRE FACILITIES | CWF | 4198407 | 1209472 | 857780 | 0 | 285731 | 65961 | 0 | 1154 |
| - - C&WF CAT 1.1 | CWF11 | 4980 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - - C&WF CAT 1.3 | CWF13 | 3431120 | 857780 | 857780 | 0 | 0 | 0 | 0 | 1154 |
| - - C&WF CAT 2 | CWF2 | 139374 | 35160 | 0 | 0 | 0 | 35160 | 0 | 1154 |
| - - C&WF CAT 3 | CWF3 | 622933 | 316532 | 0 | 0 | 285731 | 30801 | 0 | 1154 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| - TANGIBLES | TANGIB | 23306 | 9431 | 3332 | 2886 | 2650 | 563 | 0 | 1154 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| TELCOM PLANT-OTHER | PLTOTH | 822730 | 332919 | 117629 | 101862 | 93548 | 19880 | 0 | 1154 |
| ACCUM DEPRECIATION | ACCDEP | 4182058 | 1983470 | 488833 | 949339 | 450397 | 94901 | 0 | 1154 |
| ACCUM AMORTIZATION | ACCAMO | 11258 | 4556 | 1610 | 1394 | 1280 | 272 | 0 | 1154 |
| NET DEFERRED FIT | NTDFIT | 282410 | 114278 | 40377 | 34965 | 32111 | 6824 | 0 | 1154 |
| NETWORK SUPPORT EXP | NETSPX | 14080 | 5697 | 2013 | 1743 | 1601 | 340 | 0 | 1154 |
| GENERAL SUPPORT EXP | GSFX | 154554 | 62541 | 22097 | 19135 | 17573 | 3735 | 0 | 1154 |
| COE EXPENSE | COEX | 155226 | 89946 | 11881 | 27050 | 42434 | 8582 | 0 | 1154 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| C&WF EXPENSE | CWFX | 215970 | 62216 | 44125 | 0 | 14698 | 3393 | 0 | 1154 |
| OTHER PROP & PL EXP | OTHPPX | 1261 | 510 | 180 | 156 | 143 | 30 | 0 | 1154 |
| NETWORK OPERATIONS EXP | NETOPX | 99864 | 40410 | 14278 | 12364 | 11355 | 2413 | 0 | 1154 |
| DEPREC & AMORT EXP | DEPAMX | 439565 | 161279 | 65244 | 19250 | 63454 | 13332 | 0 | 1154 |
| MARKETING EXPENSE | MRKTX | 8529 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| SERVICES EXPENSE | SERVX | 55716 | 11918 | 3131 | 1727 | 1415 | 122 | 5524 | 1154 |
| - CABSX EXPENSE | CABSX | 2542 | 1271 | 0 | 601 | 552 | 117 | 0 | 1154 |
| EXEC & PLANNING EXP | EXEPLX | 159037 | 61179 | 22186 | 13811 | 19819 | 4135 | 1227 | 1154 |
| GENERAL & ADMIN EXP | GENADX | 286239 | 129494 | 46961 | 29233 | 41949 | 8753 | 2597 | 1154 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 113679 | 48786 | 19416 | 11407 | 14808 | 3155 | 0 | 1154 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1154 |
| NON-OPERATING INC & EXP | NONOPX | 7439 | 3251 | 1149 | 995 | 914 | 194 | 0 | 1154 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 94025 | 31654 | 11184 | 9685 | 8895 | 1890 | 0 | 1154 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 305449 | 105408 | 54042 | 8033 | 34868 | 8441 | 24 | 1155 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - GENERAL SUPPORT FACILITIES | GSF | 3980788 | 1532227 | 784367 | 116591 | 506071 | 122519 | 2679 | 1155 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7487579 | 3636598 | 1197559 | 775779 | 1149227 | 514033 | 0 | 1155 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - - COE CAT 3 | COE3 | 912681 | 775779 | 0 | 775779 | 0 | 0 | 0 | 1155 |
| - - COE CAT 4.11 | COE411 | 389222 | 389222 | 0 | 0 | 0 | 389222 | 0 | 1155 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - - COE CAT 4.13 | COE413 | 4859808 | 1245508 | 1197559 | 0 | 0 | 47949 | 0 | 1155 |
| - - COE CAT 4.2 | COE42 | 1325868 | 1226089 | 0 | 0 | 1149227 | 76862 | 0 | 1155 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - CABLE & WIRE FACILITIES | CWF | 18953740 | 6540813 | 4021516 | 0 | 2218105 | 301192 | 0 | 1155 |
| - - C&WF CAT 1.1 | CWF11 | 72616 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - - C&WF CAT 1.2 | CWF12 | 161018 | 161018 | 0 | 0 | 0 | 161018 | 0 | 1155 |
| - - C&WF CAT 1.3 | CWF13 | 16086062 | 4021516 | 4021516 | 0 | 0 | 0 | 0 | 1155 |
| - - C&WF CAT 2 | CWF2 | 72146 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - - C&WF CAT 3 | CWF3 | 2561897 | 2358279 | 0 | 0 | 2218105 | 140174 | 0 | 1155 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| - TANGIBLES | TANGIB | 21640 | 8329 | 4270 | 635 | 2755 | 667 | 2 | 1155 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| TELCOM PLANT-OTHER | PLTOTH | 428225 | 164788 | 84505 | 12561 | 54522 | 13200 | 0 | 1155 |
| ACCUM DEPRECIATION | ACCDEP | 16888537 | 6517828 | 3325618 | 520092 | 2148533 | 521943 | 1641 | 1155 |
| ACCUM AMORTIZATION | ACCAMO | 21640 | 8327 | 4270 | 635 | 2755 | 667 | 0 | 1155 |
| NET DEFERRED FIT | NTDFIT | 428038 | 164717 | 84468 | 12556 | 54499 | 13194 | 0 | 1155 |
| NETWORK SUPPORT EXP | NETSPX | 589 | 227 | 116 | 17 | 75 | 18 | 0 | 1155 |
| GENERAL SUPPORT EXP | GSFX | 514737 | 198125 | 101423 | 15076 | 65438 | 15842 | 346 | 1155 |
| COE EXPENSE | COEX | 539702 | 262125 | 25432 | 201371 | 24405 | 10916 | 0 | 1155 |
| IOT EXPENSE | IOTX | 8862 | 2216 | 2216 | 0 | 0 | 0 | 0 | 1155 |
| C&WF EXPENSE | CWFX | 1527975 | 527294 | 324199 | 0 | 178815 | 24281 | 0 | 1155 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| NETWORK OPERATIONS EXP | NETOPX | 320677 | 123430 | 63296 | 9409 | 40839 | 9887 | 0 | 1155 |
| DEPREC & AMORT EXP | DEPAMX | 2482645 | 984962 | 478962 | 96124 | 322887 | 86851 | 138 | 1155 |
| MARKETING EXPENSE | MRKTX | 142410 | 59306 | 30406 | 4520 | 19618 | 4749 | 14 | 1155 |
| SERVICES EXPENSE | SERVX | 515265 | 246801 | 103350 | 42476 | 54176 | 5435 | 41365 | 1155 |
| - CABSX EXPENSE | CABSX | 7281 | 3641 | 0 | 570 | 2472 | 599 | 0 | 1155 |
| EXEC & PLANNING EXP | EXEPLX | 381006 | 152776 | 72003 | 28658 | 40262 | 7470 | 4382 | 1155 |
| GENERAL & ADMIN EXP | GENADX | 850873 | 382422 | 180236 | 71735 | 100784 | 18699 | 10969 | 1155 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 193224 | 86842 | 44637 | 6461 | 28781 | 6956 | 7 | 1155 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1155 |
| NON-OPERATING INC & EXP | NONOPX | 5035 | 2223 | 1140 | 169 | 735 | 178 | 1 | 1155 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 866827 | 331799 | 171094 | 23851 | 110214 | 26573 | 67 | 1155 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 69328 | 18380 | 11163 | 4608 | 775 | 1834 | 0 | 1156 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - GENERAL SUPPORT FACILITIES | GSF | 2846945 | 968182 | 588036 | 242753 | 40798 | 96595 | 0 | 1156 |
| - CENTRAL OFFICE EQUIPMENT | COE | 6830553 | 3161608 | 1086407 | 1536464 | 127147 | 411589 | 0 | 1156 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - - COE CAT 3 | COE3 | 1807605 | 1536464 | 0 | 1536464 | 0 | 0 | 0 | 1156 |
| - - COE CAT 4.11 | COE411 | 441248 | 380636 | 0 | 0 | 0 | 380636 | 0 | 1156 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - - COE CAT 4.13 | COE413 | 4355659 | 1094432 | 1086407 | 0 | 0 | 8025 | 0 | 1156 |
| - - COE CAT 4.2 | COE42 | 226041 | 150075 | 0 | 0 | 127147 | 22928 | 0 | 1156 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - CABLE & WIRE FACILITIES | CWF | 11188735 | 2966345 | 2635475 | 0 | 131079 | 199791 | 0 | 1156 |
| - - C&WF CAT 1.1 | CWF11 | 4867 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - - C&WF CAT 1.2 | CWF12 | 19468 | 19468 | 0 | 0 | 0 | 19468 | 0 | 1156 |
| - - C&WF CAT 1.3 | CWF13 | 10541900 | 2635475 | 2635475 | 0 | 0 | 0 | 0 | 1156 |
| - - C&WF CAT 2 | CWF2 | 249394 | 102142 | 0 | 0 | 0 | 102142 | 0 | 1156 |
| - - C&WF CAT 3 | CWF3 | 373106 | 209260 | 0 | 0 | 131079 | 78181 | 0 | 1156 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| TELCOM PLANT-OTHER | PLTOTH | 201509 | 68529 | 41622 | 17182 | 2888 | 6837 | 0 | 1156 |
| ACCUM DEPRECIATION | ACCDEP | 11215620 | 4191232 | 2167314 | 1453037 | 162089 | 408792 | 0 | 1156 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| GENERAL SUPPORT EXP | GSFX | 181472 | 61715 | 37483 | 15474 | 2601 | 6157 | 0 | 1156 |
| COE EXPENSE | COEX | 252763 | 116995 | 21691 | 84547 | 2539 | 8218 | 0 | 1156 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| C&WF EXPENSE | CWFX | 493082 | 130725 | 116144 | 0 | 5777 | 8805 | 0 | 1156 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| NETWORK OPERATIONS EXP | NETOPX | 362737 | 123359 | 74923 | 30930 | 5198 | 12307 | 0 | 1156 |
| DEPREC & AMORT EXP | DEPAMX | 1455900 | 567036 | 272175 | 220277 | 20881 | 53703 | 0 | 1156 |
| MARKETING EXPENSE | MRKTX | 48945 | 16336 | 9922 | 4096 | 688 | 1630 | 0 | 1156 |
| SERVICES EXPENSE | SERVX | 169544 | 80813 | 7620 | 19653 | 3303 | 7820 | 42417 | 1156 |
| - CABSX EXPENSE | CABSX | 61395 | 30698 | 0 | 19603 | 3295 | 7800 | 0 | 1156 |
| EXEC & PLANNING EXP | EXEPLX | 231868 | 81831 | 42986 | 22922 | 2979 | 6658 | 6285 | 1156 |
| GENERAL & ADMIN EXP | GENADX | 500732 | 199399 | 104745 | 55855 | 7259 | 16225 | 15315 | 1156 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 178124 | 61130 | 37128 | 15327 | 2576 | 6099 | 0 | 1156 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |
| NON-OPERATING INC & EXP | NONOPX | 600 | 231 | 140 | 58 | 10 | 23 | 0 | 1156 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1156 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 779504 | 247586 | 107634 | 36536 | 38167 | 65127 | 122 | 1157 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| - GENERAL SUPPORT FACILITIES | GSF | 13724069 | 5216780 | 2261406 | 767636 | 801894 | 1368329 | 17514 | 1157 |
| - CENTRAL OFFICE EQUIPMENT | COE | 28428176 | 14006248 | 2680732 | 4468429 | 2887759 | 3969327 | 0 | 1157 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| - - COE CAT 2 | COE2 | 480630 | 252560 | 0 | 0 | 252560 | 0 | 0 | 1157 |
| - - COE CAT 3 | COE3 | 7028163 | 4468429 | 0 | 4468429 | 0 | 0 | 0 | 1157 |
| - - COE CAT 4.11 | COE411 | 1406498 | 1406498 | 0 | 0 | 0 | 1406498 | 0 | 1157 |
| - - COE CAT 4.12 | COE412 | 118399 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| - - COE CAT 4.13 | COE413 | 10946953 | 2722615 | 2680732 | 0 | 0 | 41883 | 0 | 1157 |
| - - COE CAT 4.2 | COE42 | 6387677 | 4258334 | 0 | 0 | 1737387 | 2520947 | 0 | 1157 |
| - - COE CAT 4.3 | COE43 | 2059856 | 897813 | 0 | 0 | 897813 | 0 | 0 | 1157 |
| - INFORMATION ORIG/TERM | IOT | 10611 | 2653 | 2612 | 0 | 0 | 41 | 0 | 1157 |
| - CABLE & WIRE FACILITIES | CWF | 51181175 | 16256161 | 10480359 | 0 | 1780089 | 3995713 | 0 | 1157 |
| - - C&WF CAT 1.1 | CWF11 | 712082 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| - - C&WF CAT 1.2 | CWF12 | 163741 | 163741 | 0 | 0 | 0 | 163741 | 0 | 1157 |
| - - C&WF CAT 1.3 | CWF13 | 41921436 | 10480359 | 10480359 | 0 | 0 | 0 | 0 | 1157 |
| - - C&WF CAT 2 | CWF2 | 4695698 | 3819260 | 0 | 0 | 0 | 3819260 | 0 | 1157 |
| - - C&WF CAT 3 | CWF3 | 1514584 | 845397 | 0 | 0 | 832685 | 12712 | 0 | 1157 |
| - - C&WF CAT 4 | CWF4 | 2173634 | 947404 | 0 | 0 | 947404 | 0 | 0 | 1157 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| - INTANGIBLES | INTANG | 930714 | 353782 | 153801 | 52208 | 54538 | 93062 | 175 | 1157 |
| TELCOM PLANT-OTHER | PLTOTH | 1565867 | 594922 | 258760 | 87836 | 91756 | 156570 | 0 | 1157 |
| ACCUM DEPRECIATION | ACCDEP | 69154765 | 26525259 | 11279524 | 4034397 | 4165721 | 7033646 | 11971 | 1157 |
| ACCUM AMORTIZATION | ACCAMO | 806369 | 306365 | 133253 | 45233 | 47251 | 80628 | 0 | 1157 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| NETWORK SUPPORT EXP | NETSPX | 316044 | 120134 | 52226 | 17728 | 18519 | 31601 | 59 | 1157 |
| GENERAL SUPPORT EXP | GSFX | 672362 | 255578 | 110790 | 37608 | 39286 | 67036 | 858 | 1157 |
| COE EXPENSE | COEX | 872455 | 429849 | 73760 | 112522 | 134351 | 109216 | 0 | 1157 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| C&WF EXPENSE | CWFX | 950590 | 301926 | 194652 | 0 | 33062 | 74213 | 0 | 1157 |
| OTHER PROP & PL EXP | OTHPPX | 15629 | 5941 | 2584 | 877 | 916 | 1564 | 0 | 1157 |
| NETWORK OPERATIONS EXP | NETOPX | 1913307 | 727284 | 316330 | 107379 | 112171 | 191405 | 0 | 1157 |
| DEPREC & AMORT EXP | DEPAMX | 5802330 | 2319078 | 885275 | 498582 | 356263 | 577796 | 1162 | 1157 |
| MARKETING EXPENSE | MRKTX | 82033 | 34817 | 15136 | 5138 | 5367 | 9158 | 17 | 1157 |
| SERVICES EXPENSE | SERVX | 568087 | 153152 | 20483 | 13858 | 14476 | 20530 | 83805 | 1157 |
| - CABSX EXPENSE | CABSX | 82932 | 41466 | 0 | 10835 | 11318 | 19313 | 0 | 1157 |
| EXEC & PLANNING EXP | EXEPLX | 341792 | 128336 | 52856 | 17924 | 21753 | 30656 | 5147 | 1157 |
| GENERAL & ADMIN EXP | GENADX | 1127083 | 472260 | 194504 | 65959 | 80048 | 112808 | 18940 | 1157 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 788996 | 302832 | 131716 | 44711 | 46706 | 79699 | 0 | 1157 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |
| NON-OPERATING INC & EXP | NONOPX | 3635 | 1486 | 646 | 219 | 229 | 391 | 1 | 1157 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1157 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 1437558 | 401383 | 178389 | 131067 | 40148 | 51779 | 0 | 1158 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| - GENERAL SUPPORT FACILITIES | GSF | 6414166 | 2415797 | 1073666 | 788850 | 241639 | 311642 | 0 | 1158 |
| - CENTRAL OFFICE EQUIPMENT | COE | 15099152 | 8214112 | 1167967 | 5047338 | 957985 | 1040821 | 0 | 1158 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| - - COE CAT 2 | COE2 | 494538 | 263411 | 0 | 0 | 263411 | 0 | 0 | 1158 |
| - - COE CAT 3 | COE3 | 7287522 | 5047338 | 0 | 5047338 | 0 | 0 | 0 | 1158 |
| - - COE CAT 4.11 | COE411 | 1021280 | 963990 | 0 | 0 | 0 | 963990 | 0 | 1158 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| - - COE CAT 4.13 | COE413 | 4873701 | 1213270 | 1167967 | 0 | 0 | 45302 | 0 | 1158 |
| - - COE CAT 4.2 | COE42 | 1422111 | 726103 | 0 | 0 | 694575 | 31529 | 0 | 1158 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| - CABLE & WIRE FACILITIES | CWF | 25940916 | 7243002 | 5701723 | 0 | 588107 | 953173 | 0 | 1158 |
| - - C&WF CAT 1.1 | CWF11 | 764136 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| - - C&WF CAT 1.2 | CWF12 | 221154 | 221154 | 0 | 0 | 0 | 221154 | 0 | 1158 |
| - - C&WF CAT 1.3 | CWF13 | 22806891 | 5701723 | 5701723 | 0 | 0 | 0 | 0 | 1158 |
| - - C&WF CAT 2 | CWF2 | 827051 | 720055 | 0 | 0 | 0 | 720055 | 0 | 1158 |
| - - C&WF CAT 3 | CWF3 | 587102 | 298928 | 0 | 0 | 286964 | 11964 | 0 | 1158 |
| - - C&WF CAT 4 | CWF4 | 734583 | 301142 | 0 | 0 | 301142 | 0 | 0 | 1158 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| TELCOM PLANT-OTHER | PLTOTH | 370264 | 139454 | 61978 | 45537 | 13949 | 17990 | 0 | 1158 |
| ACCUM DEPRECIATION | ACCDEP | 29829241 | 11541909 | 4821507 | 4363513 | 1058997 | 1297893 | 0 | 1158 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| NET DEFERRED FIT | NTDFIT | 1066546 | 401698 | 178529 | 131170 | 40180 | 51820 | 0 | 1158 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| GENERAL SUPPORT EXP | GSFX | 775953 | 292251 | 129887 | 95431 | 29232 | 37701 | 0 | 1158 |
| COE EXPENSE | COEX | 2003654 | 1090011 | 232013 | 487809 | 163433 | 206756 | 0 | 1158 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| C&WF EXPENSE | CWFX | 2322981 | 648603 | 510583 | 0 | 52664 | 85356 | 0 | 1158 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| NETWORK OPERATIONS EXP | NETOPX | 473988 | 178520 | 79341 | 58294 | 17856 | 23029 | 0 | 1158 |
| DEPREC & AMORT EXP | DEPAMX | 2699819 | 1217357 | 343004 | 636227 | 113956 | 124169 | 0 | 1158 |
| MARKETING EXPENSE | MRKTX | 40870 | 9086 | 4038 | 2967 | 909 | 1172 | 0 | 1158 |
| SERVICES EXPENSE | SERVX | 1183105 | 371548 | 66241 | 197554 | 52182 | 55572 | 0 | 1158 |
| - CABSX EXPENSE | CABSX | 471762 | 235881 | 0 | 138642 | 42468 | 54772 | 0 | 1158 |
| EXEC & PLANNING EXP | EXEPLX | 332697 | 127662 | 53834 | 39650 | 14892 | 19286 | 0 | 1158 |
| GENERAL & ADMIN EXP | GENADX | 1450893 | 582148 | 245488 | 180805 | 67910 | 87946 | 0 | 1158 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 627574 | 236366 | 105050 | 77183 | 23642 | 30492 | 0 | 1158 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1158 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 1001731 | 295794 | 119559 | 116375 | 31470 | 28390 | 0 | 1159 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| - GENERAL SUPPORT FACILITIES | GSF | 3058309 | 1260157 | 509351 | 495788 | 134069 | 120949 | 0 | 1159 |
| - CENTRAL OFFICE EQUIPMENT | COE | 9250261 | 5500407 | 830994 | 3843669 | 588123 | 237621 | 0 | 1159 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| - - COE CAT 3 | COE3 | 4521963 | 3843669 | 0 | 3843669 | 0 | 0 | 0 | 1159 |
| - - COE CAT 4.11 | COE411 | 199558 | 199558 | 0 | 0 | 0 | 199558 | 0 | 1159 |
| - - COE CAT 4.12 | COE412 | 35862 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| - - COE CAT 4.13 | COE413 | 3358524 | 836752 | 830994 | 0 | 0 | 5758 | 0 | 1159 |
| - - COE CAT 4.2 | COE42 | 1057371 | 580581 | 0 | 0 | 548276 | 32305 | 0 | 1159 |
| - - COE CAT 4.3 | COE43 | 76983 | 39848 | 0 | 0 | 39848 | 0 | 0 | 1159 |
| - INFORMATION ORIG/TERM | IOT | 12487 | 3122 | 3101 | 0 | 0 | 21 | 0 | 1159 |
| - CABLE & WIRE FACILITIES | CWF | 14447255 | 4266029 | 3114727 | 0 | 451266 | 700036 | 0 | 1159 |
| - - C&WF CAT 1.1 | CWF11 | 107907 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| - - C&WF CAT 1.2 | CWF12 | 21581 | 21581 | 0 | 0 | 0 | 21581 | 0 | 1159 |
| - - C&WF CAT 1.3 | CWF13 | 12458908 | 3114727 | 3114727 | 0 | 0 | 0 | 0 | 1159 |
| - - C&WF CAT 2 | CWF2 | 972266 | 670097 | 0 | 0 | 0 | 670097 | 0 | 1159 |
| - - C&WF CAT 3 | CWF3 | 312489 | 162459 | 0 | 0 | 154101 | 8357 | 0 | 1159 |
| - - C&WF CAT 4 | CWF4 | 574104 | 297165 | 0 | 0 | 297165 | 0 | 0 | 1159 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| TELCOM PLANT-OTHER | PLTOTH | 324397 | 133666 | 54027 | 52589 | 14221 | 12829 | 0 | 1159 |
| ACCUM DEPRECIATION | ACCDEP | 13538740 | 6141140 | 2047276 | 3107693 | 504149 | 482023 | 0 | 1159 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| NET DEFERRED FIT | NTDFIT | 2189991 | 902346 | 364748 | 354992 | 95996 | 86611 | 0 | 1159 |
| NETWORK SUPPORT EXP | NETSPX | 26687 | 10996 | 4445 | 4326 | 1170 | 1055 | 0 | 1159 |
| GENERAL SUPPORT EXP | GSFX | 521929 | 215058 | 86926 | 84611 | 22880 | 20641 | 0 | 1159 |
| COE EXPENSE | COEX | 749478 | 445656 | 134793 | 149351 | 122969 | 38544 | 0 | 1159 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| C&WF EXPENSE | CWFX | 1390412 | 410565 | 299763 | 0 | 43430 | 67372 | 0 | 1159 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1159 |
| NETWORK OPERATIONS EXP | NETOPX | 278826 | 114889 | 46438 | 45201 | 12223 | 11027 | 0 | 1159 |
| DEPREC & AMORT EXP | DEPAMX | 1353129 | 641229 | 191297 | 340527 | 62620 | 46785 | 0 | 1159 |
| MARKETING EXPENSE | MRKTX | 20346 | 7927 | 3204 | 3119 | 843 | 761 | 0 | 1159 |
| SERVICES EXPENSE | SERVX | 415741 | 119796 | 18721 | 53905 | 14577 | 12075 | 20518 | 1159 |
| - CABSX EXPENSE | CABSX | 147913 | 73957 | 0 | 48836 | 13206 | 11914 | 0 | 1159 |
| EXEC & PLANNING EXP | EXEPLX | 202589 | 78509 | 36707 | 19483 | 12478 | 8667 | 1174 | 1159 |
| GENERAL & ADMIN EXP | GENADX | 712570 | 294134 | 137523 | 72992 | 46750 | 32470 | 4398 | 1159 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 268059 | 141172 | 62115 | 47507 | 16753 | 14797 | 0 | 1159 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 6488 | 2673 | 1081 | 1052 | 284 | 257 | 0 | 1159 |
| NON-OPERATING INC & EXP | NONOPX | 8615 | 3607 | 1458 | 1419 | 384 | 346 | 0 | 1159 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 192395 | 68703 | 34374 | 16529 | 9575 | 8225 | 0 | 1159 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 701602 | 195720 | 78313 | 53035 | 44869 | 19502 | 0 | 1160 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| - GENERAL SUPPORT FACILITIES | GSF | 5228993 | 1972751 | 789355 | 534567 | 452258 | 196571 | 0 | 1160 |
| - CENTRAL OFFICE EQUIPMENT | COE | 9596449 | 5211917 | 711769 | 2635978 | 1540036 | 324135 | 0 | 1160 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| - - COE CAT 2 | COE2 | 390976 | 207945 | 0 | 0 | 207945 | 0 | 0 | 1160 |
| - - COE CAT 3 | COE3 | 3101151 | 2635978 | 0 | 2635978 | 0 | 0 | 0 | 1160 |
| - - COE CAT 4.11 | COE411 | 176469 | 166119 | 0 | 0 | 0 | 166119 | 0 | 1160 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| - - COE CAT 4.13 | COE413 | 2890719 | 723726 | 711769 | 0 | 0 | 11957 | 0 | 1160 |
| - - COE CAT 4.2 | COE42 | 2187336 | 1073195 | 0 | 0 | 927137 | 146058 | 0 | 1160 |
| - - COE CAT 4.3 | COE43 | 849798 | 404954 | 0 | 0 | 404954 | 0 | 0 | 1160 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| - CABLE & WIRE FACILITIES | CWF | 16188002 | 4515826 | 3180586 | 0 | 690071 | 645169 | 0 | 1160 |
| - - C&WF CAT 1.1 | CWF11 | 141597 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| - - C&WF CAT 1.2 | CWF12 | 53433 | 53433 | 0 | 0 | 0 | 53433 | 0 | 1160 |
| - - C&WF CAT 1.3 | CWF13 | 12722343 | 3180586 | 3180586 | 0 | 0 | 0 | 0 | 1160 |
| - - C&WF CAT 2 | CWF2 | 307345 | 112222 | 0 | 0 | 0 | 112222 | 0 | 1160 |
| - - C&WF CAT 3 | CWF3 | 2086422 | 751734 | 0 | 0 | 272220 | 479514 | 0 | 1160 |
| - - C&WF CAT 4 | CWF4 | 876862 | 417851 | 0 | 0 | 417851 | 0 | 0 | 1160 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| TELCOM PLANT-OTHER | PLTOTH | 267091 | 100766 | 40319 | 27305 | 23101 | 10041 | 0 | 1160 |
| ACCUM DEPRECIATION | ACCDEP | 24289469 | 9455675 | 3536537 | 2806145 | 2209307 | 903687 | 0 | 1160 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| GENERAL SUPPORT EXP | GSFX | 191966 | 72423 | 28979 | 19625 | 16603 | 7216 | 0 | 1160 |
| COE EXPENSE | COEX | 577783 | 313799 | 28207 | 203873 | 68873 | 12845 | 0 | 1160 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| C&WF EXPENSE | CWFX | 597100 | 166568 | 117317 | 0 | 25454 | 23797 | 0 | 1160 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| NETWORK OPERATIONS EXP | NETOPX | 85824 | 32379 | 12956 | 8774 | 7423 | 3226 | 0 | 1160 |
| DEPREC & AMORT EXP | DEPAMX | 2136389 | 899150 | 286927 | 344363 | 193735 | 74125 | 0 | 1160 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| SERVICES EXPENSE | SERVX | 309855 | 60415 | 22690 | 20457 | 10215 | 7053 | 0 | 1160 |
| - CABSX EXPENSE | CABSX | 31445 | 15723 | 0 | 7103 | 6009 | 2612 | 0 | 1160 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| GENERAL & ADMIN EXP | GENADX | 1029429 | 410079 | 154605 | 148279 | 75432 | 31764 | 0 | 1160 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 96617 | 36451 | 14585 | 9877 | 8356 | 3632 | 0 | 1160 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1160 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 2307 | 762 | 305 | 207 | 175 | 76 | 0 | 1160 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 55266 | 16798 | 9266 | 3149 | 1481 | 2901 | 0 | 1161 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| - GENERAL SUPPORT FACILITIES | GSF | 1077239 | 380840 | 210087 | 71400 | 33580 | 65773 | 0 | 1161 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10066515 | 5031137 | 1331339 | 2635129 | 377726 | 686943 | 0 | 1161 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| - - COE CAT 3 | COE3 | 3100152 | 2635129 | 0 | 2635129 | 0 | 0 | 0 | 1161 |
| - - COE CAT 4.11 | COE411 | 481483 | 448756 | 0 | 0 | 0 | 448756 | 0 | 1161 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| - - COE CAT 4.13 | COE413 | 5384457 | 1346553 | 1331339 | 0 | 0 | 15214 | 0 | 1161 |
| - - COE CAT 4.2 | COE42 | 537502 | 222973 | 0 | 0 | 0 | 222973 | 0 | 1161 |
| - - COE CAT 4.3 | COE43 | 562921 | 377726 | 0 | 0 | 377726 | 0 | 0 | 1161 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| - CABLE & WIRE FACILITIES | CWF | 29690933 | 9024433 | 6422300 | 0 | 861611 | 1740521 | 0 | 1161 |
| - - C&WF CAT 1.1 | CWF11 | 211701 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| - - C&WF CAT 1.2 | CWF12 | 73390 | 73390 | 0 | 0 | 0 | 73390 | 0 | 1161 |
| - - C&WF CAT 1.3 | CWF13 | 25689200 | 6422300 | 6422300 | 0 | 0 | 0 | 0 | 1161 |
| - - C&WF CAT 2 | CWF2 | 1194605 | 1027924 | 0 | 0 | 0 | 1027924 | 0 | 1161 |
| - - C&WF CAT 3 | CWF3 | 1237986 | 639208 | 0 | 0 | 0 | 639208 | 0 | 1161 |
| - - C&WF CAT 4 | CWF4 | 1284051 | 861611 | 0 | 0 | 861611 | 0 | 0 | 1161 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| - INTANGIBLES | INTANG | 173611 | 61377 | 33858 | 11507 | 5412 | 10600 | 0 | 1161 |
| TELCOM PLANT-OTHER | PLTOTH | 582585 | 205963 | 113618 | 38614 | 18161 | 35571 | 0 | 1161 |
| ACCUM DEPRECIATION | ACCDEP | 21528782 | 8472565 | 3841982 | 2665308 | 670337 | 1294938 | 0 | 1161 |
| ACCUM AMORTIZATION | ACCAMO | 173611 | 61377 | 33858 | 11507 | 5412 | 10600 | 0 | 1161 |
| NET DEFERRED FIT | NTDFIT | 15214 | -555 | 5295 | -8377 | 855 | 1672 | 0 | 1161 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| GENERAL SUPPORT EXP | GSFX | 367701 | 129994 | 71710 | 24371 | 11462 | 22451 | 0 | 1161 |
| COE EXPENSE | COEX | 1038207 | 518885 | 62870 | 405737 | 17838 | 32440 | 0 | 1161 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| C&WF EXPENSE | CWFX | 884008 | 268690 | 191215 | 0 | 25653 | 51822 | 0 | 1161 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| NETWORK OPERATIONS EXP | NETOPX | 707575 | 250151 | 137994 | 46898 | 22057 | 43202 | 0 | 1161 |
| DEPREC & AMORT EXP | DEPAMX | 3013067 | 980703 | 616818 | 39662 | 110920 | 213302 | 0 | 1161 |
| MARKETING EXPENSE | MRKTX | 103172 | 44293 | 24434 | 8304 | 3905 | 7650 | 0 | 1161 |
| SERVICES EXPENSE | SERVX | 853278 | 202088 | 65255 | 32602 | 11119 | 11038 | 82074 | 1161 |
| - CABSX EXPENSE | CABSX | 37918 | 18960 | 0 | 7928 | 3729 | 7303 | 0 | 1161 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| GENERAL & ADMIN EXP | GENADX | 1515697 | 579483 | 243585 | 202140 | 35921 | 65805 | 32033 | 1161 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 355249 | 125592 | 69282 | 23546 | 11074 | 21690 | 0 | 1161 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |
| NON-OPERATING INC & EXP | NONOPX | 19014 | 7703 | 4249 | 1444 | 679 | 1330 | 0 | 1161 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1161 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 510287 | 165797 | 70804 | 46543 | 25341 | 23109 | 0 | 1162 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - GENERAL SUPPORT FACILITIES | GSF | 963193 | 380150 | 162344 | 106717 | 58103 | 52986 | 0 | 1162 |
| - CENTRAL OFFICE EQUIPMENT | COE | 4791701 | 3045530 | 381666 | 2364080 | 139655 | 160128 | 0 | 1162 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - - COE CAT 3 | COE3 | 2781271 | 2364080 | 0 | 2364080 | 0 | 0 | 0 | 1162 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - - COE CAT 4.12 | COE412 | 44189 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - - COE CAT 4.13 | COE413 | 1594860 | 410264 | 381666 | 0 | 0 | 28597 | 0 | 1162 |
| - - COE CAT 4.2 | COE42 | 371381 | 271186 | 0 | 0 | 139655 | 131531 | 0 | 1162 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - CABLE & WIRE FACILITIES | CWF | 16545806 | 5375884 | 3214726 | 0 | 1147504 | 1013654 | 0 | 1162 |
| - - C&WF CAT 1.1 | CWF11 | 333516 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - - C&WF CAT 1.2 | CWF12 | 240873 | 240873 | 0 | 0 | 0 | 240873 | 0 | 1162 |
| - - C&WF CAT 1.3 | CWF13 | 12858902 | 3214726 | 3214726 | 0 | 0 | 0 | 0 | 1162 |
| - - C&WF CAT 2 | CWF2 | 958069 | 573809 | 0 | 0 | 0 | 573809 | 0 | 1162 |
| - - C&WF CAT 3 | CWF3 | 2154446 | 1346476 | 0 | 0 | 1147504 | 198972 | 0 | 1162 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| - INTANGIBLES | INTANG | 4680 | 1847 | 789 | 519 | 282 | 257 | 0 | 1162 |
| TELCOM PLANT-OTHER | PLTOTH | 421165 | 166224 | 70986 | 46663 | 25406 | 23168 | 0 | 1162 |
| ACCUM DEPRECIATION | ACCDEP | 8019322 | 3344862 | 1285223 | 1175927 | 460322 | 423390 | 0 | 1162 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| NETWORK SUPPORT EXP | NETSPX | 904 | 357 | 152 | 100 | 55 | 50 | 0 | 1162 |
| GENERAL SUPPORT EXP | GSFX | 79332 | 31310 | 13371 | 8790 | 4786 | 4364 | 0 | 1162 |
| COE EXPENSE | COEX | 127715 | 81174 | 16013 | 52583 | 5859 | 6718 | 0 | 1162 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| C&WF EXPENSE | CWFX | 336070 | 109192 | 65296 | 0 | 23308 | 20589 | 0 | 1162 |
| OTHER PROP & PL EXP | OTHPPX | 3703 | 1461 | 624 | 410 | 223 | 204 | 0 | 1162 |
| NETWORK OPERATIONS EXP | NETOPX | 158308 | 62480 | 26682 | 17540 | 9550 | 8709 | 0 | 1162 |
| DEPREC & AMORT EXP | DEPAMX | 1393909 | 548706 | 235607 | 148021 | 84630 | 80448 | 0 | 1162 |
| MARKETING EXPENSE | MRKTX | 31247 | 11705 | 4999 | 3286 | 1789 | 1631 | 0 | 1162 |
| SERVICES EXPENSE | SERVX | 198155 | 58711 | 8421 | 8960 | 4486 | 2757 | 34088 | 1162 |
| - CABSX EXPENSE | CABSX | 22663 | 11332 | 0 | 5552 | 3023 | 2757 | 0 | 1162 |
| EXEC & PLANNING EXP | EXEPLX | 118032 | 45013 | 17121 | 11578 | 6322 | 5686 | 4305 | 1162 |
| GENERAL & ADMIN EXP | GENADX | 305323 | 132418 | 50367 | 34060 | 18598 | 16728 | 12665 | 1162 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 97091 | 38320 | 16364 | 10757 | 5857 | 5341 | 0 | 1162 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1162 |
| NON-OPERATING INC & EXP | NONOPX | 2036 | 893 | 381 | 251 | 136 | 124 | 0 | 1162 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1084 | 411 | 176 | 116 | 63 | 57 | 0 | 1162 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 151923 | 59730 | 21434 | 10374 | 3358 | 24564 | 0 | 1163 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| - GENERAL SUPPORT FACILITIES | GSF | 2961562 | 1282673 | 460273 | 222784 | 72121 | 527495 | 0 | 1163 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2581508 | 1367110 | 300136 | 663193 | 90286 | 313494 | 0 | 1163 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| - - COE CAT 3 | COE3 | 780227 | 663193 | 0 | 663193 | 0 | 0 | 0 | 1163 |
| - - COE CAT 4.11 | COE411 | 192313 | 190777 | 0 | 0 | 0 | 190777 | 0 | 1163 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| - - COE CAT 4.13 | COE413 | 1218950 | 302968 | 300136 | 0 | 0 | 2831 | 0 | 1163 |
| - - COE CAT 4.2 | COE42 | 219104 | 138155 | 0 | 0 | 18269 | 119885 | 0 | 1163 |
| - - COE CAT 4.3 | COE43 | 170914 | 72017 | 0 | 0 | 72017 | 0 | 0 | 1163 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| - CABLE & WIRE FACILITIES | CWF | 6234609 | 2451211 | 1070026 | 0 | 124407 | 1256778 | 0 | 1163 |
| - - C&WF CAT 1.1 | CWF11 | 55520 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| - - C&WF CAT 1.2 | CWF12 | 10095 | 10095 | 0 | 0 | 0 | 10095 | 0 | 1163 |
| - - C&WF CAT 1.3 | CWF13 | 4280102 | 1070026 | 1070026 | 0 | 0 | 0 | 0 | 1163 |
| - - C&WF CAT 2 | CWF2 | 108494 | 102301 | 0 | 0 | 0 | 102301 | 0 | 1163 |
| - - C&WF CAT 3 | CWF3 | 1625145 | 1203372 | 0 | 0 | 58989 | 1144383 | 0 | 1163 |
| - - C&WF CAT 4 | CWF4 | 155253 | 65418 | 0 | 0 | 65418 | 0 | 0 | 1163 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| ACCUM DEPRECIATION | ACCDEP | 5537235 | 2396118 | 861807 | 412303 | 132661 | 989348 | 0 | 1163 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| NET DEFERRED FIT | NTDFIT | 739929 | 320923 | 114830 | 56503 | 17979 | 131611 | 0 | 1163 |
| NETWORK SUPPORT EXP | NETSPX | 2050 | 888 | 319 | 154 | 50 | 365 | 0 | 1163 |
| GENERAL SUPPORT EXP | GSFX | 125701 | 54442 | 19536 | 9456 | 3061 | 22389 | 0 | 1163 |
| COE EXPENSE | COEX | 426485 | 225857 | 70490 | 60536 | 21205 | 73627 | 0 | 1163 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| C&WF EXPENSE | CWFX | 132060 | 51921 | 22665 | 0 | 2635 | 26621 | 0 | 1163 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| NETWORK OPERATIONS EXP | NETOPX | 45466 | 19692 | 7066 | 3420 | 1107 | 8098 | 0 | 1163 |
| DEPREC & AMORT EXP | DEPAMX | 618212 | 307300 | 81118 | 120167 | 13858 | 92157 | 0 | 1163 |
| MARKETING EXPENSE | MRKTX | 35194 | 9986 | 3584 | 1735 | 562 | 4107 | 0 | 1163 |
| SERVICES EXPENSE | SERVX | 144331 | 35274 | 8463 | 4906 | 1473 | 4513 | 15918 | 1163 |
| - CABSX EXPENSE | CABSX | 14072 | 7036 | 0 | 1906 | 617 | 4513 | 0 | 1163 |
| EXEC & PLANNING EXP | EXEPLX | 266328 | 117333 | 38944 | 23642 | 8870 | 41184 | 4692 | 1163 |
| GENERAL & ADMIN EXP | GENADX | 575171 | 283246 | 94013 | 57073 | 21413 | 99420 | 11327 | 1163 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 89966 | 38904 | 13944 | 6788 | 2209 | 15963 | 0 | 1163 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1163 |
| NON-OPERATING INC & EXP | NONOPX | 15490 | 7717 | 2769 | 1340 | 434 | 3174 | 0 | 1163 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 197990 | 85596 | 30715 | 14867 | 4813 | 35201 | 0 | 1163 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 403211 | 156216 | 37059 | 10691 | 89962 | 18244 | 259 | 1164 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| - GENERAL SUPPORT FACILITIES | GSF | 22117707 | 10435734 | 2455937 | 708468 | 5961786 | 1209044 | 100499 | 1164 |
| - CENTRAL OFFICE EQUIPMENT | COE | 35292891 | 22629904 | 493651 | 3432294 | 16137033 | 2566927 | 0 | 1164 |
| - - COE CAT 1 | COE1 | 314389 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| - - COE CAT 2 | COE2 | 9055387 | 6447671 | 0 | 0 | 6447671 | 0 | 0 | 1164 |
| - - COE CAT 3 | COE3 | 4657956 | 3432294 | 0 | 3432294 | 0 | 0 | 0 | 1164 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| - - COE CAT 4.12 | COE412 | 309747 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| - - COE CAT 4.13 | COE413 | 2119762 | 592112 | 493651 | 0 | 0 | 98461 | 0 | 1164 |
| - - COE CAT 4.2 | COE42 | 9232652 | 5841158 | 0 | 0 | 3372692 | 2468466 | 0 | 1164 |
| - - COE CAT 4.3 | COE43 | 9602998 | 6316670 | 0 | 0 | 6316670 | 0 | 0 | 1164 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| - CABLE & WIRE FACILITIES | CWF | 70828235 | 27440920 | 11404558 | 0 | 12745866 | 3290496 | 0 | 1164 |
| - - C&WF CAT 1.1 | CWF11 | 1078834 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| - - C&WF CAT 1.2 | CWF12 | 2274695 | 2274695 | 0 | 0 | 0 | 2274695 | 0 | 1164 |
| - - C&WF CAT 1.3 | CWF13 | 45618231 | 11404558 | 11404558 | 0 | 0 | 0 | 0 | 1164 |
| - - C&WF CAT 2 | CWF2 | 218032 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| - - C&WF CAT 3 | CWF3 | 15812216 | 9929286 | 0 | 0 | 8913485 | 1015801 | 0 | 1164 |
| - - C&WF CAT 4 | CWF4 | 5826227 | 3832381 | 0 | 0 | 3832381 | 0 | 0 | 1164 |
| - TANGIBLES | TANGIB | 658954 | 310912 | 73170 | 21107 | 177620 | 36021 | 2994 | 1164 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| TELCOM PLANT-OTHER | PLTOTH | 1573139 | 740987 | 176079 | 50794 | 427431 | 86683 | 0 | 1164 |
| ACCUM DEPRECIATION | ACCDEP | 99181969 | 43571869 | 12864924 | 1658680 | 23542953 | 5505311 | 0 | 1164 |
| ACCUM AMORTIZATION | ACCAMO | 610367 | 285214 | 67775 | 19551 | 164523 | 33365 | 0 | 1164 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| GENERAL SUPPORT EXP | GSFX | 1945183 | 917790 | 215992 | 62308 | 524320 | 106332 | 8839 | 1164 |
| COE EXPENSE | COEX | 1539200 | 986761 | 21672 | 148350 | 704050 | 112690 | 0 | 1164 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| C&WF EXPENSE | CWFX | 1442005 | 558675 | 232187 | 0 | 259495 | 66992 | 0 | 1164 |
| OTHER PROP & PL EXP | OTHPPX | 240329 | 113394 | 26945 | 7773 | 65410 | 13265 | 0 | 1164 |
| NETWORK OPERATIONS EXP | NETOPX | 1961752 | 925608 | 219950 | 63449 | 533928 | 108280 | 0 | 1164 |
| DEPREC & AMORT EXP | DEPAMX | 6104602 | 3515616 | 275075 | 404812 | 2461452 | 374112 | 165 | 1164 |
| MARKETING EXPENSE | MRKTX | 132965 | 54552 | 12941 | 3733 | 31415 | 6371 | 91 | 1164 |
| SERVICES EXPENSE | SERVX | 1704758 | 154047 | 29862 | 2590 | 21791 | 4419 | 95385 | 1164 |
| - CABSX EXPENSE | CABSX | 57600 | 28800 | 0 | 2590 | 21791 | 4419 | 0 | 1164 |
| EXEC & PLANNING EXP | EXEPLX | 1271158 | 512342 | 104869 | 39791 | 295520 | 57760 | 14402 | 1164 |
| GENERAL & ADMIN EXP | GENADX | 3219280 | 1297535 | 265586 | 100774 | 748420 | 146281 | 36475 | 1164 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 329663 | 155286 | 36900 | 10645 | 89575 | 18166 | 0 | 1164 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1164 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 570567 | 206789 | 70479 | 33314 | 56655 | 46342 | 0 | 1165 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| - GENERAL SUPPORT FACILITIES | GSF | 7939968 | 3452893 | 1176831 | 556266 | 946001 | 773795 | 0 | 1165 |
| - CENTRAL OFFICE EQUIPMENT | COE | 22066397 | 13333210 | 1389541 | 5159816 | 4315147 | 2468707 | 0 | 1165 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| - - COE CAT 3 | COE3 | 6070372 | 5159816 | 0 | 5159816 | 0 | 0 | 0 | 1165 |
| - - COE CAT 4.11 | COE411 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| - - COE CAT 4.13 | COE413 | 5673474 | 1413564 | 1389541 | 0 | 0 | 24023 | 0 | 1165 |
| - - COE CAT 4.2 | COE42 | 6881982 | 4744011 | 0 | 0 | 2299328 | 2444684 | 0 | 1165 |
| - - COE CAT 4.3 | COE43 | 3440569 | 2015819 | 0 | 0 | 2015819 | 0 | 0 | 1165 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| - CABLE & WIRE FACILITIES | CWF | 51583236 | 18695171 | 9526523 | 0 | 4459778 | 4708869 | 0 | 1165 |
| - - C&WF CAT 1.1 | CWF11 | 625860 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| - - C&WF CAT 1.2 | CWF12 | 164700 | 164700 | 0 | 0 | 0 | 164700 | 0 | 1165 |
| - - C&WF CAT 1.3 | CWF13 | 38106092 | 9526523 | 9526523 | 0 | 0 | 0 | 0 | 1165 |
| - - C&WF CAT 2 | CWF2 | 4591812 | 4367255 | 0 | 0 | 0 | 4367255 | 0 | 1165 |
| - - C&WF CAT 3 | CWF3 | 4846882 | 2733764 | 0 | 0 | 2556849 | 176914 | 0 | 1165 |
| - - C&WF CAT 4 | CWF4 | 3247890 | 1902929 | 0 | 0 | 1902929 | 0 | 0 | 1165 |
| - TANGIBLES | TANGIB | 22658 | 9853 | 3358 | 1587 | 2700 | 2208 | 0 | 1165 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| TELCOM PLANT-OTHER | PLTOTH | 5296905 | 2303491 | 785087 | 371096 | 631095 | 516214 | 0 | 1165 |
| ACCUM DEPRECIATION | ACCDEP | 58852273 | 25330907 | 8945744 | 4434997 | 6435506 | 5514660 | 0 | 1165 |
| ACCUM AMORTIZATION | ACCAMO | 2484984 | 1080657 | 368315 | 174095 | 296071 | 242176 | 0 | 1165 |
| NET DEFERRED FIT | NTDFIT | 807920 | 354737 | 118883 | 65147 | 93528 | 77179 | 0 | 1165 |
| NETWORK SUPPORT EXP | NETSPX | 17166 | 7465 | 2544 | 1203 | 2045 | 1673 | 0 | 1165 |
| GENERAL SUPPORT EXP | GSFX | 390309 | 169736 | 57850 | 27345 | 46503 | 38038 | 0 | 1165 |
| COE EXPENSE | COEX | 430170 | 259922 | 23076 | 124186 | 71662 | 40998 | 0 | 1165 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| C&WF EXPENSE | CWFX | 488364 | 176996 | 90192 | 0 | 42223 | 44581 | 0 | 1165 |
| OTHER PROP & PL EXP | OTHPPX | 74239 | 32285 | 11003 | 5201 | 8845 | 7235 | 0 | 1165 |
| NETWORK OPERATIONS EXP | NETOPX | 1062161 | 461907 | 157429 | 74414 | 126550 | 103514 | 0 | 1165 |
| DEPREC & AMORT EXP | DEPAMX | 5797694 | 2614077 | 819934 | 541638 | 695624 | 556882 | 0 | 1165 |
| MARKETING EXPENSE | MRKTX | 789 | 276 | 94 | 45 | 76 | 62 | 0 | 1165 |
| SERVICES EXPENSE | SERVX | 558598 | 153133 | 30140 | 19093 | 18857 | 11760 | 73283 | 1165 |
| - CABSX EXPENSE | CABSX | 68141 | 34071 | 0 | 8327 | 14161 | 11583 | 0 | 1165 |
| EXEC & PLANNING EXP | EXEPLX | 1518309 | 633244 | 205072 | 121071 | 152496 | 119326 | 35280 | 1165 |
| GENERAL & ADMIN EXP | GENADX | 1575867 | 773237 | 250408 | 147836 | 186208 | 145705 | 43079 | 1165 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 228035 | 99942 | 34063 | 16101 | 27381 | 22397 | 0 | 1165 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1165 |
| NON-OPERATING INC & EXP | NONOPX | 29252 | 13669 | 4659 | 2202 | 3745 | 3063 | 0 | 1165 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 413367 | 179784 | 61275 | 28963 | 49256 | 40290 | 0 | 1165 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 274133 | 88333 | 41644 | 19483 | 11166 | 16040 | 0 | 1166 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| - GENERAL SUPPORT FACILITIES | GSF | 12752535 | 4855304 | 2288991 | 1070891 | 613740 | 881682 | 0 | 1166 |
| - CENTRAL OFFICE EQUIPMENT | COE | 11250784 | 6252806 | 1221952 | 3771272 | 550779 | 708803 | 0 | 1166 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| - - COE CAT 3 | COE3 | 4436790 | 3771272 | 0 | 3771272 | 0 | 0 | 0 | 1166 |
| - - COE CAT 4.11 | COE411 | 392865 | 392865 | 0 | 0 | 0 | 392865 | 0 | 1166 |
| - - COE CAT 4.12 | COE412 | 21983 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| - - COE CAT 4.13 | COE413 | 4932154 | 1241353 | 1221952 | 0 | 0 | 19402 | 0 | 1166 |
| - - COE CAT 4.2 | COE42 | 792775 | 532838 | 0 | 0 | 236301 | 296537 | 0 | 1166 |
| - - COE CAT 4.3 | COE43 | 674217 | 314478 | 0 | 0 | 314478 | 0 | 0 | 1166 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| - CABLE & WIRE FACILITIES | CWF | 33658816 | 10845735 | 6839008 | 0 | 1610581 | 2396146 | 0 | 1166 |
| - - C&WF CAT 1.1 | CWF11 | 139611 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| - - C&WF CAT 1.2 | CWF12 | 108586 | 108586 | 0 | 0 | 0 | 108586 | 0 | 1166 |
| - - C&WF CAT 1.3 | CWF13 | 27356032 | 6839008 | 6839008 | 0 | 0 | 0 | 0 | 1166 |
| - - C&WF CAT 2 | CWF2 | 2669379 | 2276483 | 0 | 0 | 0 | 2276483 | 0 | 1166 |
| - - C&WF CAT 3 | CWF3 | 369332 | 214947 | 0 | 0 | 203871 | 11076 | 0 | 1166 |
| - - C&WF CAT 4 | CWF4 | 3015875 | 1406710 | 0 | 0 | 1406710 | 0 | 0 | 1166 |
| - TANGIBLES | TANGIB | 9387 | 3574 | 1685 | 788 | 452 | 649 | 0 | 1166 |
| - INTANGIBLES | INTANG | 45055 | 17154 | 8087 | 3783 | 2168 | 3115 | 0 | 1166 |
| TELCOM PLANT-OTHER | PLTOTH | 1044854 | 397810 | 187544 | 87741 | 50286 | 72239 | 0 | 1166 |
| ACCUM DEPRECIATION | ACCDEP | 28339607 | 11557644 | 4785317 | 3565237 | 1322156 | 1884935 | 0 | 1166 |
| ACCUM AMORTIZATION | ACCAMO | 21465 | 8172 | 3853 | 1803 | 1033 | 1484 | 0 | 1166 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| NETWORK SUPPORT EXP | NETSPX | 11728 | 4465 | 2105 | 985 | 564 | 811 | 0 | 1166 |
| GENERAL SUPPORT EXP | GSFX | 769581 | 293004 | 138134 | 64625 | 37038 | 53207 | 0 | 1166 |
| COE EXPENSE | COEX | 282715 | 157123 | 22664 | 91927 | 29386 | 13146 | 0 | 1166 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| C&WF EXPENSE | CWFX | 532988 | 171742 | 108296 | 0 | 25504 | 37943 | 0 | 1166 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| NETWORK OPERATIONS EXP | NETOPX | 263734 | 100412 | 47338 | 22147 | 12693 | 18234 | 0 | 1166 |
| DEPREC & AMORT EXP | DEPAMX | 3345568 | 1401836 | 549916 | 475928 | 155538 | 220453 | 0 | 1166 |
| MARKETING EXPENSE | MRKTX | 256457 | 77893 | 36722 | 17180 | 9846 | 14145 | 0 | 1166 |
| SERVICES EXPENSE | SERVX | 419185 | 126468 | 14041 | 39626 | 22710 | 29442 | 20649 | 1166 |
| - CABSX EXPENSE | CABSX | 169366 | 84683 | 0 | 35337 | 20252 | 29094 | 0 | 1166 |
| EXEC & PLANNING EXP | EXEPLX | 496357 | 180787 | 74958 | 44548 | 25946 | 31445 | 3890 | 1166 |
| GENERAL & ADMIN EXP | GENADX | 1142358 | 465952 | 193193 | 114816 | 66873 | 81044 | 10025 | 1166 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 227430 | 86590 | 40822 | 19098 | 10946 | 15724 | 0 | 1166 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1166 |
| NON-OPERATING INC & EXP | NONOPX | 16002 | 6426 | 3029 | 1417 | 812 | 1167 | 0 | 1166 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 1273 | 452 | 213 | 100 | 57 | 82 | 0 | 1166 |

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COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 336007 | 98417 | 39412 | 21558 | 19645 | 17748 | 55 | 1167 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| - GENERAL SUPPORT FACILITIES | GSF | 5336090 | 1995309 | 797844 | 436412 | 397681 | 359282 | 4090 | 1167 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5179427 | 2660760 | 194554 | 1156796 | 572722 | 736688 | 0 | 1167 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| - - COE CAT 3 | COE3 | 2506926 | 1156796 | 0 | 1156796 | 0 | 0 | 0 | 1167 |
| - - COE CAT 4.11 | COE411 | 656497 | 655045 | 0 | 0 | 0 | 655045 | 0 | 1167 |
| - - COE CAT 4.12 | COE412 | 43472 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| - - COE CAT 4.13 | COE413 | 792158 | 202345 | 194554 | 0 | 0 | 7790 | 0 | 1167 |
| - - COE CAT 4.2 | COE42 | 658267 | 368161 | 0 | 0 | 294309 | 73853 | 0 | 1167 |
| - - COE CAT 4.3 | COE43 | 522107 | 278414 | 0 | 0 | 278414 | 0 | 0 | 1167 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| - CABLE & WIRE FACILITIES | CWF | 8935928 | 2617354 | 1920286 | 0 | 481410 | 215658 | 0 | 1167 |
| - - C&WF CAT 1.1 | CWF11 | 60705 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| - - C&WF CAT 1.2 | CWF12 | 76892 | 76892 | 0 | 0 | 0 | 76892 | 0 | 1167 |
| - - C&WF CAT 1.3 | CWF13 | 7681145 | 1920286 | 1920286 | 0 | 0 | 0 | 0 | 1167 |
| - - C&WF CAT 2 | CWF2 | 109507 | 51479 | 0 | 0 | 0 | 51479 | 0 | 1167 |
| - - C&WF CAT 3 | CWF3 | 523623 | 310573 | 0 | 0 | 223287 | 87287 | 0 | 1167 |
| - - C&WF CAT 4 | CWF4 | 484056 | 258123 | 0 | 0 | 258123 | 0 | 0 | 1167 |
| - TANGIBLES | TANGIB | 109333 | 56167 | 22492 | 12303 | 11211 | 10129 | 32 | 1167 |
| - INTANGIBLES | INTANG | 40373 | 15128 | 6058 | 3314 | 3020 | 2728 | 9 | 1167 |
| TELCOM PLANT-OTHER | PLTOTH | 173436 | 64988 | 26025 | 14235 | 12972 | 11719 | 37 | 1167 |
| ACCUM DEPRECIATION | ACCDEP | 9777447 | 3689653 | 1460338 | 750155 | 766718 | 710576 | 1868 | 1167 |
| ACCUM AMORTIZATION | ACCAMO | 50186 | 23352 | 9357 | 5118 | 4664 | 4213 | 0 | 1167 |
| NET DEFERRED FIT | NTDFIT | 1271108 | 476027 | 190735 | 104330 | 95071 | 85891 | 0 | 1167 |
| NETWORK SUPPORT EXP | NETSPX | 47067 | 17600 | 7048 | 3855 | 3513 | 3174 | 10 | 1167 |
| GENERAL SUPPORT EXP | GSFX | 184162 | 68863 | 27536 | 15062 | 13725 | 12400 | 141 | 1167 |
| COE EXPENSE | COEX | 549052 | 282057 | 14787 | 167749 | 43530 | 55992 | 0 | 1167 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| C&WF EXPENSE | CWFX | 442217 | 129526 | 95030 | 0 | 23824 | 10672 | 0 | 1167 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| NETWORK OPERATIONS EXP | NETOPX | 99598 | 37242 | 14922 | 8162 | 7438 | 6720 | 0 | 1167 |
| DEPREC & AMORT EXP | DEPAMX | 1506653 | 584223 | 208653 | 155900 | 112942 | 106157 | 570 | 1167 |
| MARKETING EXPENSE | MRKTX | 13809 | 5189 | 2078 | 1137 | 1036 | 936 | 3 | 1167 |
| SERVICES EXPENSE | SERVX | 178331 | 45842 | 14584 | 8096 | 7377 | 2295 | 13489 | 1167 |
| - CABSX EXPENSE | CABSX | 15083 | 7542 | 0 | 2758 | 2513 | 2270 | 0 | 1167 |
| EXEC & PLANNING EXP | EXEPLX | 552273 | 216255 | 70227 | 72620 | 35745 | 32807 | 4855 | 1167 |
| GENERAL & ADMIN EXP | GENADX | 900116 | 373615 | 121329 | 125462 | 61755 | 56680 | 8388 | 1167 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 168552 | 64964 | 26186 | 14779 | 12689 | 11296 | 15 | 1167 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1167 |
| NON-OPERATING INC & EXP | NONOPX | 5710 | 2375 | 951 | 520 | 474 | 428 | 1 | 1167 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 279044 | 104112 | 41692 | 22805 | 20781 | 18775 | 59 | 1167 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 184317 | 46034 | 25235 | 9934 | 6143 | 4687 | 35 | 1168 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - GENERAL SUPPORT FACILITIES | GSF | 7257680 | 2434303 | 1330123 | 523594 | 323766 | 247056 | 9763 | 1168 |
| - CENTRAL OFFICE EQUIPMENT | COE | 14737829 | 6273450 | 1816395 | 2184999 | 1266534 | 1005523 | 0 | 1168 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - - COE CAT 3 | COE3 | 3269229 | 2137065 | 0 | 2137065 | 0 | 0 | 0 | 1168 |
| - - COE CAT 4.11 | COE411 | 974691 | 974691 | 0 | 0 | 0 | 974691 | 0 | 1168 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - - COE CAT 4.13 | COE413 | 7363111 | 1819920 | 1816395 | 0 | 0 | 3525 | 0 | 1168 |
| - - COE CAT 4.2 | COE42 | 2949146 | 1212806 | 0 | 0 | 1185499 | 27307 | 0 | 1168 |
| - - COE CAT 4.3 | COE43 | 133521 | 81035 | 0 | 0 | 81035 | 0 | 0 | 1168 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - CABLE & WIRE FACILITIES | CWF | 16089317 | 4018368 | 3856081 | 0 | 114208 | 48080 | 0 | 1168 |
| - - C&WF CAT 1.1 | CWF11 | 199571 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - - C&WF CAT 1.2 | CWF12 | 7484 | 7484 | 0 | 0 | 0 | 7484 | 0 | 1168 |
| - - C&WF CAT 1.3 | CWF13 | 15424323 | 3856081 | 3856081 | 0 | 0 | 0 | 0 | 1168 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - - C&WF CAT 3 | CWF3 | 331694 | 78185 | 0 | 0 | 37589 | 40596 | 0 | 1168 |
| - - C&WF CAT 4 | CWF4 | 126245 | 76619 | 0 | 0 | 76619 | 0 | 0 | 1168 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| - INTANGIBLES | INTANG | 2000 | 671 | 368 | 145 | 90 | 68 | 1 | 1168 |
| TELCOM PLANT-OTHER | PLTOTH | 163544 | 54812 | 30071 | 11837 | 7320 | 5585 | 0 | 1168 |
| ACCUM DEPRECIATION | ACCDEP | 20757002 | 7088781 | 3726988 | 1547396 | 1022675 | 785846 | 5875 | 1168 |
| ACCUM AMORTIZATION | ACCAMO | 1956 | 656 | 360 | 142 | 88 | 67 | 0 | 1168 |
| NET DEFERRED FIT | NTDFIT | 1820285 | 610076 | 334693 | 131750 | 81468 | 62166 | 0 | 1168 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| GENERAL SUPPORT EXP | GSFX | 332242 | 111438 | 60890 | 23969 | 14821 | 11310 | 447 | 1168 |
| COE EXPENSE | COEX | 529790 | 227239 | 21345 | 179194 | 14883 | 11816 | 0 | 1168 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| C&WF EXPENSE | CWFX | 560837 | 140071 | 134414 | 0 | 3981 | 1676 | 0 | 1168 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| NETWORK OPERATIONS EXP | NETOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| DEPREC & AMORT EXP | DEPAMX | 2492288 | 878597 | 427656 | 191263 | 145754 | 113195 | 730 | 1168 |
| MARKETING EXPENSE | MRKTX | 110198 | 33878 | 18572 | 7311 | 4521 | 3449 | 26 | 1168 |
| SERVICES EXPENSE | SERVX | 229868 | 71073 | 19771 | 15091 | 9107 | 4669 | 22434 | 1168 |
| - CABSX EXPENSE | CABSX | 35831 | 17916 | 0 | 8571 | 5300 | 4044 | 0 | 1168 |
| EXEC & PLANNING EXP | EXEPLX | 288765 | 95319 | 45747 | 34017 | 7135 | 4965 | 3455 | 1168 |
| GENERAL & ADMIN EXP | GENADX | 1113370 | 418535 | 200869 | 149366 | 31330 | 21800 | 15169 | 1168 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 313535 | 100887 | 56509 | 21650 | 12899 | 9803 | 26 | 1168 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1168 |
| NON-OPERATING INC & EXP | NONOPX | 4889 | 1792 | 982 | 387 | 239 | 182 | 1 | 1168 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 341895 | 111912 | 64727 | 23774 | 13302 | 10034 | 76 | 1168 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - GENERAL SUPPORT FACILITIES | GSF | 500677 | 214342 | 71031 | 80021 | 46162 | 17035 | 92 | 1169 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2431431 | 1378875 | 147887 | 701620 | 404746 | 124623 | 0 | 1169 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - - COE CAT 3 | COE3 | 994026 | 701620 | 0 | 701620 | 0 | 0 | 0 | 1169 |
| - - COE CAT 4.11 | COE411 | 83194 | 83194 | 0 | 0 | 0 | 83194 | 0 | 1169 |
| - - COE CAT 4.12 | COE412 | 88526 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - - COE CAT 4.13 | COE413 | 599131 | 152713 | 147887 | 0 | 0 | 4826 | 0 | 1169 |
| - - COE CAT 4.2 | COE42 | 666554 | 441348 | 0 | 0 | 404746 | 36602 | 0 | 1169 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - CABLE & WIRE FACILITIES | CWF | 1956578 | 499648 | 474905 | 0 | 0 | 24743 | 0 | 1169 |
| - - C&WF CAT 1.1 | CWF11 | 8856 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - - C&WF CAT 1.2 | CWF12 | 15498 | 15498 | 0 | 0 | 0 | 15498 | 0 | 1169 |
| - - C&WF CAT 1.3 | CWF13 | 1899620 | 474905 | 474905 | 0 | 0 | 0 | 0 | 1169 |
| - - C&WF CAT 2 | CWF2 | 32604 | 9245 | 0 | 0 | 0 | 9245 | 0 | 1169 |
| - - C&WF CAT 3 | CWF3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| ACCUM DEPRECIATION | ACCDEP | 3126162 | 1324550 | 445780 | 401883 | 351949 | 124892 | 46 | 1169 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| NETWORK SUPPORT EXP | NETSPX | 1356 | 581 | 192 | 217 | 125 | 46 | 0 | 1169 |
| GENERAL SUPPORT EXP | GSFX | 20594 | 8816 | 2922 | 3291 | 1899 | 701 | 4 | 1169 |
| COE EXPENSE | COEX | 270227 | 153247 | 10462 | 105338 | 28632 | 8816 | 0 | 1169 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| C&WF EXPENSE | CWFX | 112723 | 28786 | 27360 | 0 | 0 | 1426 | 0 | 1169 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| NETWORK OPERATIONS EXP | NETOPX | 23079 | 9880 | 3276 | 3690 | 2129 | 786 | 0 | 1169 |
| DEPREC & AMORT EXP | DEPAMX | 217883 | 96719 | 29336 | 44082 | 16888 | 6407 | 5 | 1169 |
| MARKETING EXPENSE | MRKTX | 3574 | 1226 | 406 | 458 | 264 | 97 | 0 | 1169 |
| SERVICES EXPENSE | SERVX | 64772 | 19089 | 5219 | 6105 | 3333 | 421 | 4011 | 1169 |
| - CABSX EXPENSE | CABSX | 6967 | 3484 | 0 | 1946 | 1123 | 414 | 0 | 1169 |
| EXEC & PLANNING EXP | EXEPLX | 172860 | 77411 | 17407 | 41600 | 12707 | 4293 | 1402 | 1169 |
| GENERAL & ADMIN EXP | GENADX | 227066 | 114495 | 25747 | 61529 | 18795 | 6350 | 2074 | 1169 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 40582 | 18392 | 5996 | 8280 | 2950 | 1165 | 1 | 1169 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1169 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 43865 | 19122 | 6339 | 7141 | 4120 | 1520 | 1 | 1169 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 944730 | 313144 | 126073 | 60489 | 66822 | 59760 | 0 | 1170 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| - GENERAL SUPPORT FACILITIES | GSF | 9371516 | 3704831 | 1491582 | 715654 | 790575 | 707020 | 0 | 1170 |
| - CENTRAL OFFICE EQUIPMENT | COE | 32120264 | 17318030 | 2453867 | 7977108 | 4068145 | 2818911 | 0 | 1170 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| - - COE CAT 3 | COE3 | 11188717 | 7977108 | 0 | 7977108 | 0 | 0 | 0 | 1170 |
| - - COE CAT 4.11 | COE411 | 903200 | 854979 | 0 | 0 | 0 | 854979 | 0 | 1170 |
| - - COE CAT 4.12 | COE412 | 106253 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| - - COE CAT 4.13 | COE413 | 10271869 | 2591042 | 2453867 | 0 | 0 | 137176 | 0 | 1170 |
| - - COE CAT 4.2 | COE42 | 7241837 | 5114198 | 0 | 0 | 3287442 | 1826756 | 0 | 1170 |
| - - COE CAT 4.3 | COE43 | 2408388 | 780703 | 0 | 0 | 780703 | 0 | 0 | 1170 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| - CABLE & WIRE FACILITIES | CWF | 72340253 | 23978226 | 14172196 | 0 | 4744077 | 5061954 | 0 | 1170 |
| - - C&WF CAT 1.1 | CWF11 | 1843681 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| - - C&WF CAT 1.2 | CWF12 | 792253 | 792253 | 0 | 0 | 0 | 792253 | 0 | 1170 |
| - - C&WF CAT 1.3 | CWF13 | 56688783 | 14172196 | 14172196 | 0 | 0 | 0 | 0 | 1170 |
| - - C&WF CAT 2 | CWF2 | 1237044 | 813294 | 0 | 0 | 0 | 813294 | 0 | 1170 |
| - - C&WF CAT 3 | CWF3 | 9949457 | 7607584 | 0 | 0 | 4151177 | 3456407 | 0 | 1170 |
| - - C&WF CAT 4 | CWF4 | 1829035 | 592900 | 0 | 0 | 592900 | 0 | 0 | 1170 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| TELCOM PLANT-OTHER | PLTOTH | 1299080 | 513564 | 206763 | 99204 | 109590 | 98007 | 0 | 1170 |
| ACCUM DEPRECIATION | ACCDEP | 79224750 | 31930415 | 12218234 | 6345820 | 7163499 | 6202863 | 0 | 1170 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| NET DEFERRED FIT | NTDFIT | 726020 | 517623 | 0 | 517623 | 0 | 0 | 0 | 1170 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| GENERAL SUPPORT EXP | GSFX | 333070 | 131672 | 53012 | 25435 | 28098 | 25128 | 0 | 1170 |
| COE EXPENSE | COEX | 1571108 | 847082 | 71498 | 574917 | 118533 | 82134 | 0 | 1170 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| C&WF EXPENSE | CWFX | 2178271 | 722020 | 426746 | 0 | 142851 | 152423 | 0 | 1170 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| NETWORK OPERATIONS EXP | NETOPX | 206764 | 81740 | 32909 | 15789 | 17442 | 15599 | 0 | 1170 |
| DEPREC & AMORT EXP | DEPAMX | 7283345 | 3137774 | 1032844 | 1108208 | 522228 | 474495 | 0 | 1170 |
| MARKETING EXPENSE | MRKTX | 180387 | 65075 | 26199 | 12570 | 13886 | 12419 | 0 | 1170 |
| SERVICES EXPENSE | SERVX | 1516536 | 440183 | 207576 | 99438 | 95206 | 10937 | 27026 | 1170 |
| - CABSX EXPENSE | CABSX | 67699 | 33850 | 0 | 10945 | 12091 | 10813 | 0 | 1170 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| GENERAL & ADMIN EXP | GENADX | 2573203 | 1043243 | 422652 | 307438 | 175650 | 126091 | 11411 | 1170 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 591700 | 233916 | 94176 | 45185 | 49915 | 44640 | 0 | 1170 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1170 |
| NON-OPERATING INC & EXP | NONOPX | 8768 | 3815 | 1536 | 737 | 814 | 728 | 0 | 1170 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 2184457 | 811347 | 377542 | 120882 | 158724 | 154199 | 0 | 1170 |

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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 11171 | 5115 | 645 | 1950 | 1853 | 667 | 0 | 1171 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - GENERAL SUPPORT FACILITIES | GSF | 450061 | 235378 | 29672 | 89744 | 85289 | 30673 | 0 | 1171 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1726155 | 948604 | 68777 | 514158 | 220163 | 145507 | 0 | 1171 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - - COE CAT 3 | COE3 | 604891 | 499816 | 0 | 499816 | 0 | 0 | 0 | 1171 |
| - - COE CAT 4.11 | COE411 | 24185 | 24185 | 0 | 0 | 0 | 24185 | 0 | 1171 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - - COE CAT 4.13 | COE413 | 282305 | 71176 | 68777 | 0 | 0 | 2399 | 0 | 1171 |
| - - COE CAT 4.2 | COE42 | 535152 | 118923 | 0 | 0 | 0 | 118923 | 0 | 1171 |
| - - COE CAT 4.3 | COE43 | 265173 | 220163 | 0 | 0 | 220163 | 0 | 0 | 1171 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - CABLE & WIRE FACILITIES | CWF | 924225 | 423180 | 105960 | 0 | 282097 | 35124 | 0 | 1171 |
| - - C&WF CAT 1.1 | CWF11 | 7393 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - - C&WF CAT 1.2 | CWF12 | 3696 | 3696 | 0 | 0 | 0 | 3696 | 0 | 1171 |
| - - C&WF CAT 1.3 | CWF13 | 423838 | 105960 | 105960 | 0 | 0 | 0 | 0 | 1171 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - - C&WF CAT 3 | CWF3 | 149529 | 31428 | 0 | 0 | 0 | 31428 | 0 | 1171 |
| - - C&WF CAT 4 | CWF4 | 339769 | 282097 | 0 | 0 | 282097 | 0 | 0 | 1171 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| ACCUM DEPRECIATION | ACCDEP | 2052779 | 1169912 | 114378 | 603443 | 329946 | 122145 | 0 | 1171 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| NET DEFERRED FIT | NTDFIT | 114239 | 59746 | 7532 | 22780 | 21649 | 7786 | 0 | 1171 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| GENERAL SUPPORT EXP | GSFX | 17972 | 9399 | 1185 | 3584 | 3406 | 1225 | 0 | 1171 |
| COE EXPENSE | COEX | 87876 | 49022 | 2243 | 34853 | 7180 | 4746 | 0 | 1171 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| C&WF EXPENSE | CWFX | 39479 | 18076 | 4526 | 0 | 12050 | 1500 | 0 | 1171 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| NETWORK OPERATIONS EXP | NETOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| DEPREC & AMORT EXP | DEPAMX | 202796 | 113229 | 11003 | 56478 | 32264 | 13485 | 0 | 1171 |
| MARKETING EXPENSE | MRKTX | 816 | 351 | 44 | 134 | 127 | 46 | 0 | 1171 |
| SERVICES EXPENSE | SERVX | 20721 | 9436 | 379 | 2806 | 1821 | 504 | 3926 | 1171 |
| - CABSX EXPENSE | CABSX | 5711 | 2856 | 0 | 1246 | 1184 | 426 | 0 | 1171 |
| EXEC & PLANNING EXP | EXEPLX | 82125 | 42469 | 5222 | 19782 | 11754 | 3834 | 1877 | 1171 |
| GENERAL & ADMIN EXP | GENADX | 105291 | 75738 | 9313 | 35279 | 20961 | 6838 | 3347 | 1171 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 8570 | 4401 | 555 | 1678 | 1595 | 573 | 0 | 1171 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |
| NON-OPERATING INC & EXP | NONOPX | 500 | 318 | 40 | 121 | 115 | 41 | 0 | 1171 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1171 |

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COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 115955 | 40144 | 15244 | 13077 | 5760 | 6063 | 0 | 1172 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| - GENERAL SUPPORT FACILITIES | GSF | 2366287 | 1038630 | 394402 | 338333 | 149035 | 156859 | 0 | 1172 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5086775 | 2940138 | 549197 | 1818107 | 294920 | 277914 | 0 | 1172 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| - - COE CAT 3 | COE3 | 2138949 | 1818107 | 0 | 1818107 | 0 | 0 | 0 | 1172 |
| - - COE CAT 4.11 | COE411 | 193156 | 193156 | 0 | 0 | 0 | 193156 | 0 | 1172 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| - - COE CAT 4.13 | COE413 | 2231540 | 566103 | 549197 | 0 | 0 | 16906 | 0 | 1172 |
| - - COE CAT 4.2 | COE42 | 400242 | 306322 | 0 | 0 | 238470 | 67853 | 0 | 1172 |
| - - COE CAT 4.3 | COE43 | 122888 | 56450 | 0 | 0 | 56450 | 0 | 0 | 1172 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| - CABLE & WIRE FACILITIES | CWF | 7629006 | 2641175 | 1570214 | 0 | 505956 | 565005 | 0 | 1172 |
| - - C&WF CAT 1.1 | CWF11 | 51020 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| - - C&WF CAT 1.2 | CWF12 | 48335 | 48335 | 0 | 0 | 0 | 48335 | 0 | 1172 |
| - - C&WF CAT 1.3 | CWF13 | 6280855 | 1570214 | 1570214 | 0 | 0 | 0 | 0 | 1172 |
| - - C&WF CAT 2 | CWF2 | 65883 | 65883 | 0 | 0 | 0 | 65883 | 0 | 1172 |
| - - C&WF CAT 3 | CWF3 | 1100069 | 918688 | 0 | 0 | 467900 | 450787 | 0 | 1172 |
| - - C&WF CAT 4 | CWF4 | 82844 | 38055 | 0 | 0 | 38055 | 0 | 0 | 1172 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| TELCOM PLANT-OTHER | PLTOTH | 3302297 | 1449471 | 550413 | 472164 | 207988 | 218907 | 0 | 1172 |
| ACCUM DEPRECIATION | ACCDEP | 9819066 | 4664303 | 1488797 | 1969964 | 592833 | 612709 | 0 | 1172 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| NET DEFERRED FIT | NTDFIT | 106619 | 47303 | 17569 | 16146 | 6616 | 6972 | 0 | 1172 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| GENERAL SUPPORT EXP | GSFX | 194805 | 85505 | 32469 | 27853 | 12269 | 12913 | 0 | 1172 |
| COE EXPENSE | COEX | 506242 | 292606 | 37178 | 216649 | 19965 | 18814 | 0 | 1172 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| C&WF EXPENSE | CWFX | 311818 | 107952 | 64179 | 0 | 20680 | 23093 | 0 | 1172 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| NETWORK OPERATIONS EXP | NETOPX | 78712 | 34549 | 13119 | 11254 | 4957 | 5218 | 0 | 1172 |
| DEPREC & AMORT EXP | DEPAMX | 973951 | 483479 | 139291 | 231888 | 55173 | 57126 | 0 | 1172 |
| MARKETING EXPENSE | MRKTX | 12357 | 4854 | 1843 | 1581 | 697 | 733 | 0 | 1172 |
| SERVICES EXPENSE | SERVX | 168032 | 54966 | 15754 | 12001 | 5037 | 1361 | 20813 | 1172 |
| - CABSX EXPENSE | CABSX | 10796 | 5398 | 0 | 2835 | 1249 | 1314 | 0 | 1172 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| GENERAL & ADMIN EXP | GENADX | 894495 | 437167 | 138913 | 193155 | 45614 | 44558 | 14926 | 1172 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 84026 | 36881 | 14005 | 12014 | 5292 | 5570 | 0 | 1172 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1172 |
| NON-OPERATING INC & EXP | NONOPX | 16008 | 7884 | 2994 | 2568 | 1131 | 1191 | 0 | 1172 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 127559 | 50549 | 23415 | 9731 | 8397 | 9005 | 0 | 1172 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 113793 | 42687 | 15752 | 11461 | 11914 | 3511 | 48 | 1173 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - GENERAL SUPPORT FACILITIES | GSF | 2095059 | 940781 | 344880 | 250916 | 260849 | 76878 | 7258 | 1173 |
| - CENTRAL OFFICE EQUIPMENT | COE | 6005989 | 3159801 | 825598 | 1480590 | 460692 | 392921 | 0 | 1173 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - - COE CAT 3 | COE3 | 1741871 | 1480590 | 0 | 1480590 | 0 | 0 | 0 | 1173 |
| - - COE CAT 4.11 | COE411 | 363004 | 363004 | 0 | 0 | 0 | 363004 | 0 | 1173 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - - COE CAT 4.13 | COE413 | 3328784 | 842490 | 825598 | 0 | 0 | 16892 | 0 | 1173 |
| - - COE CAT 4.2 | COE42 | 572330 | 473717 | 0 | 0 | 460692 | 13025 | 0 | 1173 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - CABLE & WIRE FACILITIES | CWF | 6261025 | 2348673 | 1209450 | 0 | 1078509 | 60714 | 0 | 1173 |
| - - C&WF CAT 1.1 | CWF11 | 13919 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - - C&WF CAT 1.2 | CWF12 | 24746 | 24746 | 0 | 0 | 0 | 24746 | 0 | 1173 |
| - - C&WF CAT 1.3 | CWF13 | 4837799 | 1209450 | 1209450 | 0 | 0 | 0 | 0 | 1173 |
| - - C&WF CAT 2 | CWF2 | 39015 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - - C&WF CAT 3 | CWF3 | 1345546 | 1114477 | 0 | 0 | 1078509 | 35968 | 0 | 1173 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| - INTANGIBLES | INTANG | 958 | 430 | 159 | 115 | 120 | 35 | 0 | 1173 |
| TELCOM PLANT-OTHER | PLTOTH | 487946 | 218864 | 80857 | 58827 | 61156 | 18024 | 0 | 1173 |
| ACCUM DEPRECIATION | ACCDEP | 8787150 | 3930514 | 1460207 | 1039393 | 1119845 | 305823 | 5246 | 1173 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| NET DEFERRED FIT | NTDFIT | 475645 | 213347 | 78819 | 57344 | 59614 | 17570 | 0 | 1173 |
| NETWORK SUPPORT EXP | NETSPX | 1239 | 556 | 205 | 149 | 155 | 46 | 1 | 1173 |
| GENERAL SUPPORT EXP | GSFX | 200707 | 90127 | 33040 | 24038 | 24989 | 7365 | 695 | 1173 |
| COE EXPENSE | COEX | 434366 | 228524 | 37674 | 151896 | 21023 | 17930 | 0 | 1173 |
| IOT EXPENSE | IOTX | 8384 | 2096 | 2096 | 0 | 0 | 0 | 0 | 1173 |
| C&WF EXPENSE | CWFX | 584247 | 219166 | 112860 | 0 | 100641 | 5666 | 0 | 1173 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| NETWORK OPERATIONS EXP | NETOPX | 158545 | 71194 | 26302 | 19136 | 19893 | 5863 | 0 | 1173 |
| DEPREC & AMORT EXP | DEPAMX | 1294219 | 592689 | 209907 | 175193 | 155606 | 50818 | 1165 | 1173 |
| MARKETING EXPENSE | MRKTX | 45573 | 17558 | 6479 | 4714 | 4901 | 1444 | 20 | 1173 |
| SERVICES EXPENSE | SERVX | 222699 | 105303 | 34659 | 30146 | 20454 | 4272 | 15772 | 1173 |
| - CABSX EXPENSE | CABSX | 2771 | 1386 | 0 | 591 | 614 | 181 | 0 | 1173 |
| EXEC & PLANNING EXP | EXEPLX | 129969 | 57721 | 21575 | 17282 | 14426 | 3199 | 1238 | 1173 |
| GENERAL & ADMIN EXP | GENADX | 512445 | 253466 | 94740 | 75892 | 63350 | 14047 | 5438 | 1173 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 59239 | 26999 | 9974 | 7257 | 7544 | 2223 | 0 | 1173 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1173 |
| NON-OPERATING INC & EXP | NONOPX | 9763 | 4799 | 1771 | 1289 | 1340 | 395 | 5 | 1173 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 60906 | 27424 | 10120 | 7363 | 7654 | 2256 | 31 | 1173 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 219327 | 63123 | 23544 | 22096 | 2048 | 15364 | 72 | 1174 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - GENERAL SUPPORT FACILITIES | GSF | 3075269 | 1338813 | 497638 | 467042 | 43289 | 324744 | 6100 | 1174 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3588783 | 2384388 | 194836 | 1397886 | 93936 | 697730 | 0 | 1174 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - - COE CAT 3 | COE3 | 1769867 | 1387184 | 0 | 1387184 | 0 | 0 | 0 | 1174 |
| - - COE CAT 4.11 | COE411 | 284784 | 282243 | 0 | 0 | 0 | 282243 | 0 | 1174 |
| - - COE CAT 4.12 | COE412 | 85899 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - - COE CAT 4.13 | COE413 | 790867 | 203066 | 194836 | 0 | 0 | 8230 | 0 | 1174 |
| - - COE CAT 4.2 | COE42 | 635881 | 501193 | 0 | 0 | 93936 | 407257 | 0 | 1174 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - CABLE & WIRE FACILITIES | CWF | 5643891 | 1624340 | 1306028 | 0 | 36622 | 281691 | 0 | 1174 |
| - - C&WF CAT 1.1 | CWF11 | 22066 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - - C&WF CAT 1.2 | CWF12 | 55165 | 55165 | 0 | 0 | 0 | 55165 | 0 | 1174 |
| - - C&WF CAT 1.3 | CWF13 | 5224110 | 1306028 | 1306028 | 0 | 0 | 0 | 0 | 1174 |
| - - C&WF CAT 2 | CWF2 | 261913 | 219108 | 0 | 0 | 0 | 219108 | 0 | 1174 |
| - - C&WF CAT 3 | CWF3 | 80637 | 44040 | 0 | 0 | 36622 | 7418 | 0 | 1174 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| - INTANGIBLES | INTANG | 3845 | 1674 | 624 | 586 | 54 | 407 | 2 | 1174 |
| TELCOM PLANT-OTHER | PLTOTH | 230102 | 100060 | 37363 | 35066 | 3250 | 24382 | 0 | 1174 |
| ACCUM DEPRECIATION | ACCDEP | 7523246 | 3220733 | 1246774 | 1087324 | 103726 | 778561 | 4349 | 1174 |
| ACCUM AMORTIZATION | ACCAMO | 27 | 12 | 4 | 4 | 0 | 3 | 0 | 1174 |
| NET DEFERRED FIT | NTDFIT | 378441 | 164548 | 61464 | 58393 | 5256 | 39435 | 0 | 1174 |
| NETWORK SUPPORT EXP | NETSPX | 90175 | 39258 | 14642 | 13742 | 1274 | 9555 | 45 | 1174 |
| GENERAL SUPPORT EXP | GSFX | 276291 | 120283 | 44709 | 41960 | 3889 | 29176 | 548 | 1174 |
| COE EXPENSE | COEX | 324631 | 216653 | 10186 | 165081 | 4911 | 36476 | 0 | 1174 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1174 |
| C&WF EXPENSE | CWFX | 270256 | 77781 | 62539 | 0 | 1754 | 13489 | 0 | 1174 |
| OTHER PROP & PL EXP | OTHPPX | 1386 | 603 | 225 | 211 | 20 | 147 | 0 | 1174 |
| NETWORK OPERATIONS EXP | NETOPX | 258283 | 112443 | 41986 | 39405 | 3652 | 27399 | 0 | 1174 |
| DEPREC & AMORT EXP | DEPAMX | 1090217 | 562921 | 135966 | 286571 | 16502 | 123374 | 508 | 1174 |
| MARKETING EXPENSE | MRKTX | 3501 | 974 | 363 | 341 | 32 | 237 | 1 | 1174 |
| SERVICES EXPENSE | SERVX | 329614 | 117039 | 10555 | 28979 | 2026 | 15201 | 60277 | 1174 |
| - CABSX EXPENSE | CABSX | 60850 | 30425 | 0 | 17016 | 1577 | 11832 | 0 | 1174 |
| EXEC & PLANNING EXP | EXEPLX | 190641 | 84352 | 24401 | 34750 | 2106 | 15794 | 7301 | 1174 |
| GENERAL & ADMIN EXP | GENADX | 790193 | 382414 | 110621 | 157542 | 9547 | 71604 | 33100 | 1174 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 89102 | 37319 | 13935 | 13078 | 1212 | 9094 | 0 | 1174 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 4148 | 1804 | 674 | 632 | 59 | 440 | 0 | 1174 |
| NON-OPERATING INC & EXP | NONOPX | 70794 | 33690 | 12566 | 11793 | 1093 | 8200 | 38 | 1174 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 109608 | 49006 | 18278 | 17154 | 1590 | 11928 | 56 | 1174 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 31617 | 8306 | 5082 | 2471 | 439 | 289 | 25 | 1175 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - GENERAL SUPPORT FACILITIES | GSF | 6606336 | 1876289 | 1130428 | 549556 | 97605 | 64267 | 34432 | 1175 |
| - CENTRAL OFFICE EQUIPMENT | COE | 16366114 | 5009587 | 1840714 | 2823945 | 324187 | 20741 | 0 | 1175 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - - COE CAT 3 | COE3 | 7009222 | 2823945 | 0 | 2823945 | 0 | 0 | 0 | 1175 |
| - - COE CAT 4.11 | COE411 | 898406 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - - COE CAT 4.12 | COE412 | 263892 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - - COE CAT 4.13 | COE413 | 7411528 | 1853179 | 1840714 | 0 | 0 | 12464 | 0 | 1175 |
| - - COE CAT 4.2 | COE42 | 783066 | 332463 | 0 | 0 | 324187 | 8276 | 0 | 1175 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - CABLE & WIRE FACILITIES | CWF | 16958206 | 4454969 | 3968100 | 0 | 177368 | 309502 | 0 | 1175 |
| - - C&WF CAT 1.1 | CWF11 | 78050 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - - C&WF CAT 1.2 | CWF12 | 26870 | 26870 | 0 | 0 | 0 | 26870 | 0 | 1175 |
| - - C&WF CAT 1.3 | CWF13 | 15872401 | 3968100 | 3968100 | 0 | 0 | 0 | 0 | 1175 |
| - - C&WF CAT 2 | CWF2 | 53398 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - - C&WF CAT 3 | CWF3 | 927487 | 459999 | 0 | 0 | 177368 | 282632 | 0 | 1175 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| - TANGIBLES | TANGIB | 46101 | 13093 | 8008 | 3893 | 691 | 455 | 45 | 1175 |
| - INTANGIBLES | INTANG | 323 | 92 | 56 | 27 | 5 | 3 | 0 | 1175 |
| TELCOM PLANT-OTHER | PLTOTH | 100486 | 28453 | 17463 | 8489 | 1508 | 993 | 0 | 1175 |
| ACCUM DEPRECIATION | ACCDEP | 23202830 | 6655650 | 3887337 | 2180187 | 351505 | 212951 | 23671 | 1175 |
| ACCUM AMORTIZATION | ACCAMO | 19604 | 5548 | 3405 | 1655 | 294 | 194 | 0 | 1175 |
| NET DEFERRED FIT | NTDFIT | 2090348 | 591884 | 363265 | 176601 | 31366 | 20652 | 0 | 1175 |
| NETWORK SUPPORT EXP | NETSPX | 4861 | 1381 | 845 | 411 | 73 | 48 | 4 | 1175 |
| GENERAL SUPPORT EXP | GSFX | 396718 | 112673 | 67883 | 33001 | 5861 | 3859 | 2068 | 1175 |
| COE EXPENSE | COEX | 756816 | 231658 | 38854 | 185523 | 6843 | 438 | 0 | 1175 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| C&WF EXPENSE | CWFX | 356414 | 93631 | 83398 | 0 | 3728 | 6505 | 0 | 1175 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1175 |
| NETWORK OPERATIONS EXP | NETOPX | 615428 | 174790 | 107276 | 52152 | 9263 | 6099 | 0 | 1175 |
| DEPREC & AMORT EXP | DEPAMX | 2840055 | 871546 | 386215 | 427058 | 37860 | 19665 | 748 | 1175 |
| MARKETING EXPENSE | MRKTX | 503889 | 153176 | 93725 | 45564 | 8093 | 5328 | 465 | 1175 |
| SERVICES EXPENSE | SERVX | 736291 | 270053 | 90909 | 71675 | 10869 | 5557 | 91043 | 1175 |
| - CABSX EXPENSE | CABSX | 69566 | 34783 | 0 | 26869 | 4772 | 3142 | 0 | 1175 |
| EXEC & PLANNING EXP | EXEPLX | 495523 | 154107 | 78348 | 53059 | 6112 | 3803 | 12786 | 1175 |
| GENERAL & ADMIN EXP | GENADX | 1442474 | 532638 | 270792 | 183385 | 21123 | 13145 | 44193 | 1175 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 253283 | 73485 | 45101 | 21926 | 3894 | 2564 | 0 | 1175 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 10580 | 2996 | 1839 | 894 | 159 | 105 | 0 | 1175 |
| NON-OPERATING INC & EXP | NONOPX | 4716 | 1671 | 1023 | 497 | 88 | 58 | 5 | 1175 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 196528 | 54942 | 35975 | 13792 | 2904 | 2148 | 123 | 1175 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 2227 | 686 | 259 | 208 | 177 | 42 | 0 | 1176 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - GENERAL SUPPORT FACILITIES | GSF | 32509 | 12715 | 4796 | 3856 | 3275 | 787 | 0 | 1176 |
| - CENTRAL OFFICE EQUIPMENT | COE | 417427 | 238136 | 32169 | 156192 | 44746 | 5029 | 0 | 1176 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - - COE CAT 3 | COE3 | 183755 | 156192 | 0 | 156192 | 0 | 0 | 0 | 1176 |
| - - COE CAT 4.11 | COE411 | 1006 | 1006 | 0 | 0 | 0 | 1006 | 0 | 1176 |
| - - COE CAT 4.12 | COE412 | 12471 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - - COE CAT 4.13 | COE413 | 135711 | 33174 | 32169 | 0 | 0 | 1005 | 0 | 1176 |
| - - COE CAT 4.2 | COE42 | 84484 | 47764 | 0 | 0 | 44746 | 3018 | 0 | 1176 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - CABLE & WIRE FACILITIES | CWF | 899224 | 276832 | 162076 | 0 | 87911 | 26844 | 0 | 1176 |
| - - C&WF CAT 1.1 | CWF11 | 30389 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - - C&WF CAT 1.2 | CWF12 | 5065 | 5065 | 0 | 0 | 0 | 5065 | 0 | 1176 |
| - - C&WF CAT 1.3 | CWF13 | 648303 | 162076 | 162076 | 0 | 0 | 0 | 0 | 1176 |
| - - C&WF CAT 2 | CWF2 | 14657 | 5102 | 0 | 0 | 0 | 5102 | 0 | 1176 |
| - - C&WF CAT 3 | CWF3 | 200810 | 104589 | 0 | 0 | 87911 | 16677 | 0 | 1176 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| TELCOM PLANT-OTHER | PLTOTH | 73780 | 28857 | 10885 | 8752 | 7434 | 1786 | 0 | 1176 |
| ACCUM DEPRECIATION | ACCDEP | 918792 | 380100 | 129636 | 143846 | 85309 | 21307 | 0 | 1176 |
| ACCUM AMORTIZATION | ACCAMO | 71488 | 27960 | 10547 | 8480 | 7203 | 1731 | 0 | 1176 |
| NET DEFERRED FIT | NTDFIT | 59014 | 23081 | 8706 | 7001 | 5946 | 1429 | 0 | 1176 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| GENERAL SUPPORT EXP | GSFX | 17458 | 6828 | 2576 | 2071 | 1759 | 423 | 0 | 1176 |
| COE EXPENSE | COEX | 50050 | 28553 | 3941 | 18514 | 5482 | 616 | 0 | 1176 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| C&WF EXPENSE | CWFX | 38813 | 11949 | 6996 | 0 | 3795 | 1159 | 0 | 1176 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| NETWORK OPERATIONS EXP | NETOPX | 9392 | 3673 | 1386 | 1114 | 946 | 227 | 0 | 1176 |
| DEPREC & AMORT EXP | DEPAMX | 92306 | 43599 | 11141 | 22740 | 7892 | 1825 | 0 | 1176 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| SERVICES EXPENSE | SERVX | 38536 | 10897 | 2120 | 1520 | 1219 | 166 | 5873 | 1176 |
| - CABSX EXPENSE | CABSX | 3331 | 1666 | 0 | 811 | 689 | 166 | 0 | 1176 |
| EXEC & PLANNING EXP | EXEPLX | 31395 | 12786 | 3816 | 4640 | 2638 | 518 | 1174 | 1176 |
| GENERAL & ADMIN EXP | GENADX | 69242 | 32713 | 9763 | 11873 | 6750 | 1325 | 3003 | 1176 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 6123 | 2890 | 1101 | 821 | 787 | 180 | 0 | 1176 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1176 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 52229 | 17520 | 6608 | 5314 | 4513 | 1084 | 0 | 1176 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 92386 | 27457 | 5614 | 16657 | 880 | 4268 | 38 | 1177 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - GENERAL SUPPORT FACILITIES | GSF | 2810148 | 1569587 | 320344 | 950446 | 50215 | 243517 | 5064 | 1177 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2081975 | 1605275 | 50475 | 1280845 | 62893 | 211062 | 0 | 1177 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - - COE CAT 3 | COE3 | 1506877 | 1280845 | 0 | 1280845 | 0 | 0 | 0 | 1177 |
| - - COE CAT 4.11 | COE411 | 61583 | 61583 | 0 | 0 | 0 | 61583 | 0 | 1177 |
| - - COE CAT 4.12 | COE412 | 10450 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - - COE CAT 4.13 | COE413 | 206902 | 51652 | 50475 | 0 | 0 | 1177 | 0 | 1177 |
| - - COE CAT 4.2 | COE42 | 296163 | 211195 | 0 | 0 | 62893 | 148302 | 0 | 1177 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - CABLE & WIRE FACILITIES | CWF | 1692833 | 503115 | 381230 | 0 | 4779 | 117107 | 0 | 1177 |
| - - C&WF CAT 1.1 | CWF11 | 28898 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - - C&WF CAT 1.2 | CWF12 | 8892 | 8892 | 0 | 0 | 0 | 8892 | 0 | 1177 |
| - - C&WF CAT 1.3 | CWF13 | 1524918 | 381230 | 381230 | 0 | 0 | 0 | 0 | 1177 |
| - - C&WF CAT 2 | CWF2 | 40034 | 32378 | 0 | 0 | 0 | 32378 | 0 | 1177 |
| - - C&WF CAT 3 | CWF3 | 90091 | 80616 | 0 | 0 | 4779 | 75838 | 0 | 1177 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| ACCUM DEPRECIATION | ACCDEP | 3789356 | 2049121 | 456339 | 1124590 | 82865 | 382489 | 2838 | 1177 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| NET DEFERRED FIT | NTDFIT | 436185 | 254927 | 44715 | 158688 | 9551 | 41973 | 0 | 1177 |
| NETWORK SUPPORT EXP | NETSPX | 3687 | 2059 | 421 | 1249 | 66 | 320 | 3 | 1177 |
| GENERAL SUPPORT EXP | GSFX | 95545 | 53366 | 10892 | 32315 | 1707 | 8280 | 172 | 1177 |
| COE EXPENSE | COEX | 245675 | 189424 | 3958 | 163985 | 4931 | 16550 | 0 | 1177 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| C&WF EXPENSE | CWFX | 133777 | 39759 | 30127 | 0 | 378 | 9254 | 0 | 1177 |
| OTHER PROP & PL EXP | OTHPPX | 410 | 229 | 47 | 139 | 7 | 36 | 0 | 1177 |
| NETWORK OPERATIONS EXP | NETOPX | 84406 | 47144 | 9653 | 28640 | 1513 | 7338 | 0 | 1177 |
| DEPREC & AMORT EXP | DEPAMX | 361613 | 206959 | 39432 | 132530 | 5833 | 28882 | 282 | 1177 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| SERVICES EXPENSE | SERVX | 72937 | 17874 | 1005 | 7468 | 327 | 1586 | 7489 | 1177 |
| - CABSX EXPENSE | CABSX | 16123 | 8062 | 0 | 6159 | 325 | 1578 | 0 | 1177 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| GENERAL & ADMIN EXP | GENADX | 316856 | 173659 | 27848 | 116051 | 4433 | 21524 | 3804 | 1177 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 101533 | 57387 | 11334 | 36419 | 1586 | 8018 | 30 | 1177 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1177 |
| NON-OPERATING INC & EXP | NONOPX | 750 | 411 | 84 | 249 | 13 | 64 | 1 | 1177 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | -38521 | -22015 | -4040 | -15123 | -419 | -2399 | -33 | 1177 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - GENERAL SUPPORT FACILITIES | GSF | 216931 | 72739 | 40745 | 12815 | 7836 | 6780 | 4562 | 1178 |
| - CENTRAL OFFICE EQUIPMENT | COE | 333907 | 163967 | 44650 | 79566 | 13520 | 26232 | 0 | 1178 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - - COE CAT 3 | COE3 | 98558 | 79566 | 0 | 79566 | 0 | 0 | 0 | 1178 |
| - - COE CAT 4.11 | COE411 | 26232 | 26232 | 0 | 0 | 0 | 26232 | 0 | 1178 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - - COE CAT 4.13 | COE413 | 178598 | 44650 | 44650 | 0 | 0 | 0 | 0 | 1178 |
| - - COE CAT 4.2 | COE42 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - - COE CAT 4.3 | COE43 | 30519 | 13520 | 0 | 0 | 13520 | 0 | 0 | 1178 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - CABLE & WIRE FACILITIES | CWF | 928460 | 259317 | 208323 | 0 | 35133 | 15862 | 0 | 1178 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - - C&WF CAT 1.3 | CWF13 | 833290 | 208323 | 208323 | 0 | 0 | 0 | 0 | 1178 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - - C&WF CAT 3 | CWF3 | 15862 | 15862 | 0 | 0 | 0 | 15862 | 0 | 1178 |
| - - C&WF CAT 4 | CWF4 | 79308 | 35133 | 0 | 0 | 35133 | 0 | 0 | 1178 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| TELCOM PLANT-OTHER | PLTOTH | 63 | 21 | 13 | 4 | 2 | 2 | 0 | 1178 |
| ACCUM DEPRECIATION | ACCDEP | 965530 | 320714 | 193220 | 53485 | 37601 | 33830 | 2578 | 1178 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| NET DEFERRED FIT | NTDFIT | 121299 | 40631 | 23945 | 8169 | 4590 | 3928 | 0 | 1178 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| GENERAL SUPPORT EXP | GSFX | 26966 | 9042 | 5065 | 1593 | 974 | 843 | 567 | 1178 |
| COE EXPENSE | COEX | 11284 | 5541 | 2758 | 329 | 835 | 1620 | 0 | 1178 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| C&WF EXPENSE | CWFX | 11186 | 3124 | 2510 | 0 | 423 | 191 | 0 | 1178 |
| OTHER PROP & PL EXP | OTHPPX | 194 | 65 | 39 | 12 | 7 | 6 | 0 | 1178 |
| NETWORK OPERATIONS EXP | NETOPX | 27892 | 9352 | 5589 | 1758 | 1075 | 930 | 0 | 1178 |
| DEPREC & AMORT EXP | DEPAMX | 89016 | 31782 | 16746 | 7320 | 3485 | 3794 | 436 | 1178 |
| MARKETING EXPENSE | MRKTX | 10080 | 2796 | 1656 | 521 | 318 | 275 | 26 | 1178 |
| SERVICES EXPENSE | SERVX | 32753 | 11319 | 1121 | 3121 | 1841 | 1434 | 3802 | 1178 |
| - CABSX EXPENSE | CABSX | 11609 | 5803 | 0 | 2711 | 1658 | 1434 | 0 | 1178 |
| EXEC & PLANNING EXP | EXEPLX | 31172 | 10748 | 4883 | 1911 | 1427 | 1381 | 1145 | 1178 |
| GENERAL & ADMIN EXP | GENADX | 122283 | 42161 | 19156 | 7498 | 5596 | 5419 | 4493 | 1178 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 12272 | 4145 | 2429 | 850 | 462 | 383 | 22 | 1178 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1178 |
| NON-OPERATING INC & EXP | NONOPX | 12322 | 4248 | 2516 | 791 | 484 | 419 | 39 | 1178 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | -186 | -64 | -38 | -12 | -7 | -6 | -1 | 1178 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 8992 | 2257 | 1237 | 825 | 128 | 67 | 0 | 1179 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - GENERAL SUPPORT FACILITIES | GSF | 1363552 | 468170 | 256555 | 171195 | 26547 | 13873 | 0 | 1179 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1564228 | 775776 | 152996 | 520801 | 79542 | 22437 | 0 | 1179 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - - COE CAT 3 | COE3 | 720892 | 520801 | 0 | 520801 | 0 | 0 | 0 | 1179 |
| - - COE CAT 4.11 | COE411 | 38239 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - - COE CAT 4.12 | COE412 | 9776 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - - COE CAT 4.13 | COE413 | 620409 | 157810 | 152996 | 0 | 0 | 4814 | 0 | 1179 |
| - - COE CAT 4.2 | COE42 | 174912 | 97164 | 0 | 0 | 79542 | 17623 | 0 | 1179 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - CABLE & WIRE FACILITIES | CWF | 2583902 | 648467 | 627484 | 0 | 1218 | 19766 | 0 | 1179 |
| - - C&WF CAT 1.1 | CWF11 | 14808 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - - C&WF CAT 1.2 | CWF12 | 19744 | 19744 | 0 | 0 | 0 | 19744 | 0 | 1179 |
| - - C&WF CAT 1.3 | CWF13 | 2509934 | 627484 | 627484 | 0 | 0 | 0 | 0 | 1179 |
| - - C&WF CAT 2 | CWF2 | 37587 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - - C&WF CAT 3 | CWF3 | 1829 | 1239 | 0 | 0 | 1218 | 22 | 0 | 1179 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| - INTANGIBLES | INTANG | 520 | 179 | 98 | 65 | 10 | 5 | 0 | 1179 |
| TELCOM PLANT-OTHER | PLTOTH | 19342 | 6641 | 3639 | 2428 | 377 | 197 | 0 | 1179 |
| ACCUM DEPRECIATION | ACCDEP | 2084063 | 647478 | 423011 | 147946 | 51852 | 24670 | 0 | 1179 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| NET DEFERRED FIT | NTDFIT | -66150 | -13757 | -17282 | 4915 | -698 | -692 | 0 | 1179 |
| NETWORK SUPPORT EXP | NETSPX | 37308 | 12810 | 7020 | 4684 | 726 | 380 | 0 | 1179 |
| GENERAL SUPPORT EXP | GSFX | 46265 | 15885 | 8705 | 5809 | 901 | 471 | 0 | 1179 |
| COE EXPENSE | COEX | 345918 | 171557 | 62319 | 67700 | 32399 | 9139 | 0 | 1179 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| C&WF EXPENSE | CWFX | 134616 | 33784 | 32691 | 0 | 63 | 1030 | 0 | 1179 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| NETWORK OPERATIONS EXP | NETOPX | 539 | 185 | 101 | 68 | 10 | 5 | 0 | 1179 |
| DEPREC & AMORT EXP | DEPAMX | 377565 | 132775 | 67840 | 48652 | 11597 | 4686 | 0 | 1179 |
| MARKETING EXPENSE | MRKTX | 12779 | 3393 | 1859 | 1241 | 192 | 101 | 0 | 1179 |
| SERVICES EXPENSE | SERVX | 236399 | 72849 | 11170 | 27052 | 4195 | 2025 | 28406 | 1179 |
| - CABSX EXPENSE | CABSX | 61755 | 30878 | 0 | 24980 | 3874 | 2024 | 0 | 1179 |
| EXEC & PLANNING EXP | EXEPLX | 97370 | 37570 | 14989 | 12894 | 4658 | 1591 | 3438 | 1179 |
| GENERAL & ADMIN EXP | GENADX | 339844 | 131129 | 52316 | 45005 | 16256 | 5554 | 11998 | 1179 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 81032 | 28545 | 14914 | 11421 | 1429 | 781 | 0 | 1179 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1179 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 145305 | 52294 | 28657 | 19122 | 2965 | 1550 | 0 | 1179 |

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COST COMPANY COST DATA
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 3756 | 1480 | 278 | 735 | 353 | 114 | 0 | 1180 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - GENERAL SUPPORT FACILITIES | GSF | 109718 | 57221 | 10753 | 28414 | 13655 | 4399 | 0 | 1180 |
| - CENTRAL OFFICE EQUIPMENT | COE | 922611 | 613349 | 43575 | 507469 | 17847 | 44458 | 0 | 1180 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - - COE CAT 3 | COE3 | 615592 | 507469 | 0 | 507469 | 0 | 0 | 0 | 1180 |
| - - COE CAT 4.11 | COE411 | 14884 | 9923 | 0 | 0 | 0 | 9923 | 0 | 1180 |
| - - COE CAT 4.12 | COE412 | 34652 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - - COE CAT 4.13 | COE413 | 177206 | 43575 | 43575 | 0 | 0 | 0 | 0 | 1180 |
| - - COE CAT 4.2 | COE42 | 80277 | 52382 | 0 | 0 | 17847 | 34535 | 0 | 1180 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - CABLE & WIRE FACILITIES | CWF | 1036942 | 408610 | 148470 | 0 | 226028 | 34113 | 0 | 1180 |
| - - C&WF CAT 1.1 | CWF11 | 9898 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - - C&WF CAT 1.3 | CWF13 | 593878 | 148470 | 148470 | 0 | 0 | 0 | 0 | 1180 |
| - - C&WF CAT 2 | CWF2 | 31062 | 4411 | 0 | 0 | 0 | 4411 | 0 | 1180 |
| - - C&WF CAT 3 | CWF3 | 402104 | 255730 | 0 | 0 | 226028 | 29702 | 0 | 1180 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| ACCUM DEPRECIATION | ACCDEP | 1285434 | 690130 | 119650 | 369422 | 152506 | 48552 | 0 | 1180 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| NET DEFERRED FIT | NTDFIT | -30105 | -15659 | -2965 | -7712 | -3777 | -1205 | 0 | 1180 |
| NETWORK SUPPORT EXP | NETSPX | 9471 | 4939 | 928 | 2453 | 1179 | 380 | 0 | 1180 |
| GENERAL SUPPORT EXP | GSFX | 4190 | 2185 | 411 | 1085 | 521 | 168 | 0 | 1180 |
| COE EXPENSE | COEX | 61282 | 40740 | 10194 | 15971 | 4175 | 10400 | 0 | 1180 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| C&WF EXPENSE | CWFX | 48017 | 18921 | 6875 | 0 | 10467 | 1580 | 0 | 1180 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| NETWORK OPERATIONS EXP | NETOPX | 25595 | 13348 | 2508 | 6628 | 3185 | 1026 | 0 | 1180 |
| DEPREC & AMORT EXP | DEPAMX | 149714 | 89662 | 10740 | 61381 | 11940 | 5601 | 0 | 1180 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| SERVICES EXPENSE | SERVX | 41723 | 15932 | 428 | 7157 | 3440 | 1088 | 3820 | 1180 |
| - CABSX EXPENSE | CABSX | 22731 | 11366 | 0 | 6950 | 3340 | 1076 | 0 | 1180 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| GENERAL & ADMIN EXP | GENADX | 230533 | 116097 | 25794 | 40236 | 27755 | 17695 | 4616 | 1180 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 32692 | 16948 | 3283 | 8153 | 4164 | 1347 | 0 | 1180 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1180 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 20640 | 10253 | 2176 | 4427 | 2750 | 900 | 0 | 1180 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 9014 | 3250 | 927 | 1123 | 664 | 536 | 0 | 1181 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| - GENERAL SUPPORT FACILITIES | GSF | 1056152 | 469133 | 133758 | 162120 | 95843 | 77412 | 0 | 1181 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3422926 | 1851413 | 347657 | 1132912 | 139078 | 231766 | 0 | 1181 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| - - COE CAT 3 | COE3 | 1332838 | 1132912 | 0 | 1132912 | 0 | 0 | 0 | 1181 |
| - - COE CAT 4.11 | COE411 | 91025 | 72820 | 0 | 0 | 0 | 72820 | 0 | 1181 |
| - - COE CAT 4.12 | COE412 | 117438 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| - - COE CAT 4.13 | COE413 | 1418576 | 348412 | 347657 | 0 | 0 | 755 | 0 | 1181 |
| - - COE CAT 4.2 | COE42 | 372959 | 253754 | 0 | 0 | 95563 | 158191 | 0 | 1181 |
| - - COE CAT 4.3 | COE43 | 90090 | 43514 | 0 | 0 | 43514 | 0 | 0 | 1181 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| - CABLE & WIRE FACILITIES | CWF | 3957571 | 1426939 | 587055 | 0 | 530684 | 309199 | 0 | 1181 |
| - - C&WF CAT 1.1 | CWF11 | 45919 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| - - C&WF CAT 1.2 | CWF12 | 1276 | 1276 | 0 | 0 | 0 | 1276 | 0 | 1181 |
| - - C&WF CAT 1.3 | CWF13 | 2348222 | 587055 | 587055 | 0 | 0 | 0 | 0 | 1181 |
| - - C&WF CAT 2 | CWF2 | 102351 | 20314 | 0 | 0 | 0 | 20314 | 0 | 1181 |
| - - C&WF CAT 3 | CWF3 | 975736 | 584484 | 0 | 0 | 296875 | 287610 | 0 | 1181 |
| - - C&WF CAT 4 | CWF4 | 484068 | 233810 | 0 | 0 | 233810 | 0 | 0 | 1181 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| ACCUM DEPRECIATION | ACCDEP | 5850041 | 2780188 | 688442 | 1219352 | 466521 | 405874 | 0 | 1181 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| NET DEFERRED FIT | NTDFIT | -194029 | -86218 | -24564 | -29839 | -17598 | -14217 | 0 | 1181 |
| NETWORK SUPPORT EXP | NETSPX | 22481 | 9986 | 2847 | 3451 | 2040 | 1648 | 0 | 1181 |
| GENERAL SUPPORT EXP | GSFX | 40091 | 17808 | 5077 | 6154 | 3638 | 2939 | 0 | 1181 |
| COE EXPENSE | COEX | 252132 | 136375 | 36476 | 60989 | 14592 | 24317 | 0 | 1181 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| C&WF EXPENSE | CWFX | 132347 | 47719 | 19632 | 0 | 17747 | 10340 | 0 | 1181 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| NETWORK OPERATIONS EXP | NETOPX | 162136 | 72019 | 20534 | 24888 | 14713 | 11884 | 0 | 1181 |
| DEPREC & AMORT EXP | DEPAMX | 536137 | 233404 | 70308 | 76251 | 44531 | 42315 | 0 | 1181 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| SERVICES EXPENSE | SERVX | 131318 | 43832 | 4205 | 8932 | 5208 | 3719 | 21768 | 1181 |
| - CABSX EXPENSE | CABSX | 31746 | 15873 | 0 | 7673 | 4536 | 3664 | 0 | 1181 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1181 |
| GENERAL & ADMIN EXP | GENADX | 640711 | 283476 | 78258 | 89668 | 49756 | 47101 | 18694 | 1181 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 104683 | 44023 | 14220 | 11076 | 10617 | 8111 | 0 | 1181 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 7131 | 3168 | 903 | 1095 | 647 | 523 | 0 | 1181 |
| NON-OPERATING INC & EXP | NONOPX | 2232 | 988 | 282 | 341 | 202 | 163 | 0 | 1181 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | -62674 | -23742 | -9108 | -2402 | -7127 | -5104 | 0 | 1181 |

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COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 66351 | 24822 | 8341 | 6736 | 6303 | 3441 | 0 | 1182 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| - GENERAL SUPPORT FACILITIES | GSF | 1546824 | 702621 | 236119 | 190662 | 178429 | 97410 | 0 | 1182 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2832053 | 2011664 | 139852 | 1464574 | 302908 | 104330 | 0 | 1182 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| - - COE CAT 3 | COE3 | 1723028 | 1464574 | 0 | 1464574 | 0 | 0 | 0 | 1182 |
| - - COE CAT 4.11 | COE411 | 4543 | 4543 | 0 | 0 | 0 | 4543 | 0 | 1182 |
| - - COE CAT 4.12 | COE412 | 11453 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| - - COE CAT 4.13 | COE413 | 588173 | 154992 | 139852 | 0 | 0 | 15140 | 0 | 1182 |
| - - COE CAT 4.2 | COE42 | 451949 | 353211 | 0 | 0 | 268564 | 84647 | 0 | 1182 |
| - - COE CAT 4.3 | COE43 | 52907 | 34345 | 0 | 0 | 34345 | 0 | 0 | 1182 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| - CABLE & WIRE FACILITIES | CWF | 9049890 | 3385529 | 1673901 | 0 | 1067699 | 643928 | 0 | 1182 |
| - - C&WF CAT 1.1 | CWF11 | 163086 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| - - C&WF CAT 1.2 | CWF12 | 181207 | 181207 | 0 | 0 | 0 | 181207 | 0 | 1182 |
| - - C&WF CAT 1.3 | CWF13 | 6695604 | 1673901 | 1673901 | 0 | 0 | 0 | 0 | 1182 |
| - - C&WF CAT 2 | CWF2 | 93369 | 54365 | 0 | 0 | 0 | 54365 | 0 | 1182 |
| - - C&WF CAT 3 | CWF3 | 1455281 | 1176575 | 0 | 0 | 768219 | 408356 | 0 | 1182 |
| - - C&WF CAT 4 | CWF4 | 461342 | 299480 | 0 | 0 | 299480 | 0 | 0 | 1182 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| - INTANGIBLES | INTANG | 121809 | 55330 | 18594 | 15014 | 14051 | 7671 | 0 | 1182 |
| TELCOM PLANT-OTHER | PLTOTH | 31215 | 14179 | 4765 | 3848 | 3601 | 1966 | 0 | 1182 |
| ACCUM DEPRECIATION | ACCDEP | 7250923 | 3090873 | 1181551 | 462166 | 946928 | 500227 | 0 | 1182 |
| ACCUM AMORTIZATION | ACCAMO | 100590 | 45691 | 15355 | 12399 | 11603 | 6335 | 0 | 1182 |
| NET DEFERRED FIT | NTDFIT | 29639 | 13481 | 4518 | 3686 | 3413 | 1864 | 0 | 1182 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| GENERAL SUPPORT EXP | GSFX | 178137 | 80916 | 27192 | 21957 | 20548 | 11218 | 0 | 1182 |
| COE EXPENSE | COEX | 265608 | 188667 | 15762 | 127005 | 34140 | 11759 | 0 | 1182 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| C&WF EXPENSE | CWFX | 278476 | 104177 | 51508 | 0 | 32854 | 19814 | 0 | 1182 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| NETWORK OPERATIONS EXP | NETOPX | 186220 | 84588 | 28426 | 22954 | 21481 | 11727 | 0 | 1182 |
| DEPREC & AMORT EXP | DEPAMX | 673575 | 319144 | 97571 | 104442 | 76277 | 40854 | 0 | 1182 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| SERVICES EXPENSE | SERVX | 144571 | 69670 | 3733 | 25598 | 20241 | 9977 | 10122 | 1182 |
| - CABSX EXPENSE | CABSX | 95174 | 47588 | 0 | 19449 | 18202 | 9937 | 0 | 1182 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| GENERAL & ADMIN EXP | GENADX | 501412 | 256244 | 63704 | 94743 | 62005 | 30937 | 4855 | 1182 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 133746 | 63168 | 19765 | 20999 | 14382 | 8023 | 0 | 1182 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1182 |
| NON-OPERATING INC & EXP | NONOPX | 650 | 332 | 112 | 90 | 84 | 46 | 0 | 1182 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 104142 | 50585 | 14603 | 20043 | 10129 | 5810 | 0 | 1182 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 237577 | 80260 | 38203 | 10825 | 6335 | 24816 | 81 | 1183 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| - GENERAL SUPPORT FACILITIES | GSF | 7060119 | 2611441 | 1233431 | 349489 | 204547 | 801195 | 22779 | 1183 |
| - CENTRAL OFFICE EQUIPMENT | COE | 15481629 | 6959608 | 1642068 | 2694034 | 796428 | 1827078 | 0 | 1183 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| - - COE CAT 3 | COE3 | 5225148 | 2694034 | 0 | 2694034 | 0 | 0 | 0 | 1183 |
| - - COE CAT 4.11 | COE411 | 883052 | 872587 | 0 | 0 | 0 | 872587 | 0 | 1183 |
| - - COE CAT 4.12 | COE412 | 272977 | 257524 | 0 | 0 | 0 | 257524 | 0 | 1183 |
| - - COE CAT 4.13 | COE413 | 6686414 | 1667533 | 1642068 | 0 | 0 | 25465 | 0 | 1183 |
| - - COE CAT 4.2 | COE42 | 2153670 | 1357935 | 0 | 0 | 686433 | 671502 | 0 | 1183 |
| - - COE CAT 4.3 | COE43 | 260368 | 109995 | 0 | 0 | 109995 | 0 | 0 | 1183 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| - CABLE & WIRE FACILITIES | CWF | 38466554 | 12995087 | 7865832 | 0 | 780326 | 4348929 | 0 | 1183 |
| - - C&WF CAT 1.1 | CWF11 | 443934 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| - - C&WF CAT 1.2 | CWF12 | 121982 | 121982 | 0 | 0 | 0 | 121982 | 0 | 1183 |
| - - C&WF CAT 1.3 | CWF13 | 31463328 | 7865832 | 7865832 | 0 | 0 | 0 | 0 | 1183 |
| - - C&WF CAT 2 | CWF2 | 398173 | 250702 | 0 | 0 | 0 | 250702 | 0 | 1183 |
| - - C&WF CAT 3 | CWF3 | 4205349 | 3981869 | 0 | 0 | 5624 | 3976245 | 0 | 1183 |
| - - C&WF CAT 4 | CWF4 | 1833788 | 774702 | 0 | 0 | 774702 | 0 | 0 | 1183 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| TELCOM PLANT-OTHER | PLTOTH | 218421 | 80709 | 38456 | 10896 | 6377 | 24980 | 0 | 1183 |
| ACCUM DEPRECIATION | ACCDEP | 27963814 | 10327660 | 5012197 | 987957 | 923612 | 3389829 | 14065 | 1183 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| NETWORK SUPPORT EXP | NETSPX | 272727 | 100878 | 48017 | 13606 | 7963 | 31190 | 102 | 1183 |
| GENERAL SUPPORT EXP | GSFX | 391393 | 144771 | 68378 | 19375 | 11340 | 44416 | 1263 | 1183 |
| COE EXPENSE | COEX | 1009430 | 453779 | 91134 | 217041 | 44201 | 101402 | 0 | 1183 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| C&WF EXPENSE | CWFX | 1121195 | 378771 | 229268 | 0 | 22744 | 126759 | 0 | 1183 |
| OTHER PROP & PL EXP | OTHPPX | 61581 | 22778 | 10853 | 3075 | 1800 | 7050 | 0 | 1183 |
| NETWORK OPERATIONS EXP | NETOPX | 1581509 | 584979 | 278727 | 78977 | 46223 | 181052 | 0 | 1183 |
| DEPREC & AMORT EXP | DEPAMX | 3821259 | 1474563 | 621676 | 273111 | 132398 | 446334 | 1044 | 1183 |
| MARKETING EXPENSE | MRKTX | 395125 | 136097 | 64781 | 18356 | 10743 | 42080 | 137 | 1183 |
| SERVICES EXPENSE | SERVX | 1958749 | 653420 | 106360 | 104730 | 50688 | 195775 | 195866 | 1183 |
| - CABSX EXPENSE | CABSX | 533573 | 266787 | 0 | 68799 | 40267 | 157721 | 0 | 1183 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| GENERAL & ADMIN EXP | GENADX | 1768028 | 643276 | 257959 | 111144 | 47788 | 178190 | 48195 | 1183 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 537166 | 198490 | 94575 | 26798 | 15684 | 61433 | 0 | 1183 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |
| NON-OPERATING INC & EXP | NONOPX | 20971 | 7630 | 3632 | 1029 | 602 | 2359 | 8 | 1183 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1183 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 61375 | 16266 | 10623 | 2310 | 769 | 2501 | 63 | 1184 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| - GENERAL SUPPORT FACILITIES | GSF | 3864826 | 1038811 | 664561 | 144531 | 48099 | 156442 | 25178 | 1184 |
| - CENTRAL OFFICE EQUIPMENT | COE | 9443039 | 2566713 | 1165834 | 769707 | 188860 | 442312 | 0 | 1184 |
| - - COE CAT 1 | COE1 | 141522 | 16 | 0 | 16 | 0 | 0 | 0 | 1184 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| - - COE CAT 3 | COE3 | 3038533 | 756986 | 0 | 756986 | 0 | 0 | 0 | 1184 |
| - - COE CAT 4.11 | COE411 | 166271 | 128745 | 0 | 0 | 0 | 128745 | 0 | 1184 |
| - - COE CAT 4.12 | COE412 | 116501 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| - - COE CAT 4.13 | COE413 | 4699490 | 1176680 | 1165834 | 0 | 0 | 10847 | 0 | 1184 |
| - - COE CAT 4.2 | COE42 | 791698 | 439935 | 0 | 0 | 137214 | 302720 | 0 | 1184 |
| - - COE CAT 4.3 | COE43 | 468617 | 51646 | 0 | 0 | 51646 | 0 | 0 | 1184 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| - CABLE & WIRE FACILITIES | CWF | 10971959 | 2907848 | 2431745 | 0 | 71524 | 404579 | 0 | 1184 |
| - - C&WF CAT 1.1 | CWF11 | 52790 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| - - C&WF CAT 1.2 | CWF12 | 22624 | 22624 | 0 | 0 | 0 | 22624 | 0 | 1184 |
| - - C&WF CAT 1.3 | CWF13 | 9726979 | 2431745 | 2431745 | 0 | 0 | 0 | 0 | 1184 |
| - - C&WF CAT 2 | CWF2 | 302202 | 86885 | 0 | 0 | 0 | 86885 | 0 | 1184 |
| - - C&WF CAT 3 | CWF3 | 790332 | 358104 | 0 | 0 | 63035 | 295070 | 0 | 1184 |
| - - C&WF CAT 4 | CWF4 | 77031 | 8490 | 0 | 0 | 8490 | 0 | 0 | 1184 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| TELCOM PLANT-OTHER | PLTOTH | 2043114 | 547042 | 358653 | 78001 | 25959 | 84429 | 0 | 1184 |
| ACCUM DEPRECIATION | ACCDEP | 13389759 | 3557860 | 2179217 | 731668 | 142460 | 488471 | 16045 | 1184 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| NET DEFERRED FIT | NTDFIT | 1248746 | 347242 | 235265 | 16148 | 26012 | 69817 | 0 | 1184 |
| NETWORK SUPPORT EXP | NETSPX | 39583 | 10639 | 6948 | 1511 | 503 | 1636 | 41 | 1184 |
| GENERAL SUPPORT EXP | GSFX | 1500618 | 403345 | 258033 | 56118 | 18676 | 60742 | 9776 | 1184 |
| COE EXPENSE | COEX | 667351 | 182291 | 41413 | 118457 | 6709 | 15712 | 0 | 1184 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| C&WF EXPENSE | CWFX | 290801 | 77070 | 64451 | 0 | 1896 | 10723 | 0 | 1184 |
| OTHER PROP & PL EXP | OTHPPX | 13125 | 3528 | 2313 | 503 | 167 | 544 | 0 | 1184 |
| NETWORK OPERATIONS EXP | NETOPX | 503478 | 135328 | 88724 | 19296 | 6422 | 20886 | 0 | 1184 |
| DEPREC & AMORT EXP | DEPAMX | 1560856 | 420737 | 247087 | 84460 | 22182 | 65071 | 1937 | 1184 |
| MARKETING EXPENSE | MRKTX | 175892 | 33109 | 21623 | 4703 | 1565 | 5090 | 128 | 1184 |
| SERVICES EXPENSE | SERVX | 921997 | 230701 | 125933 | 40557 | 13351 | 16595 | 34265 | 1184 |
| - CABSX EXPENSE | CABSX | 73598 | 36799 | 0 | 15236 | 5071 | 16492 | 0 | 1184 |
| EXEC & PLANNING EXP | EXEPLX | 695776 | 179742 | 104466 | 38906 | 7952 | 21285 | 7133 | 1184 |
| GENERAL & ADMIN EXP | GENADX | 1720810 | 449532 | 261267 | 97304 | 19888 | 53234 | 17839 | 1184 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 195945 | 57385 | 39647 | 5128 | 2968 | 9492 | 150 | 1184 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1184 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 208693 | 56605 | 39337 | 4691 | 2956 | 9435 | 186 | 1184 |

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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 234222 | 70518 | 42419 | 6596 | 1759 | 19744 | 0 | 1185 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - GENERAL SUPPORT FACILITIES | GSF | 7703261 | 2424168 | 1458211 | 226736 | 60478 | 678743 | 0 | 1185 |
| - CENTRAL OFFICE EQUIPMENT | COE | 20975713 | 7160721 | 2770260 | 1827239 | 335633 | 2227589 | 0 | 1185 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - - COE CAT 3 | COE3 | 4661680 | 1827239 | 0 | 1827239 | 0 | 0 | 0 | 1185 |
| - - COE CAT 4.11 | COE411 | 1853804 | 1702341 | 0 | 0 | 0 | 1702341 | 0 | 1185 |
| - - COE CAT 4.12 | COE412 | 87738 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - - COE CAT 4.13 | COE413 | 11296336 | 2850996 | 2770260 | 0 | 0 | 80736 | 0 | 1185 |
| - - COE CAT 4.2 | COE42 | 3076155 | 780145 | 0 | 0 | 335633 | 444511 | 0 | 1185 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - CABLE & WIRE FACILITIES | CWF | 41104033 | 12375385 | 8981309 | 0 | 151751 | 3242326 | 0 | 1185 |
| - - C&WF CAT 1.1 | CWF11 | 436251 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - - C&WF CAT 1.2 | CWF12 | 261750 | 261750 | 0 | 0 | 0 | 261750 | 0 | 1185 |
| - - C&WF CAT 1.3 | CWF13 | 35925234 | 8981309 | 8981309 | 0 | 0 | 0 | 0 | 1185 |
| - - C&WF CAT 2 | CWF2 | 834095 | 255270 | 0 | 0 | 0 | 255270 | 0 | 1185 |
| - - C&WF CAT 3 | CWF3 | 3646703 | 2877056 | 0 | 0 | 151751 | 2725306 | 0 | 1185 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| TELCOM PLANT-OTHER | PLTOTH | 2295985 | 722532 | 434625 | 67579 | 18026 | 202302 | 0 | 1185 |
| ACCUM DEPRECIATION | ACCDEP | 45062085 | 14321646 | 8185699 | 1981777 | 340358 | 3813812 | 0 | 1185 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| NET DEFERRED FIT | NTDFIT | 1034913 | 323558 | 210391 | -56454 | 20719 | 148902 | 0 | 1185 |
| NETWORK SUPPORT EXP | NETSPX | 38720 | 12185 | 7330 | 1140 | 304 | 3412 | 0 | 1185 |
| GENERAL SUPPORT EXP | GSFX | 1066667 | 335673 | 201918 | 31396 | 8374 | 93985 | 0 | 1185 |
| COE EXPENSE | COEX | 1306130 | 445889 | 151511 | 154190 | 18356 | 121831 | 0 | 1185 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| C&WF EXPENSE | CWFX | 635253 | 191259 | 138804 | 0 | 2345 | 50109 | 0 | 1185 |
| OTHER PROP & PL EXP | OTHPPX | 14468 | 4553 | 2739 | 426 | 114 | 1275 | 0 | 1185 |
| NETWORK OPERATIONS EXP | NETOPX | 1492278 | 469611 | 282485 | 43923 | 11716 | 131486 | 0 | 1185 |
| DEPREC & AMORT EXP | DEPAMX | 5231579 | 1641284 | 1006833 | 96189 | 47065 | 491198 | 0 | 1185 |
| MARKETING EXPENSE | MRKTX | 151623 | 31274 | 18812 | 2925 | 780 | 8756 | 0 | 1185 |
| SERVICES EXPENSE | SERVX | 932975 | 248742 | 112583 | 29396 | 7840 | 47392 | 51531 | 1185 |
| - CABSX EXPENSE | CABSX | 132741 | 66371 | 0 | 15579 | 4155 | 46636 | 0 | 1185 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| GENERAL & ADMIN EXP | GENADX | 2600250 | 812646 | 446031 | 117332 | 22197 | 204131 | 22955 | 1185 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 690841 | 226201 | 142403 | 12642 | 5709 | 65446 | 0 | 1185 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1185 |
| NON-OPERATING INC & EXP | NONOPX | 69538 | 21732 | 13073 | 2033 | 542 | 6085 | 0 | 1185 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 319401 | 98808 | 64379 | 2600 | 2516 | 29313 | 0 | 1185 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 100209 | 29367 | 11990 | 11604 | 900 | 4874 | 0 | 1186 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - GENERAL SUPPORT FACILITIES | GSF | 383875 | 155000 | 63281 | 61246 | 4749 | 25724 | 0 | 1186 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1804340 | 853545 | 225146 | 467993 | 30423 | 129983 | 0 | 1186 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - - COE CAT 3 | COE3 | 647972 | 467993 | 0 | 467993 | 0 | 0 | 0 | 1186 |
| - - COE CAT 4.11 | COE411 | 35005 | 20415 | 0 | 0 | 0 | 20415 | 0 | 1186 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - - COE CAT 4.13 | COE413 | 909931 | 231378 | 225146 | 0 | 0 | 6232 | 0 | 1186 |
| - - COE CAT 4.2 | COE42 | 211432 | 133759 | 0 | 0 | 30423 | 103336 | 0 | 1186 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - CABLE & WIRE FACILITIES | CWF | 1128914 | 330838 | 258395 | 0 | 5867 | 66577 | 0 | 1186 |
| - - C&WF CAT 1.1 | CWF11 | 3576 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - - C&WF CAT 1.2 | CWF12 | 7153 | 7153 | 0 | 0 | 0 | 7153 | 0 | 1186 |
| - - C&WF CAT 1.3 | CWF13 | 1033580 | 258395 | 258395 | 0 | 0 | 0 | 0 | 1186 |
| - - C&WF CAT 2 | CWF2 | 24039 | 21716 | 0 | 0 | 0 | 21716 | 0 | 1186 |
| - - C&WF CAT 3 | CWF3 | 60566 | 43575 | 0 | 0 | 5867 | 37708 | 0 | 1186 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| TELCOM PLANT-OTHER | PLTOTH | 31629 | 12771 | 5214 | 5046 | 391 | 2119 | 0 | 1186 |
| ACCUM DEPRECIATION | ACCDEP | 2072470 | 847626 | 334342 | 340606 | 28130 | 144548 | 0 | 1186 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| NET DEFERRED FIT | NTDFIT | 133750 | 57927 | 20086 | 28630 | 1388 | 7824 | 0 | 1186 |
| NETWORK SUPPORT EXP | NETSPX | 17622 | 7115 | 2905 | 2812 | 218 | 1181 | 0 | 1186 |
| GENERAL SUPPORT EXP | GSFX | 69646 | 28122 | 11481 | 11112 | 862 | 4667 | 0 | 1186 |
| COE EXPENSE | COEX | 45992 | 21757 | 8487 | 7223 | 1147 | 4900 | 0 | 1186 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| C&WF EXPENSE | CWFX | 54298 | 15913 | 12428 | 0 | 282 | 3202 | 0 | 1186 |
| OTHER PROP & PL EXP | OTHPPX | 14392 | 5811 | 2372 | 2296 | 178 | 964 | 0 | 1186 |
| NETWORK OPERATIONS EXP | NETOPX | 112064 | 45249 | 18474 | 17880 | 1386 | 7510 | 0 | 1186 |
| DEPREC & AMORT EXP | DEPAMX | 229323 | 95335 | 36770 | 43491 | 2075 | 13000 | 0 | 1186 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| SERVICES EXPENSE | SERVX | 62592 | 18316 | 2521 | 4069 | 304 | 1644 | 9778 | 1186 |
| - CABSX EXPENSE | CABSX | 11679 | 5840 | 0 | 3899 | 302 | 1638 | 0 | 1186 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| GENERAL & ADMIN EXP | GENADX | 218859 | 91468 | 37716 | 29180 | 2814 | 15472 | 6286 | 1186 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 32558 | 13353 | 5693 | 5096 | 381 | 2183 | 0 | 1186 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1186 |
| NON-OPERATING INC & EXP | NONOPX | 100 | 43 | 18 | 17 | 1 | 7 | 0 | 1186 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | -637 | -244 | -100 | -96 | -7 | -40 | 0 | 1186 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 26295 | 12038 | 1207 | 6647 | 3506 | 666 | 12 | 1187 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - GENERAL SUPPORT FACILITIES | GSF | 731761 | 476292 | 47538 | 261753 | 138079 | 26229 | 2694 | 1187 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1807182 | 1486095 | 7965 | 1227405 | 217343 | 33382 | 0 | 1187 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - - COE CAT 3 | COE3 | 1444006 | 1227405 | 0 | 1227405 | 0 | 0 | 0 | 1187 |
| - - COE CAT 4.11 | COE411 | 63283 | 63283 | 0 | 0 | 63283 | 0 | 0 | 1187 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - - COE CAT 4.13 | COE413 | 34518 | 10522 | 7965 | 0 | 0 | 2557 | 0 | 1187 |
| - - COE CAT 4.2 | COE42 | 32011 | 30825 | 0 | 0 | 0 | 30825 | 0 | 1187 |
| - - COE CAT 4.3 | COE43 | 233364 | 154060 | 0 | 0 | 154060 | 0 | 0 | 1187 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - CABLE & WIRE FACILITIES | CWF | 1604762 | 734689 | 214947 | 0 | 430132 | 89609 | 0 | 1187 |
| - - C&WF CAT 1.1 | CWF11 | 2760 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - - C&WF CAT 1.2 | CWF12 | 69004 | 69004 | 0 | 0 | 0 | 69004 | 0 | 1187 |
| - - C&WF CAT 1.3 | CWF13 | 859788 | 214947 | 214947 | 0 | 0 | 0 | 0 | 1187 |
| - - C&WF CAT 2 | CWF2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - - C&WF CAT 3 | CWF3 | 21662 | 20605 | 0 | 0 | 0 | 20605 | 0 | 1187 |
| - - C&WF CAT 4 | CWF4 | 651548 | 430132 | 0 | 0 | 430132 | 0 | 0 | 1187 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| ACCUM DEPRECIATION | ACCDEP | 1864105 | 1256676 | 106701 | 760525 | 326807 | 61392 | 1250 | 1187 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| NETWORK SUPPORT EXP | NETSPX | 3402 | 2214 | 222 | 1223 | 645 | 123 | 2 | 1187 |
| GENERAL SUPPORT EXP | GSFX | 29139 | 18966 | 1893 | 10423 | 5498 | 1044 | 107 | 1187 |
| COE EXPENSE | COEX | 106864 | 87877 | 362 | 76126 | 9873 | 1516 | 0 | 1187 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| C&WF EXPENSE | CWFX | 64943 | 29732 | 8699 | 0 | 17407 | 3626 | 0 | 1187 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| NETWORK OPERATIONS EXP | NETOPX | 43554 | 28349 | 2846 | 15668 | 8265 | 1570 | 0 | 1187 |
| DEPREC & AMORT EXP | DEPAMX | 273805 | 190782 | 13771 | 129768 | 39581 | 7536 | 128 | 1187 |
| MARKETING EXPENSE | MRKTX | 349 | 227 | 23 | 125 | 66 | 13 | 0 | 1187 |
| SERVICES EXPENSE | SERVX | 77748 | 33192 | 4666 | 10577 | 4930 | 51 | 12967 | 1187 |
| - CABSX EXPENSE | CABSX | 1627 | 814 | 0 | 500 | 264 | 50 | 0 | 1187 |
| EXEC & PLANNING EXP | EXEPLX | 47794 | 29465 | 3509 | 16292 | 6664 | 1134 | 1867 | 1187 |
| GENERAL & ADMIN EXP | GENADX | 136012 | 91368 | 10881 | 50521 | 20663 | 3516 | 5788 | 1187 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 21049 | 13687 | 1374 | 7565 | 3990 | 758 | 0 | 1187 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |
| NON-OPERATING INC & EXP | NONOPX | 544 | 379 | 38 | 209 | 110 | 21 | 0 | 1187 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1187 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 139558 | 37531 | 13702 | 16763 | 3900 | 3167 | 0 | 1188 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - GENERAL SUPPORT FACILITIES | GSF | 1195579 | 477629 | 174368 | 213325 | 49627 | 40309 | 0 | 1188 |
| - CENTRAL OFFICE EQUIPMENT | COE | 2812357 | 1664401 | 229297 | 1240948 | 88102 | 106054 | 0 | 1188 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - - COE CAT 3 | COE3 | 1459939 | 1240948 | 0 | 1240948 | 0 | 0 | 0 | 1188 |
| - - COE CAT 4.11 | COE411 | 104000 | 104000 | 0 | 0 | 0 | 104000 | 0 | 1188 |
| - - COE CAT 4.12 | COE412 | 11783 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - - COE CAT 4.13 | COE413 | 917188 | 229297 | 229297 | 0 | 0 | 0 | 0 | 1188 |
| - - COE CAT 4.2 | COE42 | 319447 | 90156 | 0 | 0 | 88102 | 2054 | 0 | 1188 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - CABLE & WIRE FACILITIES | CWF | 4142537 | 1114053 | 785032 | 0 | 200590 | 128432 | 0 | 1188 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - - C&WF CAT 1.3 | CWF13 | 3140127 | 785032 | 785032 | 0 | 0 | 0 | 0 | 1188 |
| - - C&WF CAT 2 | CWF2 | 145058 | 14473 | 0 | 0 | 0 | 14473 | 0 | 1188 |
| - - C&WF CAT 3 | CWF3 | 857352 | 314549 | 0 | 0 | 200590 | 113959 | 0 | 1188 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| - TANGIBLES | TANGIB | 37926 | 15152 | 5532 | 6767 | 1574 | 1279 | 0 | 1188 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| TELCOM PLANT-OTHER | PLTOTH | 183076 | 73138 | 26701 | 32666 | 7599 | 6172 | 0 | 1188 |
| ACCUM DEPRECIATION | ACCDEP | 3833060 | 1597865 | 538236 | 792007 | 150182 | 117441 | 0 | 1188 |
| ACCUM AMORTIZATION | ACCAMO | 18265 | 7297 | 2664 | 3259 | 758 | 616 | 0 | 1188 |
| NET DEFERRED FIT | NTDFIT | 605612 | 241940 | 88325 | 108058 | 25138 | 20418 | 0 | 1188 |
| NETWORK SUPPORT EXP | NETSPX | 4301 | 1718 | 627 | 767 | 179 | 145 | 0 | 1188 |
| GENERAL SUPPORT EXP | GSFX | 150836 | 60258 | 21999 | 26913 | 6261 | 5085 | 0 | 1188 |
| COE EXPENSE | COEX | 63482 | 37570 | 12571 | 14354 | 4830 | 5814 | 0 | 1188 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| C&WF EXPENSE | CWFX | 250573 | 67387 | 47485 | 0 | 12133 | 7769 | 0 | 1188 |
| OTHER PROP & PL EXP | OTHPPX | 1278 | 511 | 186 | 228 | 53 | 43 | 0 | 1188 |
| NETWORK OPERATIONS EXP | NETOPX | 93352 | 37294 | 13615 | 16657 | 3875 | 3147 | 0 | 1188 |
| DEPREC & AMORT EXP | DEPAMX | 364021 | 158343 | 48889 | 83990 | 13989 | 11475 | 0 | 1188 |
| MARKETING EXPENSE | MRKTX | 14004 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| SERVICES EXPENSE | SERVX | 63038 | 17019 | 3836 | 2512 | 552 | 204 | 9915 | 1188 |
| - CABSX EXPENSE | CABSX | 3144 | 1573 | 0 | 1107 | 257 | 209 | 0 | 1188 |
| EXEC & PLANNING EXP | EXEPLX | 261122 | 86921 | 40075 | 23698 | 10756 | 8567 | 3825 | 1188 |
| GENERAL & ADMIN EXP | GENADX | 596165 | 218348 | 100670 | 59530 | 27020 | 21520 | 9608 | 1188 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 40143 | 16037 | 5855 | 7163 | 1666 | 1353 | 0 | 1188 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1188 |
| NON-OPERATING INC & EXP | NONOPX | 48 | 18 | 6 | 8 | 2 | 1 | 0 | 1188 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 151525 | 57364 | 20942 | 25621 | 5960 | 4841 | 0 | 1188 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 1485665 | 410051 | 170870 | 114181 | 31033 | 91976 | 1991 | 1189 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| - GENERAL SUPPORT FACILITIES | GSF | 7922205 | 3303426 | 1342116 | 896852 | 243749 | 722438 | 98273 | 1189 |
| - CENTRAL OFFICE EQUIPMENT | COE | 14699184 | 9764447 | 1069924 | 4720439 | 652788 | 3321296 | 0 | 1189 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| - - COE CAT 3 | COE3 | 5553457 | 4701891 | 0 | 4701891 | 0 | 0 | 0 | 1189 |
| - - COE CAT 4.11 | COE411 | 2280783 | 2269858 | 0 | 0 | 0 | 2269858 | 0 | 1189 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| - - COE CAT 4.13 | COE413 | 4413260 | 1120050 | 1069924 | 0 | 0 | 50125 | 0 | 1189 |
| - - COE CAT 4.2 | COE42 | 1493829 | 1263234 | 0 | 0 | 261922 | 1001312 | 0 | 1189 |
| - - COE CAT 4.3 | COE43 | 937487 | 390866 | 0 | 0 | 390866 | 0 | 0 | 1189 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| - CABLE & WIRE FACILITIES | CWF | 25916629 | 7153116 | 6021848 | 0 | 635185 | 496083 | 0 | 1189 |
| - - C&WF CAT 1.1 | CWF11 | 469606 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| - - C&WF CAT 1.2 | CWF12 | 282121 | 282121 | 0 | 0 | 0 | 282121 | 0 | 1189 |
| - - C&WF CAT 1.3 | CWF13 | 24087392 | 6021848 | 6021848 | 0 | 0 | 0 | 0 | 1189 |
| - - C&WF CAT 2 | CWF2 | 576181 | 515019 | 0 | 0 | 515019 | 0 | 0 | 1189 |
| - - C&WF CAT 3 | CWF3 | 274461 | 239540 | 0 | 0 | 25578 | 213962 | 0 | 1189 |
| - - C&WF CAT 4 | CWF4 | 226868 | 94588 | 0 | 0 | 94588 | 0 | 0 | 1189 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| TELCOM PLANT-OTHER | PLTOTH | 608228 | 252389 | 105685 | 70622 | 19194 | 56888 | 0 | 1189 |
| ACCUM DEPRECIATION | ACCDEP | 25550679 | 11771913 | 3979011 | 3884084 | 863753 | 2986776 | 58288 | 1189 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| NETWORK SUPPORT EXP | NETSPX | 55825 | 23278 | 9700 | 6482 | 1762 | 5221 | 113 | 1189 |
| GENERAL SUPPORT EXP | GSFX | 570227 | 237775 | 96603 | 64554 | 17545 | 52000 | 7073 | 1189 |
| COE EXPENSE | COEX | 655643 | 436361 | 62241 | 142937 | 37975 | 193209 | 0 | 1189 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| C&WF EXPENSE | CWFX | 823635 | 227327 | 191375 | 0 | 20186 | 15766 | 0 | 1189 |
| OTHER PROP & PL EXP | OTHPPX | 260030 | 108428 | 45403 | 30340 | 8246 | 24440 | 0 | 1189 |
| NETWORK OPERATIONS EXP | NETOPX | 1458912 | 608342 | 254735 | 170223 | 46264 | 137119 | 0 | 1189 |
| DEPREC & AMORT EXP | DEPAMX | 3810718 | 2001039 | 492999 | 820271 | 135843 | 542660 | 9267 | 1189 |
| MARKETING EXPENSE | MRKTX | 332162 | 141760 | 59072 | 39474 | 10728 | 31797 | 688 | 1189 |
| SERVICES EXPENSE | SERVX | 1043801 | 301034 | 65756 | 20017 | 5368 | 1037 | 208855 | 1189 |
| - CABSX EXPENSE | CABSX | 5251 | 2626 | 0 | 1264 | 344 | 1018 | 0 | 1189 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| GENERAL & ADMIN EXP | GENADX | 2433359 | 970713 | 393567 | 210542 | 65767 | 204574 | 96262 | 1189 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 224259 | 93058 | 38967 | 26039 | 7077 | 20975 | 0 | 1189 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1189 |
| NON-OPERATING INC & EXP | NONOPX | 60856 | 24277 | 10116 | 6760 | 1837 | 5445 | 118 | 1189 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 427 | 158 | 66 | 44 | 12 | 35 | 1 | 1189 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 114111 | 53220 | 8784 | 14235 | 9577 | 20604 | 20 | 1190 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| - GENERAL SUPPORT FACILITIES | GSF | 3426849 | 1969586 | 324666 | 526170 | 353992 | 761576 | 3180 | 1190 |
| - CENTRAL OFFICE EQUIPMENT | COE | 5548765 | 3802700 | 256680 | 1724135 | 657125 | 1164760 | 0 | 1190 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| - - COE CAT 3 | COE3 | 2028394 | 1724135 | 0 | 1724135 | 0 | 0 | 0 | 1190 |
| - - COE CAT 4.11 | COE411 | 493446 | 481792 | 0 | 0 | 0 | 481792 | 0 | 1190 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| - - COE CAT 4.13 | COE413 | 1094724 | 262521 | 256680 | 0 | 0 | 5841 | 0 | 1190 |
| - - COE CAT 4.2 | COE42 | 959297 | 748632 | 0 | 0 | 71505 | 677128 | 0 | 1190 |
| - - COE CAT 4.3 | COE43 | 972904 | 585620 | 0 | 0 | 585620 | 0 | 0 | 1190 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| - CABLE & WIRE FACILITIES | CWF | 5662070 | 2640741 | 807174 | 0 | 502823 | 1330744 | 0 | 1190 |
| - - C&WF CAT 1.1 | CWF11 | 195480 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| - - C&WF CAT 1.2 | CWF12 | 18367 | 18367 | 0 | 0 | 0 | 18367 | 0 | 1190 |
| - - C&WF CAT 1.3 | CWF13 | 3228695 | 807174 | 807174 | 0 | 0 | 0 | 0 | 1190 |
| - - C&WF CAT 2 | CWF2 | 65498 | 29663 | 0 | 0 | 0 | 29663 | 0 | 1190 |
| - - C&WF CAT 3 | CWF3 | 1700407 | 1512487 | 0 | 0 | 229774 | 1282713 | 0 | 1190 |
| - - C&WF CAT 4 | CWF4 | 453623 | 273049 | 0 | 0 | 273049 | 0 | 0 | 1190 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| TELCOM PLANT-OTHER | PLTOTH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| ACCUM DEPRECIATION | ACCDEP | 6127677 | 3422222 | 622489 | 770478 | 634060 | 1393583 | 1611 | 1190 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| NET DEFERRED FIT | NTDFIT | 1966147 | 1192057 | 159437 | 394799 | 209957 | 427864 | 0 | 1190 |
| NETWORK SUPPORT EXP | NETSPX | 47259 | 27162 | 4483 | 7265 | 4888 | 10516 | 10 | 1190 |
| GENERAL SUPPORT EXP | GSFX | 74788 | 42984 | 7086 | 11483 | 7726 | 16621 | 69 | 1190 |
| COE EXPENSE | COEX | 254754 | 174589 | 7861 | 110928 | 20126 | 35674 | 0 | 1190 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| C&WF EXPENSE | CWFX | 201686 | 94065 | 28752 | 0 | 17911 | 47402 | 0 | 1190 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| NETWORK OPERATIONS EXP | NETOPX | 157038 | 90258 | 14902 | 24151 | 16248 | 34956 | 0 | 1190 |
| DEPREC & AMORT EXP | DEPAMX | 673024 | 403274 | 56773 | 128766 | 70937 | 146651 | 146 | 1190 |
| MARKETING EXPENSE | MRKTX | 185 | 58 | 10 | 16 | 10 | 22 | 0 | 1190 |
| SERVICES EXPENSE | SERVX | 118961 | 41072 | 6390 | 6709 | 3844 | 4552 | 19578 | 1190 |
| - CABSX EXPENSE | CABSX | 18682 | 9341 | 0 | 2994 | 2014 | 4333 | 0 | 1190 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1190 |
| GENERAL & ADMIN EXP | GENADX | 835044 | 473408 | 105619 | 147364 | 64940 | 137441 | 18043 | 1190 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 92253 | 53526 | 8838 | 14323 | 9636 | 20730 | 0 | 1190 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 458 | 263 | 43 | 70 | 47 | 102 | 0 | 1190 |
| NON-OPERATING INC & EXP | NONOPX | 5075 | 2877 | 475 | 770 | 518 | 1114 | 1 | 1190 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 40491 | 23503 | 3879 | 6287 | 4229 | 9099 | 9 | 1190 |

APPENDIX B1

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 301226 | 97015 | 31656 | 27225 | 8933 | 28970 | 230 | 1191 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| - GENERAL SUPPORT FACILITIES | GSF | 3825850 | 1744634 | 563800 | 484871 | 159102 | 515955 | 20906 | 1191 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7055107 | 4345510 | 600154 | 1985480 | 457538 | 1302338 | 0 | 1191 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| - - COE CAT 3 | COE3 | 2335859 | 1985480 | 0 | 1985480 | 0 | 0 | 0 | 1191 |
| - - COE CAT 4.11 | COE411 | 1485777 | 1214239 | 0 | 0 | 0 | 1214239 | 0 | 1191 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| - - COE CAT 4.13 | COE413 | 2514732 | 625898 | 600154 | 0 | 0 | 25744 | 0 | 1191 |
| - - COE CAT 4.2 | COE42 | 650657 | 485920 | 0 | 0 | 423565 | 62355 | 0 | 1191 |
| - - COE CAT 4.3 | COE43 | 68082 | 33973 | 0 | 0 | 33973 | 0 | 0 | 1191 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| - CABLE & WIRE FACILITIES | CWF | 8423493 | 2712920 | 1708529 | 0 | 193962 | 810430 | 0 | 1191 |
| - - C&WF CAT 1.1 | CWF11 | 251575 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| - - C&WF CAT 1.2 | CWF12 | 73288 | 73288 | 0 | 0 | 0 | 73288 | 0 | 1191 |
| - - C&WF CAT 1.3 | CWF13 | 6834114 | 1708529 | 1708529 | 0 | 0 | 0 | 0 | 1191 |
| - - C&WF CAT 2 | CWF2 | 32515 | 27961 | 0 | 0 | 0 | 27961 | 0 | 1191 |
| - - C&WF CAT 3 | CWF3 | 843299 | 709180 | 0 | 0 | 0 | 709180 | 0 | 1191 |
| - - C&WF CAT 4 | CWF4 | 388701 | 193962 | 0 | 0 | 193962 | 0 | 0 | 1191 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| TELCOM PLANT-OTHER | PLTOTH | 25466 | 11585 | 3789 | 3259 | 1069 | 3468 | 0 | 1191 |
| ACCUM DEPRECIATION | ACCDEP | 9591511 | 5180778 | 1109681 | 2219041 | 455370 | 1387193 | 9493 | 1191 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| NET DEFERRED FIT | NTDFIT | 993880 | 453554 | 147405 | 130645 | 41323 | 134180 | 0 | 1191 |
| NETWORK SUPPORT EXP | NETSPX | 1337 | 610 | 199 | 171 | 56 | 182 | 1 | 1191 |
| GENERAL SUPPORT EXP | GSFX | 146964 | 67017 | 21657 | 18626 | 6112 | 19820 | 803 | 1191 |
| COE EXPENSE | COEX | 166171 | 102351 | 10717 | 60209 | 8170 | 23256 | 0 | 1191 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| C&WF EXPENSE | CWFX | 367694 | 118422 | 74579 | 0 | 8467 | 35376 | 0 | 1191 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| NETWORK OPERATIONS EXP | NETOPX | 189312 | 86329 | 28236 | 24284 | 7968 | 25840 | 0 | 1191 |
| DEPREC & AMORT EXP | DEPAMX | 1066423 | 540222 | 137144 | 193014 | 51024 | 157710 | 1329 | 1191 |
| MARKETING EXPENSE | MRKTX | 142481 | 79051 | 25795 | 22184 | 7279 | 23606 | 188 | 1191 |
| SERVICES EXPENSE | SERVX | 552257 | 173217 | 46443 | 43992 | 12440 | 7027 | 63317 | 1191 |
| - CABSX EXPENSE | CABSX | 30982 | 15491 | 0 | 6476 | 2125 | 6891 | 0 | 1191 |
| EXEC & PLANNING EXP | EXEPLX | 111728 | 44077 | 17619 | 10588 | 3155 | 8441 | 4274 | 1191 |
| GENERAL & ADMIN EXP | GENADX | 344813 | 143792 | 57477 | 34542 | 10292 | 27539 | 13943 | 1191 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 156659 | 70935 | 25420 | 17002 | 6630 | 21842 | 40 | 1191 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1191 |
| NON-OPERATING INC & EXP | NONOPX | 27824 | 11450 | 3736 | 3213 | 1054 | 3419 | 27 | 1191 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 28778 | 10423 | 3401 | 2925 | 960 | 3113 | 25 | 1191 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 267530 | 94898 | 41910 | 20894 | 14965 | 17129 | 0 | 1192 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| - GENERAL SUPPORT FACILITIES | GSF | 1304525 | 533190 | 235474 | 117394 | 84080 | 96241 | 0 | 1192 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3242428 | 1740602 | 411502 | 983915 | 172744 | 172441 | 0 | 1192 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| - - COE CAT 3 | COE3 | 1157547 | 983915 | 0 | 983915 | 0 | 0 | 0 | 1192 |
| - - COE CAT 4.11 | COE411 | 49905 | 49905 | 0 | 0 | 0 | 49905 | 0 | 1192 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| - - COE CAT 4.13 | COE413 | 1669344 | 423948 | 411502 | 0 | 0 | 12446 | 0 | 1192 |
| - - COE CAT 4.2 | COE42 | 177308 | 150787 | 0 | 0 | 40697 | 110090 | 0 | 1192 |
| - - COE CAT 4.3 | COE43 | 188324 | 132047 | 0 | 0 | 132047 | 0 | 0 | 1192 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| - CABLE & WIRE FACILITIES | CWF | 7691174 | 2728215 | 1562076 | 0 | 531959 | 634181 | 0 | 1192 |
| - - C&WF CAT 1.1 | CWF11 | 41340 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| - - C&WF CAT 1.2 | CWF12 | 47246 | 47246 | 0 | 0 | 0 | 47246 | 0 | 1192 |
| - - C&WF CAT 1.3 | CWF13 | 6248303 | 1562076 | 1562076 | 0 | 0 | 0 | 0 | 1192 |
| - - C&WF CAT 2 | CWF2 | 190018 | 190018 | 0 | 0 | 0 | 190018 | 0 | 1192 |
| - - C&WF CAT 3 | CWF3 | 451581 | 429162 | 0 | 0 | 32245 | 396916 | 0 | 1192 |
| - - C&WF CAT 4 | CWF4 | 712685 | 499713 | 0 | 0 | 499713 | 0 | 0 | 1192 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| - INTANGIBLES | INTANG | 159298 | 65109 | 28754 | 14335 | 10267 | 11752 | 0 | 1192 |
| TELCOM PLANT-OTHER | PLTOTH | 372114 | 152092 | 67169 | 33487 | 23984 | 27453 | 0 | 1192 |
| ACCUM DEPRECIATION | ACCDEP | 3096074 | 1201957 | 584916 | 169822 | 208256 | 238962 | 0 | 1192 |
| ACCUM AMORTIZATION | ACCAMO | 132800 | 54278 | 23971 | 11951 | 8559 | 9797 | 0 | 1192 |
| NET DEFERRED FIT | NTDFIT | 864685 | 353525 | 156036 | 77997 | 55719 | 63774 | 0 | 1192 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| GENERAL SUPPORT EXP | GSFX | 167413 | 68426 | 30219 | 15065 | 10790 | 12351 | 0 | 1192 |
| COE EXPENSE | COEX | 322877 | 173327 | 28621 | 120698 | 12015 | 11994 | 0 | 1192 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| C&WF EXPENSE | CWFX | 301927 | 107100 | 61321 | 0 | 20883 | 24896 | 0 | 1192 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| NETWORK OPERATIONS EXP | NETOPX | 133913 | 54733 | 24172 | 12051 | 8631 | 9879 | 0 | 1192 |
| DEPREC & AMORT EXP | DEPAMX | 823380 | 340420 | 146580 | 78055 | 55376 | 60409 | 0 | 1192 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| SERVICES EXPENSE | SERVX | 123040 | 56368 | 3757 | 21278 | 11969 | 12595 | 6769 | 1192 |
| - CABSX EXPENSE | CABSX | 77183 | 38592 | 0 | 15217 | 10899 | 12475 | 0 | 1192 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| GENERAL & ADMIN EXP | GENADX | 449825 | 209684 | 72658 | 74295 | 28247 | 31510 | 2974 | 1192 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 83875 | 34454 | 15216 | 7586 | 5433 | 6219 | 0 | 1192 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1192 |
| NON-OPERATING INC & EXP | NONOPX | 2100 | 979 | 432 | 216 | 154 | 177 | 0 | 1192 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 337027 | 139594 | 59622 | 34289 | 21312 | 24372 | 0 | 1192 |

2007 MODIFICATION OF AVERAGE SCHEDULES
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2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 162451 | 44378 | 11706 | 29790 | 476 | 2408 | 0 | 1193 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - GENERAL SUPPORT FACILITIES | GSF | 5441179 | 2763647 | 728957 | 1855144 | 29620 | 149926 | 0 | 1193 |
| - CENTRAL OFFICE EQUIPMENT | COE | 8666816 | 6055801 | 506558 | 5357044 | 55512 | 136686 | 0 | 1193 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - - COE CAT 3 | COE3 | 6302405 | 5357044 | 0 | 5357044 | 0 | 0 | 0 | 1193 |
| - - COE CAT 4.11 | COE411 | 78635 | 78635 | 0 | 0 | 1288 | 77347 | 0 | 1193 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - - COE CAT 4.13 | COE413 | 2171008 | 555439 | 506558 | 0 | 0 | 48881 | 0 | 1193 |
| - - COE CAT 4.2 | COE42 | 114768 | 64683 | 0 | 0 | 54224 | 10458 | 0 | 1193 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - CABLE & WIRE FACILITIES | CWF | 7045514 | 1924699 | 1598429 | 0 | 30019 | 296251 | 0 | 1193 |
| - - C&WF CAT 1.1 | CWF11 | 302591 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - - C&WF CAT 1.2 | CWF12 | 154243 | 154243 | 0 | 0 | 0 | 154243 | 0 | 1193 |
| - - C&WF CAT 1.3 | CWF13 | 6393716 | 1598429 | 1598429 | 0 | 0 | 0 | 0 | 1193 |
| - - C&WF CAT 2 | CWF2 | 140495 | 140495 | 0 | 0 | 3968 | 136527 | 0 | 1193 |
| - - C&WF CAT 3 | CWF3 | 54469 | 31532 | 0 | 0 | 26051 | 5481 | 0 | 1193 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| - TANGIBLES | TANGIB | 82857 | 42084 | 11100 | 28250 | 451 | 2283 | 0 | 1193 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| TELCOM PLANT-OTHER | PLTOTH | 163640 | 83115 | 21923 | 55792 | 891 | 4509 | 0 | 1193 |
| ACCUM DEPRECIATION | ACCDEP | 13151704 | 6618165 | 1787951 | 4407773 | 63356 | 359085 | 0 | 1193 |
| ACCUM AMORTIZATION | ACCAMO | 82857 | 42084 | 11100 | 28250 | 451 | 2283 | 0 | 1193 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| NETWORK SUPPORT EXP | NETSPX | 22042 | 11195 | 2953 | 7515 | 120 | 607 | 0 | 1193 |
| GENERAL SUPPORT EXP | GSFX | 1294961 | 657728 | 173486 | 441511 | 7049 | 35681 | 0 | 1193 |
| COE EXPENSE | COEX | 1812079 | 1266162 | 272140 | 890766 | 29823 | 73432 | 0 | 1193 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| C&WF EXPENSE | CWFX | 884822 | 241716 | 200741 | 0 | 3770 | 37205 | 0 | 1193 |
| OTHER PROP & PL EXP | OTHPPX | 35639 | 18102 | 4775 | 12151 | 194 | 982 | 0 | 1193 |
| NETWORK OPERATIONS EXP | NETOPX | 1327599 | 674305 | 177859 | 452639 | 7227 | 36581 | 0 | 1193 |
| DEPREC & AMORT EXP | DEPAMX | 1502888 | 856381 | 164864 | 650515 | 6904 | 34099 | 0 | 1193 |
| MARKETING EXPENSE | MRKTX | 146415 | 9327 | 2460 | 6261 | 100 | 506 | 0 | 1193 |
| SERVICES EXPENSE | SERVX | 583603 | 172278 | 29995 | 66658 | 1065 | 4048 | 70512 | 1193 |
| - CABSX EXPENSE | CABSX | 109872 | 54936 | 0 | 50088 | 800 | 4048 | 0 | 1193 |
| EXEC & PLANNING EXP | EXEPLX | 398544 | 198143 | 58283 | 120100 | 3157 | 12093 | 4510 | 1193 |
| GENERAL & ADMIN EXP | GENADX | 1632570 | 811659 | 238748 | 491968 | 12931 | 49536 | 18477 | 1193 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 3479 | 1767 | 466 | 1186 | 19 | 96 | 0 | 1193 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |
| NON-OPERATING INC & EXP | NONOPX | 5150 | 2560 | 675 | 1719 | 27 | 139 | 0 | 1193 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1193 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 2695 | 734 | 305 | 379 | 11 | 38 | 0 | 1194 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - GENERAL SUPPORT FACILITIES | GSF | 4941843 | 1930777 | 802091 | 998802 | 30042 | 99842 | 0 | 1194 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1813012 | 1079865 | 55265 | 1000031 | 15132 | 9437 | 0 | 1194 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - - COE CAT 3 | COE3 | 1550051 | 1000031 | 0 | 1000031 | 0 | 0 | 0 | 1194 |
| - - COE CAT 4.11 | COE411 | 2086 | 2086 | 0 | 0 | 0 | 2086 | 0 | 1194 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - - COE CAT 4.13 | COE413 | 227148 | 59674 | 55265 | 0 | 0 | 4409 | 0 | 1194 |
| - - COE CAT 4.2 | COE42 | 33727 | 18075 | 0 | 0 | 15132 | 2943 | 0 | 1194 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - CABLE & WIRE FACILITIES | CWF | 3134911 | 853287 | 747813 | 0 | 14946 | 90527 | 0 | 1194 |
| - - C&WF CAT 1.1 | CWF11 | 22726 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - - C&WF CAT 1.2 | CWF12 | 59655 | 59655 | 0 | 0 | 0 | 59655 | 0 | 1194 |
| - - C&WF CAT 1.3 | CWF13 | 2991252 | 747813 | 747813 | 0 | 0 | 0 | 0 | 1194 |
| - - C&WF CAT 2 | CWF2 | 28220 | 28220 | 0 | 0 | 0 | 28220 | 0 | 1194 |
| - - C&WF CAT 3 | CWF3 | 33059 | 17599 | 0 | 0 | 14946 | 2653 | 0 | 1194 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| TELCOM PLANT-OTHER | PLTOTH | 166041 | 64872 | 26949 | 33559 | 1009 | 3355 | 0 | 1194 |
| ACCUM DEPRECIATION | ACCDEP | 6600166 | 2702007 | 992356 | 1547187 | 38648 | 123815 | 0 | 1194 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| NET DEFERRED FIT | NTDFIT | -107764 | -42149 | -17463 | -21866 | -647 | -2172 | 0 | 1194 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| GENERAL SUPPORT EXP | GSFX | 332632 | 129959 | 53988 | 67229 | 2022 | 6720 | 0 | 1194 |
| COE EXPENSE | COEX | 368387 | 219419 | 1309 | 217527 | 358 | 224 | 0 | 1194 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| C&WF EXPENSE | CWFX | 164224 | 44700 | 39175 | 0 | 783 | 4742 | 0 | 1194 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| NETWORK OPERATIONS EXP | NETOPX | 141638 | 55338 | 22989 | 28627 | 861 | 2862 | 0 | 1194 |
| DEPREC & AMORT EXP | DEPAMX | 568655 | 236617 | 83025 | 139698 | 3485 | 10408 | 0 | 1194 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1194 |
| SERVICES EXPENSE | SERVX | 163769 | 39267 | 6510 | 6095 | 183 | 609 | 25869 | 1194 |
| - CABSX EXPENSE | CABSX | 13776 | 6888 | 0 | 6095 | 183 | 609 | 0 | 1194 |
| EXEC & PLANNING EXP | EXEPLX | 159521 | 68285 | 17323 | 44641 | 588 | 2118 | 3615 | 1194 |
| GENERAL & ADMIN EXP | GENADX | 507790 | 217365 | 55142 | 142103 | 1872 | 6742 | 11506 | 1194 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 43405 | 15924 | 8221 | 6393 | 290 | 1020 | 0 | 1194 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 5813 | 2271 | 943 | 1175 | 35 | 117 | 0 | 1194 |
| NON-OPERATING INC & EXP | NONOPX | 2820 | 1207 | 501 | 624 | 19 | 62 | 0 | 1194 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 126890 | 45186 | 23280 | 18198 | 820 | 2888 | 0 | 1194 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 67299 | 18783 | 5883 | 9632 | 617 | 2652 | 0 | 1195 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - GENERAL SUPPORT FACILITIES | GSF | 2405431 | 1152338 | 360907 | 590907 | 37841 | 162683 | 0 | 1195 |
| - CENTRAL OFFICE EQUIPMENT | COE | 3718074 | 2509383 | 267075 | 1807981 | 98911 | 335417 | 0 | 1195 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - - COE CAT 3 | COE3 | 2127037 | 1807981 | 0 | 1807981 | 0 | 0 | 0 | 1195 |
| - - COE CAT 4.11 | COE411 | 281468 | 280337 | 0 | 0 | 0 | 280337 | 0 | 1195 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - - COE CAT 4.13 | COE413 | 1127917 | 293393 | 267075 | 0 | 0 | 26318 | 0 | 1195 |
| - - COE CAT 4.2 | COE42 | 181652 | 127672 | 0 | 0 | 98911 | 28762 | 0 | 1195 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - CABLE & WIRE FACILITIES | CWF | 3641750 | 1016391 | 837181 | 0 | 16870 | 162340 | 0 | 1195 |
| - - C&WF CAT 1.1 | CWF11 | 104385 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - - C&WF CAT 1.2 | CWF12 | 82498 | 82498 | 0 | 0 | 0 | 82498 | 0 | 1195 |
| - - C&WF CAT 1.3 | CWF13 | 3348726 | 837181 | 837181 | 0 | 0 | 0 | 0 | 1195 |
| - - C&WF CAT 2 | CWF2 | 55365 | 55142 | 0 | 0 | 0 | 55142 | 0 | 1195 |
| - - C&WF CAT 3 | CWF3 | 50777 | 41570 | 0 | 0 | 16870 | 24700 | 0 | 1195 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| TELCOM PLANT-OTHER | PLTOTH | 228781 | 109599 | 34326 | 56201 | 3599 | 15473 | 0 | 1195 |
| ACCUM DEPRECIATION | ACCDEP | 5331692 | 2666971 | 754422 | 1487018 | 80679 | 344851 | 0 | 1195 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| NETWORK SUPPORT EXP | NETSPX | 2758 | 1321 | 414 | 678 | 43 | 187 | 0 | 1195 |
| GENERAL SUPPORT EXP | GSFX | 137328 | 65788 | 20604 | 33735 | 2160 | 9288 | 0 | 1195 |
| COE EXPENSE | COEX | 375329 | 253315 | 62535 | 89083 | 23160 | 78537 | 0 | 1195 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| C&WF EXPENSE | CWFX | 164381 | 45878 | 37789 | 0 | 761 | 7328 | 0 | 1195 |
| OTHER PROP & PL EXP | OTHPPX | 7122 | 3412 | 1069 | 1750 | 112 | 482 | 0 | 1195 |
| NETWORK OPERATIONS EXP | NETOPX | 51245 | 24549 | 7689 | 12589 | 806 | 3466 | 0 | 1195 |
| DEPREC & AMORT EXP | DEPAMX | 504878 | 262962 | 67329 | 149816 | 9145 | 36673 | 0 | 1195 |
| MARKETING EXPENSE | MRKTX | 3360 | 1326 | 415 | 680 | 44 | 187 | 0 | 1195 |
| SERVICES EXPENSE | SERVX | 196668 | 82744 | 25412 | 30392 | 1946 | 4252 | 20741 | 1195 |
| - CABSX EXPENSE | CABSX | 29558 | 14779 | 0 | 11034 | 707 | 3038 | 0 | 1195 |
| EXEC & PLANNING EXP | EXEPLX | 215821 | 111272 | 40046 | 37315 | 6414 | 22915 | 4582 | 1195 |
| GENERAL & ADMIN EXP | GENADX | 446161 | 261458 | 94097 | 87679 | 15071 | 53844 | 10767 | 1195 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 53629 | 25691 | 8046 | 13174 | 844 | 3627 | 0 | 1195 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |
| NON-OPERATING INC & EXP | NONOPX | 7748 | 4363 | 1366 | 2237 | 143 | 616 | 0 | 1195 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1195 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 265773 | 76920 | 29374 | 32674 | 5099 | 9773 | 0 | 1196 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - GENERAL SUPPORT FACILITIES | GSF | 4013970 | 1743012 | 665616 | 740408 | 115541 | 221448 | 0 | 1196 |
| - CENTRAL OFFICE EQUIPMENT | COE | 10938839 | 7615816 | 674227 | 5667955 | 625321 | 648314 | 0 | 1196 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - - COE CAT 3 | COE3 | 6668182 | 5667955 | 0 | 5667955 | 0 | 0 | 0 | 1196 |
| - - COE CAT 4.11 | COE411 | 459295 | 459295 | 0 | 0 | 0 | 459295 | 0 | 1196 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - - COE CAT 4.13 | COE413 | 2899997 | 767642 | 674227 | 0 | 0 | 93415 | 0 | 1196 |
| - - COE CAT 4.2 | COE42 | 911365 | 720925 | 0 | 0 | 625321 | 95604 | 0 | 1196 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - CABLE & WIRE FACILITIES | CWF | 19788818 | 5727255 | 4421180 | 0 | 259165 | 1046911 | 0 | 1196 |
| - - C&WF CAT 1.1 | CWF11 | 719180 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - - C&WF CAT 1.2 | CWF12 | 612557 | 612557 | 0 | 0 | 0 | 612557 | 0 | 1196 |
| - - C&WF CAT 1.3 | CWF13 | 17684721 | 4421180 | 4421180 | 0 | 0 | 0 | 0 | 1196 |
| - - C&WF CAT 2 | CWF2 | 390151 | 390151 | 0 | 0 | 0 | 390151 | 0 | 1196 |
| - - C&WF CAT 3 | CWF3 | 382209 | 303367 | 0 | 0 | 259165 | 44202 | 0 | 1196 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| TELCOM PLANT-OTHER | PLTOTH | 171133 | 74312 | 28378 | 31567 | 4926 | 9441 | 0 | 1196 |
| ACCUM DEPRECIATION | ACCDEP | 21900082 | 10535320 | 3222897 | 5585376 | 611434 | 1115614 | 0 | 1196 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| NET DEFERRED FIT | NTDFIT | 1145379 | 497366 | 189932 | 211276 | 32969 | 63189 | 0 | 1196 |
| NETWORK SUPPORT EXP | NETSPX | 26484 | 11500 | 4392 | 4885 | 762 | 1461 | 0 | 1196 |
| GENERAL SUPPORT EXP | GSFX | 2008421 | 872130 | 333046 | 370469 | 57812 | 110803 | 0 | 1196 |
| COE EXPENSE | COEX | 1698877 | 1182789 | 68860 | 983851 | 63865 | 66213 | 0 | 1196 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| C&WF EXPENSE | CWFX | 1530581 | 442979 | 341960 | 0 | 20045 | 80974 | 0 | 1196 |
| OTHER PROP & PL EXP | OTHPPX | 48104 | 20889 | 7977 | 8873 | 1385 | 2654 | 0 | 1196 |
| NETWORK OPERATIONS EXP | NETOPX | 1030374 | 447426 | 170862 | 190060 | 29659 | 56845 | 0 | 1196 |
| DEPREC & AMORT EXP | DEPAMX | 2294790 | 1170510 | 311284 | 656098 | 78858 | 124271 | 0 | 1196 |
| MARKETING EXPENSE | MRKTX | 172964 | 3546 | 1354 | 1506 | 235 | 451 | 0 | 1196 |
| SERVICES EXPENSE | SERVX | 761747 | 127190 | 57643 | 54226 | 8462 | 6859 | 0 | 1196 |
| - CABSX EXPENSE | CABSX | 62973 | 31487 | 0 | 21638 | 3377 | 6472 | 0 | 1196 |
| EXEC & PLANNING EXP | EXEPLX | 332180 | 140937 | 46863 | 71535 | 8077 | 14461 | 0 | 1196 |
| GENERAL & ADMIN EXP | GENADX | 2084556 | 884431 | 294085 | 448908 | 50687 | 90751 | 0 | 1196 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 229835 | 85898 | 44522 | 20231 | 6967 | 14177 | 0 | 1196 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1196 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 244459 | 85028 | 47947 | 14651 | 7318 | 15113 | 0 | 1196 |

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| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 158744 | 46183 | 15626 | 17445 | 5980 | 7132 | 0 | 1197 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| - GENERAL SUPPORT FACILITIES | GSF | 8458332 | 3800324 | 1285858 | 1435494 | 492112 | 586860 | 0 | 1197 |
| - CENTRAL OFFICE EQUIPMENT | COE | 12215332 | 7886864 | 860558 | 4643354 | 847064 | 1535888 | 0 | 1197 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| - - COE CAT 3 | COE3 | 5814047 | 4643354 | 0 | 4643354 | 0 | 0 | 0 | 1197 |
| - - COE CAT 4.11 | COE411 | 1396254 | 1396254 | 0 | 0 | 0 | 1396254 | 0 | 1197 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| - - COE CAT 4.13 | COE413 | 3547140 | 898572 | 860558 | 0 | 0 | 38015 | 0 | 1197 |
| - - COE CAT 4.2 | COE42 | 1264891 | 846558 | 0 | 0 | 744938 | 101619 | 0 | 1197 |
| - - COE CAT 4.3 | COE43 | 193000 | 102126 | 0 | 0 | 102126 | 0 | 0 | 1197 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| - CABLE & WIRE FACILITIES | CWF | 15144603 | 4405940 | 3298771 | 0 | 744756 | 362413 | 0 | 1197 |
| - - C&WF CAT 1.1 | CWF11 | 256424 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| - - C&WF CAT 1.2 | CWF12 | 145721 | 145721 | 0 | 0 | 0 | 145721 | 0 | 1197 |
| - - C&WF CAT 1.3 | CWF13 | 13195085 | 3298771 | 3298771 | 0 | 0 | 0 | 0 | 1197 |
| - - C&WF CAT 2 | CWF2 | 176338 | 176338 | 0 | 0 | 0 | 176338 | 0 | 1197 |
| - - C&WF CAT 3 | CWF3 | 400964 | 271796 | 0 | 0 | 231442 | 40354 | 0 | 1197 |
| - - C&WF CAT 4 | CWF4 | 970071 | 513313 | 0 | 0 | 513313 | 0 | 0 | 1197 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| TELCOM PLANT-OTHER | PLTOTH | 133053 | 59781 | 14731 | 27640 | 7211 | 10199 | 0 | 1197 |
| ACCUM DEPRECIATION | ACCDEP | 18948915 | 8788205 | 2767759 | 3468611 | 1130756 | 1421079 | 0 | 1197 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| NET DEFERRED FIT | NTDFIT | 1991169 | 902782 | 299397 | 343699 | 117220 | 142467 | 0 | 1197 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| GENERAL SUPPORT EXP | GSFX | 600343 | 269734 | 91266 | 101886 | 34928 | 41653 | 0 | 1197 |
| COE EXPENSE | COEX | 1757985 | 1135048 | 168209 | 501054 | 165572 | 300213 | 0 | 1197 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| C&WF EXPENSE | CWFX | 741499 | 215720 | 161512 | 0 | 36464 | 17744 | 0 | 1197 |
| OTHER PROP & PL EXP | OTHPPX | 3510 | 1577 | 534 | 596 | 204 | 244 | 0 | 1197 |
| NETWORK OPERATIONS EXP | NETOPX | 1579096 | 709487 | 240058 | 267994 | 91873 | 109562 | 0 | 1197 |
| DEPREC & AMORT EXP | DEPAMX | 2857608 | 1441796 | 369030 | 646888 | 177460 | 248417 | 0 | 1197 |
| MARKETING EXPENSE | MRKTX | 70367 | 14074 | 4762 | 5316 | 1822 | 2173 | 0 | 1197 |
| SERVICES EXPENSE | SERVX | 606035 | 172421 | 57459 | 3253 | 1116 | 1087 | 109506 | 1197 |
| - CABSX EXPENSE | CABSX | 9318 | 4659 | 0 | 2660 | 912 | 1087 | 0 | 1197 |
| EXEC & PLANNING EXP | EXEPLX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| GENERAL & ADMIN EXP | GENADX | 1815594 | 857876 | 271440 | 287652 | 108504 | 154490 | 35791 | 1197 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 357832 | 157342 | 56943 | 56799 | 20489 | 23111 | 0 | 1197 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1197 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 274381 | 74348 | 17195 | 41944 | 103 | 15105 | 0 | 1198 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - GENERAL SUPPORT FACILITIES | GSF | 5558386 | 2987361 | 690906 | 1685359 | 4155 | 606941 | 0 | 1198 |
| - CENTRAL OFFICE EQUIPMENT | COE | 7699861 | 6128431 | 192196 | 4599080 | 11339 | 1325816 | 0 | 1198 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - - COE CAT 3 | COE3 | 5544066 | 4599080 | 0 | 4599080 | 0 | 0 | 0 | 1198 |
| - - COE CAT 4.11 | COE411 | 1298555 | 1298555 | 0 | 0 | 0 | 1298555 | 0 | 1198 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - - COE CAT 4.13 | COE413 | 834740 | 216723 | 192196 | 0 | 0 | 24527 | 0 | 1198 |
| - - COE CAT 4.2 | COE42 | 22500 | 14073 | 0 | 0 | 11339 | 2734 | 0 | 1198 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - CABLE & WIRE FACILITIES | CWF | 7468103 | 2023608 | 1693177 | 0 | 0 | 330431 | 0 | 1198 |
| - - C&WF CAT 1.1 | CWF11 | 364964 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - - C&WF CAT 1.2 | CWF12 | 216073 | 216073 | 0 | 0 | 0 | 216073 | 0 | 1198 |
| - - C&WF CAT 1.3 | CWF13 | 6772708 | 1693177 | 1693177 | 0 | 0 | 0 | 0 | 1198 |
| - - C&WF CAT 2 | CWF2 | 114358 | 114358 | 0 | 0 | 0 | 114358 | 0 | 1198 |
| - - C&WF CAT 3 | CWF3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| TELCOM PLANT-OTHER | PLTOTH | 763565 | 410379 | 94911 | 231521 | 571 | 83377 | 0 | 1198 |
| ACCUM DEPRECIATION | ACCDEP | 10512319 | 5804895 | 1224410 | 3729465 | 5340 | 845680 | 0 | 1198 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| NET DEFERRED FIT | NTDFIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| NETWORK SUPPORT EXP | NETSPX | 3754 | 2018 | 467 | 1138 | 3 | 410 | 0 | 1198 |
| GENERAL SUPPORT EXP | GSFX | 214844 | 115468 | 26705 | 65143 | 161 | 23460 | 0 | 1198 |
| COE EXPENSE | COEX | 956966 | 761663 | 41733 | 429584 | 2462 | 287884 | 0 | 1198 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| C&WF EXPENSE | CWFX | 700217 | 189736 | 158754 | 0 | 0 | 30982 | 0 | 1198 |
| OTHER PROP & PL EXP | OTHPPX | 304 | 163 | 38 | 92 | 0 | 33 | 0 | 1198 |
| NETWORK OPERATIONS EXP | NETOPX | 469751 | 252468 | 58390 | 142433 | 351 | 51294 | 0 | 1198 |
| DEPREC & AMORT EXP | DEPAMX | 1284522 | 743765 | 138575 | 459391 | 1036 | 144763 | 0 | 1198 |
| MARKETING EXPENSE | MRKTX | 72596 | 9075 | 2099 | 5120 | 13 | 1844 | 0 | 1198 |
| SERVICES EXPENSE | SERVX | 428578 | 136469 | 22635 | 21066 | 52 | 3052 | 89664 | 1198 |
| - CABSX EXPENSE | CABSX | 22753 | 11377 | 0 | 8349 | 21 | 3007 | 0 | 1198 |
| EXEC & PLANNING EXP | EXEPLX | 291755 | 149803 | 42706 | 61556 | 282 | 36953 | 8305 | 1198 |
| GENERAL & ADMIN EXP | GENADX | 1114163 | 572071 | 163089 | 235072 | 1076 | 141118 | 31716 | 1198 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |
| NON-OPERATING INC & EXP | NONOPX | 16819 | 8636 | 1997 | 4872 | 12 | 1755 | 0 | 1198 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1198 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - GENERAL SUPPORT FACILITIES | GSF | 1114714 | 620583 | 136614 | 434701 | 9659 | 39610 | 0 | 1199 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1464191 | 1067007 | 74996 | 969901 | 1321 | 20788 | 0 | 1199 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - - COE CAT 3 | COE3 | 1141060 | 969901 | 0 | 969901 | 0 | 0 | 0 | 1199 |
| - - COE CAT 4.11 | COE411 | 11003 | 11003 | 0 | 0 | 0 | 11003 | 0 | 1199 |
| - - COE CAT 4.12 | COE412 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - - COE CAT 4.13 | COE413 | 309517 | 84528 | 74996 | 0 | 0 | 9531 | 0 | 1199 |
| - - COE CAT 4.2 | COE42 | 2611 | 1575 | 0 | 0 | 1321 | 254 | 0 | 1199 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - CABLE & WIRE FACILITIES | CWF | 1022950 | 317634 | 229816 | 0 | 20229 | 67589 | 0 | 1199 |
| - - C&WF CAT 1.1 | CWF11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - - C&WF CAT 1.2 | CWF12 | 29207 | 29207 | 0 | 0 | 0 | 29207 | 0 | 1199 |
| - - C&WF CAT 1.3 | CWF13 | 919264 | 229816 | 229816 | 0 | 0 | 0 | 0 | 1199 |
| - - C&WF CAT 2 | CWF2 | 34018 | 34018 | 0 | 0 | 0 | 34018 | 0 | 1199 |
| - - C&WF CAT 3 | CWF3 | 40461 | 24593 | 0 | 0 | 20229 | 4363 | 0 | 1199 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - TANGIBLES | TANGIB | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| TELCOM PLANT-OTHER | PLTOTH | 80744 | 44952 | 9896 | 31487 | 700 | 2869 | 0 | 1199 |
| ACCUM DEPRECIATION | ACCDEP | 2414787 | 1387159 | 277858 | 1007846 | 20651 | 80804 | 0 | 1199 |
| ACCUM AMORTIZATION | ACCAMO | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| NET DEFERRED FIT | NTDFIT | 139984 | 77932 | 17156 | 54589 | 1213 | 4974 | 0 | 1199 |
| NETWORK SUPPORT EXP | NETSPX | 8577 | 4775 | 1051 | 3345 | 74 | 305 | 0 | 1199 |
| GENERAL SUPPORT EXP | GSFX | 154689 | 86118 | 18958 | 60323 | 1340 | 5497 | 0 | 1199 |
| COE EXPENSE | COEX | 268878 | 195941 | 27215 | 160702 | 479 | 7544 | 0 | 1199 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| C&WF EXPENSE | CWFX | 79352 | 24639 | 17827 | 0 | 1569 | 5243 | 0 | 1199 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| NETWORK OPERATIONS EXP | NETOPX | 25619 | 14263 | 3140 | 9991 | 222 | 910 | 0 | 1199 |
| DEPREC & AMORT EXP | DEPAMX | 213761 | 140062 | 17445 | 116614 | 1000 | 5002 | 0 | 1199 |
| MARKETING EXPENSE | MRKTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| SERVICES EXPENSE | SERVX | 26373 | 7266 | 882 | 3025 | 67 | 276 | 3017 | 1199 |
| - CABSX EXPENSE | CABSX | 6563 | 3282 | 0 | 2947 | 65 | 269 | 0 | 1199 |
| EXEC & PLANNING EXP | EXEPLX | 51998 | 31456 | 6525 | 22424 | 354 | 1868 | 285 | 1199 |
| GENERAL & ADMIN EXP | GENADX | 315334 | 190757 | 39568 | 135984 | 2150 | 11328 | 1728 | 1199 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 19030 | 10132 | 2649 | 6547 | 172 | 764 | 0 | 1199 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 1777 | 989 | 218 | 693 | 15 | 63 | 0 | 1199 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1199 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 9929 | 5151 | 1368 | 3300 | 88 | 395 | 0 | 1199 |

APPENDIX B1

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA
2004 COST STUDIES REFLECTING 2007/2008 SEPARATIONS/ALLOCATION RULES

| NAME | PART | TOTAL COMPANY | TOTAL INTERSTATE | COMMON LINE | CENTRAL OFFICE | TRANSPORT | SPECIAL ACCESS | NON-ACCESS | SEQ |
|---|---|---|---|---|---|---|---|---|---|
| MATERIALS AND SUPPLIES | MATSUP | 31120 | 8468 | 3880 | 3723 | 36 | 828 | 1 | 1200 |
| RTB STOCK | RTBSTK | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - GENERAL SUPPORT FACILITIES | GSF | 407500 | 160036 | 73296 | 70325 | 678 | 15644 | 94 | 1200 |
| - CENTRAL OFFICE EQUIPMENT | COE | 1210173 | 593387 | 165886 | 378072 | 2486 | 46943 | 0 | 1200 |
| - - COE CAT 1 | COE1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - - COE CAT 2 | COE2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - - COE CAT 3 | COE3 | 444791 | 378072 | 0 | 378072 | 0 | 0 | 0 | 1200 |
| - - COE CAT 4.11 | COE411 | 46943 | 46943 | 0 | 0 | 0 | 46943 | 0 | 1200 |
| - - COE CAT 4.12 | COE412 | 30789 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - - COE CAT 4.13 | COE413 | 681758 | 165886 | 165886 | 0 | 0 | 0 | 0 | 1200 |
| - - COE CAT 4.2 | COE42 | 5892 | 2486 | 0 | 0 | 2486 | 0 | 0 | 1200 |
| - - COE CAT 4.3 | COE43 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - INFORMATION ORIG/TERM | IOT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - CABLE & WIRE FACILITIES | CWF | 979306 | 266477 | 228161 | 0 | 1157 | 37159 | 0 | 1200 |
| - - C&WF CAT 1.1 | CWF11 | 25053 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - - C&WF CAT 1.2 | CWF12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - - C&WF CAT 1.3 | CWF13 | 912646 | 228161 | 228161 | 0 | 0 | 0 | 0 | 1200 |
| - - C&WF CAT 2 | CWF2 | 38530 | 37159 | 0 | 0 | 0 | 37159 | 0 | 1200 |
| - - C&WF CAT 3 | CWF3 | 3077 | 1157 | 0 | 0 | 1157 | 0 | 0 | 1200 |
| - - C&WF CAT 4 | CWF4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| - TANGIBLES | TANGIB | 7107 | 2791 | 1279 | 1227 | 12 | 273 | 0 | 1200 |
| - INTANGIBLES | INTANG | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| TELCOM PLANT-OTHER | PLTOTH | 18486 | 7259 | 3327 | 3192 | 31 | 710 | 0 | 1200 |
| ACCUM DEPRECIATION | ACCDEP | 1306891 | 528337 | 226770 | 245323 | 2531 | 53666 | 47 | 1200 |
| ACCUM AMORTIZATION | ACCAMO | 1066 | 418 | 192 | 184 | 2 | 41 | 0 | 1200 |
| NET DEFERRED FIT | NTDFIT | 185161 | 60014 | 38559 | 13420 | 314 | 7721 | 0 | 1200 |
| NETWORK SUPPORT EXP | NETSPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| GENERAL SUPPORT EXP | GSFX | 75209 | 29536 | 13528 | 12979 | 125 | 2887 | 17 | 1200 |
| COE EXPENSE | COEX | 107465 | 52694 | 29629 | 14236 | 444 | 8384 | 0 | 1200 |
| IOT EXPENSE | IOTX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| C&WF EXPENSE | CWFX | 39227 | 10674 | 9139 | 0 | 46 | 1488 | 0 | 1200 |
| OTHER PROP & PL EXP | OTHPPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| NETWORK OPERATIONS EXP | NETOPX | 99933 | 39246 | 17985 | 17256 | 166 | 3839 | 0 | 1200 |
| DEPREC & AMORT EXP | DEPAMX | 199749 | 76406 | 36443 | 31134 | 391 | 8431 | 7 | 1200 |
| MARKETING EXPENSE | MRKTX | 399 | 150 | 69 | 66 | 1 | 15 | 0 | 1200 |
| SERVICES EXPENSE | SERVX | 41926 | 14526 | 1764 | 7723 | 74 | 1714 | 3251 | 1200 |
| - CABSX EXPENSE | CABSX | 18874 | 9437 | 0 | 7659 | 74 | 1704 | 0 | 1200 |
| EXEC & PLANNING EXP | EXEPLX | 17290 | 7018 | 3447 | 2498 | 41 | 876 | 156 | 1200 |
| GENERAL & ADMIN EXP | GENADX | 376120 | 171045 | 84009 | 60881 | 998 | 21350 | 3807 | 1200 |
| OTHER TAXES (EXCL FIT & ITC) | OTAXES | 27645 | 11206 | 5194 | 4926 | 43 | 1042 | 1 | 1200 |
| INVESTMENT TAX CREDITS (ITC) | ITC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| NON-OPERATING INC & EXP | NONOPX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1200 |
| INTEREST & RELATED ITEMS(IRI) | INTREL | 6575 | 2547 | 1167 | 1120 | 11 | 249 | 0 | 1200 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 100020 | 1,280,955 | 5,909,801 | 5,551,121 | 0 | 0 | 2,063 |
| 120043 | 872,386 | 1,747,265 | 2,004,468 | 0 | 0 | 35,357 |
| 132454 | 6,520,197 | 25,725,530 | 27,241,010 | 0 | 269,427 | 0 |
| 140053 | 217,438 | 588,366 | 880,093 | 0 | 0 | 0 |
| 170151 | 3,765,944 | 16,919,035 | 23,035,162 | 0 | 0 | 200,552 |
| 170161 | 66,731,676 | 233,745,797 | 301,532,898 | 2,549,820 | 0 | 2,866,476 |
| 170162 | 10,561,692 | 41,052,835 | 68,389,915 | 0 | 0 | 475,901 |
| 170179 | 1,436,225 | 4,436,460 | 5,827,948 | 0 | 0 | 197,100 |
| 170193 | 22,572,066 | 74,764,078 | 79,261,099 | 0 | 831,923 | 1,142,775 |
| 170200 | 1,982,695 | 2,290,287 | 2,081,245 | 0 | 0 | 71,800 |
| 190225 | 5,582,127 | 6,458,490 | 15,505,283 | 0 | 0 | 126,339 |
| 190248 | 3,551,796 | 6,230,744 | 10,913,717 | 0 | 0 | 236,230 |
| 200258 | 285,563 | 1,685,856 | 1,933,588 | 0 | 0 | 0 |
| 220324 | 20,682 | 1,631,610 | 3,021,703 | 10,771 | 500,728 | 0 |
| 220364 | 1,280,548 | 7,742,102 | 8,920,134 | 95,020 | 0 | 80,672 |
| 220387 | 2,297,653 | 28,348,378 | 17,829,384 | 0 | 0 | 50 |
| 230494 | 1,078,052 | 2,071,357 | 1,564,385 | 0 | 0 | 86,845 |
| 230497 | 1,122,268 | 5,318,126 | 5,605,170 | 0 | 0 | 51,312 |
| 230501 | 11,169,968 | 39,801,722 | 53,540,772 | 0 | 0 | 3,042,128 |
| 230505 | 1,679,593 | 4,688,523 | 6,725,316 | 0 | 0 | 122,368 |
| 250283 | 5,069,012 | 9,007,031 | 12,816,469 | 277,517 | 0 | 145,826 |
| 260396 | 3,436,422 | 8,755,314 | 12,552,782 | 0 | 8,492 | 125,390 |
| 260417 | 654,074 | 1,553,372 | 2,899,611 | 0 | 32,856 | 26,233 |
| 290553 | 15,006,923 | 47,495,176 | 54,697,823 | 0 | 7,614 | 626,701 |
| 290559 | 3,117,614 | 23,696,834 | 24,340,285 | 688,091 | 361,954 | 89,561 |
| 290565 | 7,664,883 | 21,469,692 | 42,784,928 | 0 | 2,422 | 800,350 |
| 290570 | 2,659,112 | 5,069,966 | 7,167,071 | 0 | 0 | 51,284 |
| 300585 | 325,111 | 1,314,388 | 1,293,636 | 0 | 12,843 | 7,663 |
| 300594 | 5,258,842 | 16,210,278 | 15,262,872 | 0 | 0 | 109,951 |
| 300609 | 1,256,960 | 3,368,996 | 3,328,715 | 0 | 0 | 31,736 |
| 300625 | 837,677 | 1,048,516 | 1,472,331 | 0 | 0 | 68,689 |
| 300633 | 207,848 | 1,077,300 | 976,722 | 0 | 0 | 24,053 |
| 300639 | 588,026 | 898,819 | 1,893,524 | 0 | 0 | 29,694 |
| 300656 | 300,028 | 1,603,734 | 2,431,450 | 0 | 0 | 17,359 |
| 300659 | 4,013,072 | 4,627,756 | 11,814,870 | 0 | 0 | 148,879 |
| 310678 | 315,530 | 1,444,919 | 1,743,944 | 0 | 0 | 11,589 |
| 310688 | 610,438 | 5,140,647 | 1,775,249 | 66,830 | 0 | 385,062 |
| 320796 | 562,036 | 1,315,743 | 1,605,090 | 0 | 0 | 47,612 |
| 320834 | 2,074,435 | 2,416,891 | 9,549,251 | 0 | 16,164 | 168,266 |
| 320837 | 335,553 | 1,085,124 | 1,277,601 | 0 | 250 | 28,968 |
| 320839 | 383,470 | 1,327,586 | 1,373,840 | 0 | 0 | 19,072 |
| 330946 | 1,233,741 | 1,181,462 | 2,065,078 | 0 | 0 | 102,124 |
| 330955 | 2,434,887 | 6,943,305 | 10,767,731 | 0 | 27,543 | 61,200 |
| 330967 | 696,331 | 3,642,935 | 3,722,301 | 0 | 0 | 7,449 |
| 330968 | 792,286 | 4,873,448 | 7,928,392 | 277,384 | 121,457 | 126,269 |
| 341024 | 1,243,938 | 3,671,567 | 5,606,227 | 0 | 0 | 25,813 |
| 341086 | 309,317 | 1,321,253 | 802,309 | 0 | 0 | 7,884 |
| 341092 | 81,618 | 332,745 | 13,517 | 0 | 0 | 0 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 100020 | 102,795 | 0 | 137,314 | 7,710,844 | 0 | 0 |
| 120043 | 0 | 0 | 56,214 | 2,864,914 | 0 | 98,200 |
| 132454 | 68,863 | 270,367 | 447,296 | 41,737,412 | 210,006 | 175,539 |
| 140053 | 0 | 0 | 17,642 | 1,189,371 | 0 | 0 |
| 170151 | 297,771 | 0 | 300,677 | 28,754,169 | 0 | 4,553,974 |
| 170161 | 9,934,657 | 0 | 3,388,501 | 346,895,793 | 619,122 | 42,916,498 |
| 170162 | 3,407,547 | 0 | 922,870 | 82,818,621 | 0 | 11,832,112 |
| 170179 | 0 | 0 | 105,682 | 7,783,051 | 0 | 125,740 |
| 170193 | 1,752,360 | 0 | 1,520,004 | 119,452,796 | 0 | 11,471,000 |
| 170200 | 5,600 | 0 | 53,807 | 4,111,211 | 0 | 406,927 |
| 190225 | 1,315,414 | 0 | 171,667 | 17,891,837 | 0 | 0 |
| 190248 | 796,805 | 0 | 146,985 | 10,851,214 | 0 | 0 |
| 200258 | 0 | 0 | 48,189 | 2,427,790 | 0 | 147,827 |
| 220324 | 0 | 0 | 183,695 | 3,282,437 | 135,709 | 0 |
| 220364 | 10,518 | 0 | 90,211 | 11,705,722 | 95,020 | 385,633 |
| 220387 | 960,002 | 0 | 256,514 | 29,795,722 | 0 | 3,342,096 |
| 230494 | 28,092 | 0 | 29,916 | 2,207,899 | 0 | 0 |
| 230497 | 0 | 0 | 61,267 | 4,585,006 | 0 | 0 |
| 230501 | 1,785,146 | 0 | 436,610 | 65,896,545 | 0 | 0 |
| 230505 | 275,795 | 0 | 88,189 | 9,281,884 | 0 | 0 |
| 250283 | 198,175 | 0 | 179,369 | 18,489,948 | 109,377 | 344,630 |
| 260396 | 2,766,757 | 0 | 127,320 | 12,119,331 | 0 | 5 |
| 260417 | 23,092 | 0 | 40,534 | 3,591,328 | 0 | 228,409 |
| 290553 | 3,560,856 | 452,650 | 566,921 | 69,362,620 | 0 | 0 |
| 290559 | 1,123,269 | 0 | 390,367 | 29,622,811 | 458,128 | 2,031,880 |
| 290565 | 1,583,034 | 0 | 428,290 | 37,980,732 | 2,234 | 0 |
| 290570 | 1,339 | 185,911 | 133,564 | 7,420,765 | 0 | 818,772 |
| 300585 | 17,089 | 0 | 24,681 | 1,742,486 | 0 | 123,732 |
| 300594 | 0 | 0 | 213,988 | 23,842,049 | 0 | 1,573,737 |
| 300609 | 0 | 0 | 92,211 | 5,064,144 | 0 | 406,052 |
| 300625 | 0 | 0 | 30,285 | 1,733,108 | 0 | 0 |
| 300633 | 0 | 0 | 14,659 | 1,447,981 | 0 | 129,338 |
| 300639 | 8,717 | 0 | 24,109 | 2,308,937 | 0 | 0 |
| 300656 | 0 | 0 | 22,463 | 2,166,212 | 0 | 0 |
| 300659 | 410,015 | 0 | 173,142 | 4,275,981 | 3,872,434 | 2,110,792 |
| 310678 | 0 | 0 | 29,192 | 2,071,417 | 0 | 249,671 |
| 310688 | 41,730 | 0 | 42,533 | 4,474,003 | 8,359 | 2,090,819 |
| 320796 | 154,392 | 0 | 22,260 | 2,312,259 | 0 | 199,662 |
| 320834 | 0 | 0 | 59,362 | 5,979,596 | 0 | 0 |
| 320837 | 622 | 0 | 19,296 | 1,893,750 | 0 | 126,836 |
| 320839 | 38,529 | 0 | 24,339 | 2,008,295 | 0 | 39,200 |
| 330946 | 0 | 0 | 30,860 | 2,113,890 | 0 | 445,979 |
| 330955 | 820,950 | 0 | 183,232 | 9,358,924 | 0 | 1,413,423 |
| 330967 | 161,776 | 0 | 55,382 | 6,285,645 | 0 | 776,522 |
| 330968 | 497,017 | 0 | 134,302 | 7,168,202 | 207,859 | 786,518 |
| 341024 | 48,314 | 0 | 51,231 | 8,708,731 | 0 | 0 |
| 341086 | 0 | 0 | 13,322 | 1,543,590 | 0 | 186,966 |
| 341092 | 8,757 | 0 | 3,967 | 339,525 | 0 | 0 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 100020 | 7,413 | 97,726 | 135,018 | 167,300 | 30,135 | 224,631 |
| 120043 | 9,699 | 53,750 | 156,809 | 72,687 | 32,159 | 26,178 |
| 132454 | 15,899 | 535,704 | 44,854 | 47,238 | 32,177 | 3,068,495 |
| 140053 | 23,454 | 45,825 | 25,772 | 30,740 | 0 | 30,740 |
| 170151 | 32,774 | 251,647 | 308,522 | 780,187 | -15,504 | 719,154 |
| 170161 | 682,581 | 2,649,423 | 2,151,045 | 10,462,805 | 0 | 10,307,325 |
| 170162 | 61,656 | 531,439 | 816,555 | 1,719,713 | 714 | 1,499,565 |
| 170179 | 74,146 | 91,921 | 102,167 | 416,029 | 19,616 | 231,074 |
| 170193 | 104,222 | 1,154,134 | 2,593,802 | 2,156,136 | 455,671 | 3,624,889 |
| 170200 | 0 | 86,006 | 91,695 | 129,174 | 16,926 | 195,530 |
| 190225 | 5,273 | 222,945 | 405,842 | 409,577 | 46,222 | 332,884 |
| 190248 | 54,417 | 272,512 | 366,382 | 421,939 | 31,185 | 212,357 |
| 200258 | 0 | 6,287 | 29,010 | 245,960 | 0 | 12,243 |
| 220324 | 35,088 | 16,277 | 665,256 | 294,956 | 0 | 76,522 |
| 220364 | 22,542 | 170,405 | 195,647 | 337,559 | 2,146 | 217,455 |
| 220387 | 1 | 708,978 | 577,555 | 237,338 | 88 | 1,424,615 |
| 230494 | 40,374 | 66,477 | 88,804 | 17,483 | 0 | 58,737 |
| 230497 | 0 | 20,218 | 126,267 | 225,432 | 0 | 63,311 |
| 230501 | 85,556 | 950,049 | 945,227 | 1,649,055 | 12,137 | 926,277 |
| 230505 | 3,799 | 120,893 | 220,052 | 208,341 | 0 | 93,725 |
| 250283 | 6,218 | 201,284 | 372,194 | 567,131 | 0 | 162,340 |
| 260396 | 4,832 | 91,725 | 332,543 | 398,934 | 16,038 | 256,895 |
| 260417 | 1,157 | 6,383 | 39,372 | 83,498 | 0 | 96,177 |
| 290553 | 385,935 | 800,684 | 2,477,619 | 1,985,803 | 151,755 | 1,722,415 |
| 290559 | 29,163 | 225,704 | 411,172 | 652,982 | 0 | 1,177,002 |
| 290565 | 32,575 | 952,134 | 1,158,173 | 1,684,025 | 47,303 | 646,314 |
| 290570 | 32,606 | 444,602 | 185,166 | 268,413 | 0 | 279,478 |
| 300585 | 2,825 | 15,395 | 55,890 | 61,541 | 0 | 67,069 |
| 300594 | 4,979 | 355,544 | 351,542 | 508,728 | 1,797 | 556,251 |
| 300609 | 7,275 | 107,563 | 101,430 | 231,182 | 0 | 181,764 |
| 300625 | 16,819 | 9,267 | 48,092 | 67,537 | 0 | 185,530 |
| 300633 | 2,100 | 20,583 | 28,659 | 29,441 | 0 | 29,841 |
| 300639 | 25,464 | 27,592 | 66,207 | 81,410 | 0 | 52,873 |
| 300656 | 0 | 15,197 | 31,789 | 61,393 | 0 | 68,273 |
| 300659 | 14,889 | 495,880 | 412,700 | 163,061 | 40,422 | 200,471 |
| 310678 | 0 | 9,904 | 95,993 | 49,323 | 93,675 | 13,481 |
| 310688 | 0 | 121,727 | -57,636 | 75,600 | 3,774 | 126,016 |
| 320796 | 332 | 20,071 | 15,595 | 112,350 | 0 | 36,509 |
| 320834 | 1,748 | 50,157 | 177,181 | 97,389 | 0 | 159,067 |
| 320837 | 0 | 14,322 | 101,009 | 18,450 | 0 | 6,477 |
| 320839 | 16,855 | 6,742 | 35,811 | 116,818 | 3,251 | 11,183 |
| 330946 | 0 | 95,187 | 17,599 | 43,754 | 0 | 22,249 |
| 330955 | 42,727 | 214,163 | 246,162 | 343,938 | 0 | 598,664 |
| 330967 | -6 | 112,671 | 51,023 | 97,925 | 0 | 138,913 |
| 330968 | 8,807 | 97,361 | 141,774 | 232,764 | 0 | 395,790 |
| 341024 | 0 | 74,480 | 156,804 | 211,385 | 0 | 105,285 |
| 341086 | 888 | 8,491 | 54,392 | 34,660 | 4,103 | 23,693 |
| 341092 | 0 | 2,809 | 26,319 | 5,542 | 0 | 2,188 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 100020 | 832,851 | 41,987 | 331,358 | 0 | 943,319 | 5,187 |
| 120043 | 294,292 | 0 | 261,192 | 199,156 | 416,568 | 2,688 |
| 132454 | 2,905,334 | 504,882 | 71,913 | 0 | 4,247,541 | 0 |
| 140053 | 136,288 | 0 | 78,891 | 61,235 | 67,256 | 0 |
| 170151 | 3,154,854 | 78,082 | 546,347 | 4,230 | 1,892,333 | 0 |
| 170161 | 44,461,045 | 1,871,444 | 3,775,492 | -2,334 | 26,438,953 | 88,278 |
| 170162 | 7,608,487 | 183,646 | 1,440,892 | 2,796 | 3,477,526 | 0 |
| 170179 | 687,718 | 18,080 | 492,499 | 206,293 | 498,041 | 5,344 |
| 170193 | 14,884,450 | 2,493,993 | 2,798,233 | 2,230,989 | 11,115,329 | 84,050 |
| 170200 | 293,339 | 360 | 226,807 | 99,402 | 228,364 | 0 |
| 190225 | 1,236,398 | 82,248 | 732,887 | 317,461 | 1,042,498 | 0 |
| 190248 | 979,080 | 89,095 | 571,699 | 502,980 | 482,879 | 0 |
| 200258 | 232,725 | 1,708 | 93,371 | 0 | 231,813 | 1,597 |
| 220324 | 178,779 | 0 | 238,930 | 784,500 | 808,150 | 0 |
| 220364 | 1,367,820 | 44,307 | 262,772 | 15,628 | 324,332 | 5,717 |
| 220387 | 3,938,028 | 247,866 | 1,803,196 | 138,451 | 651,363 | 16,439 |
| 230494 | 205,669 | 4,389 | 215,641 | 138,577 | 96,266 | 0 |
| 230497 | 472,245 | 23,670 | 259,903 | 208,797 | 245,138 | 2,863 |
| 230501 | 6,694,595 | 22,423 | 1,485,102 | 564,665 | 3,185,301 | 29,184 |
| 230505 | 1,032,102 | 13,555 | 529,818 | 164,886 | 530,034 | 5,073 |
| 250283 | 1,855,088 | 170,394 | 545,818 | 206,436 | 1,179,983 | 10,122 |
| 260396 | 2,011,870 | 14,825 | 448,159 | 145,638 | 467,249 | 7,642 |
| 260417 | 298,341 | 57,155 | 204,360 | 81,862 | 254,855 | 2,092 |
| 290553 | 8,778,954 | 416,965 | 2,997,572 | 510,263 | 1,407,465 | 0 |
| 290559 | 4,276,972 | 476,222 | 1,706,144 | 478,998 | 2,251,735 | 21,861 |
| 290565 | 5,034,438 | 127,621 | 1,429,939 | 698,122 | 2,163,544 | 25,044 |
| 290570 | 785,315 | 25,213 | 217,802 | 302,558 | 707,130 | 5,995 |
| 300585 | 109,589 | 41,267 | 138,056 | 7,713 | 95,984 | 1,123 |
| 300594 | 2,907,881 | 336,022 | 605,584 | 377,777 | 1,099,889 | 0 |
| 300609 | 675,712 | 3,491 | 464,779 | 638,042 | 265,275 | 4,872 |
| 300625 | 166,395 | 21,604 | 0 | 28,453 | 213,581 | 0 |
| 300633 | 84,753 | 953 | 29,343 | 27,168 | 129,725 | 0 |
| 300639 | 132,348 | 1,556 | 104,702 | 63,679 | 71,260 | 0 |
| 300656 | 185,740 | 0 | 114,850 | 82,337 | 126,156 | 0 |
| 300659 | 1,191,269 | 116,321 | 631,709 | 507,183 | 788,473 | 8,370 |
| 310678 | 159,468 | 738 | 89,533 | 45,383 | 158,688 | 1,406 |
| 310688 | 561,471 | 2,027 | 158,594 | 136,633 | 271,469 | 2,605 |
| 320796 | 208,529 | 0 | 67,129 | 52,566 | 133,616 | 1,210 |
| 320834 | 477,473 | 2,157 | 245,919 | 153,365 | 259,113 | 0 |
| 320837 | 198,154 | 0 | 51,033 | 76,113 | 133,395 | 0 |
| 320839 | 211,416 | 0 | 144,410 | 84,491 | 164,030 | 0 |
| 330946 | 352,964 | 1,156 | 144,971 | 64,504 | 148,279 | 1,752 |
| 330955 | 1,225,815 | 32,714 | 862,154 | 790,446 | 547,351 | 9,105 |
| 330967 | 668,880 | 16,166 | 268,615 | 45,863 | 126,252 | 3,037 |
| 330968 | 896,035 | 394,353 | 458,917 | 132,703 | 758,569 | 6,470 |
| 341024 | 539,271 | 192 | 97,786 | 161,874 | 398,585 | 0 |
| 341086 | 142,008 | 0 | 45,089 | 10,647 | 85,543 | 0 |
| 341092 | 22,111 | 0 | 24,877 | 5,500 | 24,164 | 0 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 100020 | 953,860 | 6,334 | 46,704 | 234,987 | 141,897 | 166,493 |
| 120043 | 59,546 | 395 | 489,536 | 55,577 | 10,100 | 23,974 |
| 132454 | 589,440 | 3,914 | 2,901,207 | 681,661 | 400,132 | 1,036,388 |
| 140053 | 1,743 | 12 | 0 | 22,866 | 40,684 | 40,684 |
| 170151 | 1,487,498 | 9,878 | 523,686 | 478,331 | 290,594 | 741,482 |
| 170161 | 3,879,689 | 25,764 | 2,300,230 | 10,399,632 | 4,461,103 | 9,666,414 |
| 170162 | 9,764,639 | 64,845 | 1,957,105 | 1,256,316 | 465,509 | 1,632,223 |
| 170179 | 0 | 0 | 0 | 183,701 | 97,073 | 232,370 |
| 170193 | 1,610,122 | 10,693 | 7,424,639 | 1,894,783 | 2,086,221 | 4,737,734 |
| 170200 | 10,185 | 68 | 0 | 88,121 | 51,250 | 136,394 |
| 190225 | 421,872 | 2,802 | 0 | 0 | 28,559 | 151,775 |
| 190248 | 368,696 | 2,448 | 1,703,234 | 0 | 106,760 | 106,760 |
| 200258 | 425,184 | 2,824 | 0 | 61,222 | 50,276 | 62,780 |
| 220324 | 1,508,411 | 10,017 | 0 | 58,331 | -64,361 | -26,725 |
| 220364 | 1,795 | 12 | 69,084 | 270,830 | 229,929 | 328,810 |
| 220387 | 0 | 0 | 1,352,820 | 688,248 | 259,748 | -269,018 |
| 230494 | 0 | 0 | 0 | 0 | 0 | 818 |
| 230497 | 308,457 | 2,048 | 709,848 | 0 | 0 | 0 |
| 230501 | 337,423 | 2,241 | 790,972 | 0 | 0 | 269,343 |
| 230505 | 249,658 | 1,658 | 0 | 0 | 0 | 0 |
| 250283 | 0 | 0 | 0 | 394,674 | 278,464 | 556,928 |
| 260396 | 710,717 | 4,720 | 444,613 | 0 | 0 | 203,665 |
| 260417 | 19,494 | 129 | 7,933 | 61,191 | 43,147 | 80,494 |
| 290553 | 293,220 | 1,947 | 0 | 0 | 0 | 490,477 |
| 290559 | 209,545 | 1,392 | 87,167 | 960,457 | 501,650 | 890,942 |
| 290565 | 912,402 | 6,059 | 1,703,962 | 0 | 0 | 429,505 |
| 290570 | 267,431 | 1,776 | 0 | 317,539 | 0 | 198,109 |
| 300585 | 13,928 | 92 | 13,806 | 49,638 | 0 | 51,007 |
| 300594 | 2,321 | 15 | 1,702,877 | 447,782 | 0 | 557,408 |
| 300609 | 181 | 1 | 0 | 115,878 | 0 | 126,567 |
| 300625 | 0 | 0 | 0 | 80,334 | 24,786 | 65,461 |
| 300633 | 0 | 0 | 0 | 32,633 | 21,151 | 26,154 |
| 300639 | 0 | 0 | 0 | 51,111 | 0 | 40,647 |
| 300656 | 0 | 0 | 0 | 0 | 0 | 46,280 |
| 300659 | 91,464 | 607 | 0 | 495,313 | 0 | 252,938 |
| 310678 | 5,644 | 37 | 0 | 55,028 | 92,744 | 92,744 |
| 310688 | 30,708 | 204 | 0 | 66,628 | 19,680 | 84,315 |
| 320796 | 0 | 0 | 0 | 54,017 | 43,620 | 49,305 |
| 320834 | 116,927 | 776 | 0 | 0 | 36,271 | 258,934 |
| 320837 | 15,805 | 105 | 0 | 32,572 | 8,803 | 20,154 |
| 320839 | 0 | 0 | 356,929 | 33,990 | -19,796 | -25,445 |
| 330946 | 2,426 | 16 | 0 | 93,143 | 10,887 | 117,352 |
| 330955 | 0 | 0 | 625,190 | 443,511 | 149,312 | 334,588 |
| 330967 | 211,818 | 1,407 | 0 | 53,818 | 144,856 | 219,580 |
| 330968 | 147,567 | 980 | 29,692 | 290,247 | 101,073 | 204,506 |
| 341024 | 228 | 2 | 0 | 0 | 0 | 39,724 |
| 341086 | 103 | 1 | 0 | 32,707 | 19,537 | 23,167 |
| 341092 | 40 | 0 | 0 | 4,472 | 0 | 600 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 100020 | 0 | N | N |
| 120043 | 0 | N | N |
| 132454 | 228 | N | N |
| 140053 | 0 | N | N |
| 170151 | 0 | N | N |
| 170161 | 0 | N | N |
| 170162 | 0 | N | N |
| 170179 | 0 | N | N |
| 170193 | 0 | N | N |
| 170200 | 0 | N | N |
| 190225 | 0 | N | Y |
| 190248 | 91,954 | N | Y |
| 200258 | 0 | N | N |
| 220324 | 0 | N | N |
| 220364 | 39 | N | N |
| 220387 | 31,002 | N | N |
| 230494 | 0 | Y | Y |
| 230497 | 6,603 | Y | Y |
| 230501 | 183,205 | N | Y |
| 230505 | 8,901 | Y | Y |
| 250283 | 0 | N | N |
| 260396 | 0 | N | Y |
| 260417 | 0 | N | N |
| 290553 | 145,339 | N | Y |
| 290559 | 24,443 | N | N |
| 290565 | 128,994 | N | Y |
| 290570 | 0 | N | N |
| 300585 | 0 | N | N |
| 300594 | 0 | N | N |
| 300609 | 0 | N | N |
| 300625 | 0 | N | N |
| 300633 | 0 | N | N |
| 300639 | 0 | N | N |
| 300656 | 0 | N | Y |
| 300659 | 0 | N | N |
| 310678 | 0 | N | N |
| 310688 | 0 | N | N |
| 320796 | 0 | N | N |
| 320834 | -79,449 | N | Y |
| 320837 | 0 | N | N |
| 320839 | 0 | N | N |
| 330946 | 0 | N | N |
| 330955 | 821 | N | N |
| 330967 | 3,423 | N | N |
| 330968 | 2,761 | N | N |
| 341024 | 0 | N | Y |
| 341086 | 0 | N | N |
| 341092 | 0 | N | N |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 351098 | 267,175 | 338,237 | 350,649 | 0 | 0 | 5,233 |
| 351112 | 2,080,154 | 1,422,037 | 1,984,629 | 0 | 0 | 16,277 |
| 351118 | 1,169,641 | 2,320,985 | 3,572,951 | 0 | 0 | 28,609 |
| 351121 | 118,245 | 146,703 | 203,329 | 0 | 0 | 4,403 |
| 351153 | 778,397 | 804,276 | 1,383,880 | 0 | 2,242 | 12,825 |
| 351171 | 697,780 | 1,855,721 | 2,871,950 | 0 | 0 | 15,434 |
| 351174 | 1,502,060 | 1,900,706 | 3,303,384 | 0 | 160 | 24,634 |
| 351176 | 840,680 | 739,276 | 1,141,133 | 0 | 1,277 | 204,918 |
| 351188 | 470,690 | 834,845 | 385,566 | 259,349 | 0 | 10,337 |
| 351206 | 570,887 | 1,290,112 | 810,030 | 0 | 0 | 48,828 |
| 351232 | 89,905 | 396,609 | 582,965 | 0 | 0 | 3,984 |
| 351274 | 87,350 | 1,304,737 | 1,582,147 | 0 | 0 | 4,867 |
| 351280 | 508,713 | 758,212 | 857,133 | 0 | 0 | 52,497 |
| 351297 | 2,330,611 | 4,886,582 | 6,559,872 | 0 | 15,177 | 37,533 |
| 351324 | 463,750 | 1,467,670 | 3,202,831 | 0 | 0 | 18,136 |
| 351326 | 527,794 | 1,171,640 | 1,873,611 | 0 | 645 | 40,099 |
| 361358 | 1,113,675 | 7,878,050 | 9,315,171 | 0 | 0 | 263,835 |
| 361389 | 680,253 | 2,590,900 | 3,434,348 | 0 | 2,990 | 32,437 |
| 361401 | 2,045,428 | 5,448,689 | 6,875,241 | 0 | 1,167 | 104,052 |
| 361439 | 939,908 | 1,928,763 | 2,683,450 | 0 | 0 | 12,464 |
| 361479 | 3,758,648 | 9,954,161 | 23,524,517 | 0 | 0 | 288,618 |
| 361482 | 6,152,167 | 16,684,009 | 24,617,145 | 0 | 0 | 764,161 |
| 371530 | 522,031 | 2,659,006 | 2,925,865 | 9,206 | 0 | 0 |
| 371532 | 1,889,409 | 5,033,593 | 10,921,422 | 18,411 | 0 | 1,064,197 |
| 371556 | 1,301,158 | 865,836 | 2,196,176 | 0 | 181,656 | 66,321 |
| 381601 | 107,444 | 157,578 | 85,310 | 0 | 5 | 1,000 |
| 381631 | 2,807,358 | 5,707,400 | 12,322,500 | 65,634 | 1,582 | 250,361 |
| 391654 | 6,895,812 | 30,152,636 | 41,287,665 | 0 | 0 | 128,614 |
| 391654 | 6,895,812 | 30,152,636 | 41,287,665 | 0 | 0 | 128,614 |
| 391688 | 1,464,399 | 1,686,530 | 1,566,518 | 0 | 0 | 138,293 |
| 421932 | 247,053 | 1,418,353 | 2,713,302 | 0 | 898 | 0 |
| 421942 | 962,804 | 1,577,344 | 2,870,164 | 0 | 1,638 | 36,279 |
| 442038 | 754,245 | 1,310,213 | 1,083,533 | 0 | 0 | 0 |
| 442043 | 267,502 | 746,595 | 942,015 | 31,200 | 139,355 | 28,892 |
| 442107 | 2,073,318 | 8,606,502 | 6,184,912 | 0 | 171,165 | 134,825 |
| 522430 | 1,337,985 | 4,387,024 | 6,088,109 | 0 | 63,431 | 41,339 |
| 532396 | 330,312 | 711,369 | 1,276,540 | 0 | 0 | 0 |
| 613026 | 43,892 | 205,105 | 103,485 | 0 | 0 | 1,410 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 351098 | 0 | 0 | 11,983 | 442,309 | 0 | 0 |
| 351112 | 346 | 0 | 46,717 | 3,424,414 | 0 | 0 |
| 351118 | 170,660 | 0 | 41,215 | 3,143,657 | 0 | 447,073 |
| 351121 | 0 | 0 | 5,873 | 237,938 | 0 | 24,262 |
| 351153 | 473 | 0 | 16,600 | 1,493,676 | 940 | 0 |
| 351171 | 0 | 0 | 23,404 | 2,786,375 | 0 | 0 |
| 351174 | 19,427 | 0 | 37,653 | 3,117,361 | 0 | 275,236 |
| 351176 | 611,049 | 0 | 23,892 | 1,885,066 | 0 | 31,234 |
| 351188 | 0 | 0 | 17,063 | 1,204,137 | 259,349 | 31,117 |
| 351206 | 0 | 0 | 15,412 | 2,269,860 | 0 | 0 |
| 351232 | 0 | 0 | 14,854 | 356,331 | 0 | 85,059 |
| 351274 | 3,104 | 0 | 33,075 | 2,208,048 | 0 | 42,592 |
| 351280 | 0 | 0 | 16,421 | 1,305,672 | 0 | 0 |
| 351297 | 0 | 0 | 91,781 | 6,644,018 | 0 | 305,140 |
| 351324 | 0 | 0 | 28,972 | 2,595,024 | 0 | 472,813 |
| 351326 | 1,326,659 | 0 | 26,544 | 1,187,979 | 0 | 290,335 |
| 361358 | 0 | 0 | 147,424 | 11,490,815 | 0 | 0 |
| 361389 | 0 | 0 | 36,280 | 4,110,383 | 0 | 115,434 |
| 361401 | 6,090 | 0 | 71,227 | 6,238,362 | 1,167 | 15,360 |
| 361439 | 0 | 0 | 36,991 | 4,006,244 | 0 | 181,050 |
| 361479 | 0 | 0 | 297,169 | 20,691,369 | 0 | 0 |
| 361482 | 0 | 0 | 381,570 | 21,407,939 | 0 | 0 |
| 371530 | 9,170 | 0 | 53,024 | 4,747,402 | 9,206 | 0 |
| 371532 | 138,974 | 0 | 135,602 | 10,457,252 | 18,411 | 0 |
| 371556 | 13,783 | 0 | 55,539 | 2,380,422 | 153,020 | 340,891 |
| 381601 | 0 | 0 | 1,505 | 123,843 | 0 | 0 |
| 381631 | 241,319 | 0 | 109,942 | 13,260,428 | 7,948 | 396,291 |
| 391654 | 692,944 | 0 | 298,779 | 39,711,969 | 0 | 498,969 |
| 391654 | 692,944 | 0 | 298,779 | 39,711,969 | 0 | 498,969 |
| 391688 | 0 | 0 | 32,202 | 3,600,459 | 0 | 25,958 |
| 421932 | 46,011 | 0 | 36,456 | 2,131,979 | 0 | 278,025 |
| 421942 | 0 | 0 | 43,121 | 2,810,932 | 0 | 0 |
| 442038 | 0 | 0 | 29,526 | 2,334,603 | 0 | 0 |
| 442043 | 0 | 0 | 24,963 | 766,901 | 151,188 | 141,451 |
| 442107 | 0 | 0 | 184,391 | 8,427,583 | 105,585 | 1,205,917 |
| 522430 | 10,973 | 0 | 78,798 | 6,196,061 | 0 | 763,270 |
| 532396 | 0 | 0 | 15,493 | 910,611 | 0 | 0 |
| 613026 | 0 | 0 | 5,632 | 200,787 | 0 | 23,126 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 351098 | 465 | 6,063 | 16,565 | 70,208 | 0 | 4,445 |
| 351112 | 1,048 | 75,446 | 56,247 | 60,367 | 30,617 | 13,241 |
| 351118 | 0 | 34,577 | 121,907 | 93,804 | 0 | 3,201 |
| 351121 | 0 | 3,544 | 29,150 | 19,368 | 0 | 2,689 |
| 351153 | 1,538 | 22,552 | 31,368 | 72,098 | 0 | 9,242 |
| 351171 | 0 | 26,704 | 60,889 | 127,920 | 0 | 24,406 |
| 351174 | 0 | 65,636 | 100,364 | 71,548 | 3,670 | 39,347 |
| 351176 | 0 | 26,720 | 6,302 | 38,984 | 0 | 63,720 |
| 351188 | 2,432 | 16,504 | 19,847 | 38,407 | 0 | 19,679 |
| 351206 | 147 | 14,843 | 40,342 | 77,944 | 0 | 8,694 |
| 351232 | 0 | 3,094 | 133,668 | 23,288 | 0 | 1,469 |
| 351274 | 2,042 | 37,174 | 123,723 | 104,898 | 2,120 | 66,050 |
| 351280 | 464 | 25,833 | 49,540 | 21,202 | 0 | 4,470 |
| 351297 | 6,032 | 104,525 | 231,014 | 244,815 | 0 | 72,825 |
| 351324 | 630 | 27,851 | 18,944 | 132,785 | 0 | 7,225 |
| 351326 | 0 | 17,515 | 59,095 | 36,792 | 5,277 | 10,072 |
| 361358 | 18,000 | 361,988 | 225,146 | 819,161 | 4,340 | 88,490 |
| 361389 | 0 | 12,709 | 70,873 | 201,991 | 0 | 12,350 |
| 361401 | 0 | 38,543 | 147,886 | 260,866 | 0 | 46,955 |
| 361439 | 16,111 | 72,866 | 93,616 | 109,750 | 86 | 14,906 |
| 361479 | 0 | 233,060 | 319,024 | 643,252 | 0 | 1,216,677 |
| 361482 | 52,096 | 326,211 | 967,956 | 1,109,969 | 56,303 | 614,891 |
| 371530 | 16,370 | 48,464 | 51,683 | 282,179 | 0 | 164,705 |
| 371532 | 29,486 | 191,031 | 173,001 | 482,467 | 2,875 | 714,398 |
| 371556 | 3,079 | 34,153 | 98,682 | 111,222 | 0 | 200,781 |
| 381601 | 0 | 2,097 | 2,822 | 7,624 | 528 | 1,950 |
| 381631 | 4,248 | 104,380 | 331,197 | 580,836 | 7,515 | 157,999 |
| 391654 | 7,916 | 401,472 | 555,590 | 1,348,882 | 0 | 404,826 |
| 391654 | 7,916 | 401,472 | 555,590 | 1,348,882 | 0 | 404,826 |
| 391688 | 0 | 53,625 | 81,958 | 110,476 | 0 | 63,209 |
| 421932 | 0 | 23,083 | 56,641 | 87,963 | 0 | 47,405 |
| 421942 | 0 | 28,042 | 196,753 | 181,597 | 1,844 | 18,823 |
| 442038 | 62,568 | 0 | 46,900 | 143,623 | 0 | 24,036 |
| 442043 | 10,638 | 15,829 | 19,816 | 99,758 | 0 | 18,581 |
| 442107 | 24,778 | 235,850 | 605,230 | 722,602 | 21 | 349,371 |
| 522430 | 6,215 | 50,539 | 89,745 | 144,295 | 0 | 222,491 |
| 532396 | 1,776 | 13,238 | 25,691 | 38,687 | 0 | 2,516 |
| 613026 | 0 | 10,339 | 14,649 | 11,884 | 0 | 5,377 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 351098 | 55,313 | 908 | 60,211 | 54,937 | 68,896 | 0 |
| 351112 | 417,099 | 91,232 | 153,140 | 170,309 | 350,346 | 0 |
| 351118 | 306,171 | 4,368 | 113,548 | 173,368 | 143,164 | 0 |
| 351121 | 26,341 | 93 | 19,132 | 23,602 | 26,955 | 277 |
| 351153 | 197,967 | 0 | 61,742 | 45,115 | 75,791 | 0 |
| 351171 | 347,466 | 5,584 | 119,292 | 51,089 | 105,441 | 0 |
| 351174 | 367,829 | 1,379 | 125,014 | 122,094 | 155,172 | 1,959 |
| 351176 | 138,878 | 9,373 | 93,172 | 74,501 | 179,938 | 0 |
| 351188 | 114,974 | 6,558 | 67,457 | 118,491 | 64,276 | 0 |
| 351206 | 144,410 | 0 | 43,393 | 68,911 | 69,903 | 0 |
| 351232 | 91,130 | 1,535 | 38,867 | 48,000 | 48,395 | 0 |
| 351274 | 198,474 | 21,357 | 149,561 | 14,497 | 103,289 | 1,685 |
| 351280 | 131,615 | 0 | 35,919 | 94,142 | 88,393 | 0 |
| 351297 | 932,277 | 80,647 | 382,191 | 323,512 | 403,146 | 5,062 |
| 351324 | 186,093 | 2,795 | 163,062 | 109,622 | 63,887 | 0 |
| 351326 | 295,483 | 42,000 | 84,861 | 158,037 | 67,450 | 1,358 |
| 361358 | 882,774 | 63,240 | 681,980 | 404,733 | 444,993 | 7,200 |
| 361389 | 416,976 | 17,537 | 153,035 | 124,560 | 130,493 | 0 |
| 361401 | 917,581 | 0 | 292,181 | 141,670 | 349,022 | 0 |
| 361439 | 346,296 | 0 | 153,304 | 125,856 | 91,745 | 1,782 |
| 361479 | 2,235,785 | 363,903 | 785,003 | 289,321 | 2,270,842 | 0 |
| 361482 | 3,754,689 | 240,169 | 2,133,135 | 983,765 | 474,083 | 18,768 |
| 371530 | 386,409 | 24,316 | 132,481 | 135,134 | 342,637 | 0 |
| 371532 | 1,060,256 | 49,164 | 276,392 | 273,292 | 599,966 | 0 |
| 371556 | 256,501 | 34,051 | 115,478 | 98,382 | 404,669 | 0 |
| 381601 | 17,649 | 0 | 8,231 | 1,861 | 10,891 | 94 |
| 381631 | 1,247,971 | 6,191 | 472,481 | 229,715 | 435,096 | 0 |
| 391654 | 4,120,853 | 145,566 | 760,147 | 411,354 | 952,013 | 16,786 |
| 391654 | 4,120,853 | 145,566 | 760,147 | 411,354 | 952,013 | 16,786 |
| 391688 | 323,775 | 0 | 82,914 | 68,624 | 156,297 | 1,725 |
| 421932 | 222,641 | 10,700 | 273,083 | 59,195 | 126,255 | 1,697 |
| 421942 | 253,562 | 19,271 | 222,793 | 200,498 | 116,671 | 0 |
| 442038 | 397,983 | 3,814 | 66,758 | 133,931 | 135,692 | 1,875 |
| 442043 | 69,023 | 0 | 98,155 | 221,722 | 61,036 | 1,099 |
| 442107 | 1,255,646 | 13,191 | 953,568 | 497,396 | 436,182 | 9,398 |
| 522430 | 820,344 | 103,610 | 406,197 | 115,502 | 444,979 | 4,340 |
| 532396 | 104,636 | 0 | 104,499 | 91,866 | 77,124 | 837 |
| 613026 | 28,988 | 0 | 22,220 | 0 | 66,293 | 0 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 351098 | 0 | 0 | 0 | 0 | 2,763 | 8,810 |
| 351112 | 0 | 0 | 0 | 95,745 | 18,234 | 38,735 |
| 351118 | 2,871 | 19 | 0 | 169,110 | 70,081 | 142,437 |
| 351121 | 0 | 0 | 0 | 9,693 | 4,206 | 8,660 |
| 351153 | 44,341 | 294 | 0 | 0 | 5,411 | 32,787 |
| 351171 | 743 | 5 | 0 | 0 | 2,115 | 47,036 |
| 351174 | 1,736 | 12 | 0 | 154,627 | 25,258 | 75,145 |
| 351176 | 11,631 | 77 | 170,610 | 66,783 | -7,800 | 9,965 |
| 351188 | 26,242 | 174 | 0 | 21,469 | 2,524 | 13,602 |
| 351206 | 12,527 | 83 | 486,095 | 0 | 19,717 | 38,244 |
| 351232 | 0 | 0 | 0 | 29,109 | 0 | 24,812 |
| 351274 | 175 | 1 | 0 | 33,690 | 103,642 | 146,133 |
| 351280 | 43,335 | 288 | 0 | 40,106 | -20,963 | -4,246 |
| 351297 | 252,110 | 1,674 | 0 | 0 | 17,366 | 129,864 |
| 351324 | 13,106 | 87 | 0 | 95,999 | 27,960 | 68,700 |
| 351326 | 0 | 0 | 0 | 159,410 | 4,885 | 4,885 |
| 361358 | 399 | 3 | 0 | 326,048 | 134,409 | 147,592 |
| 361389 | 154,781 | 1,028 | 0 | 0 | 0 | 2,332 |
| 361401 | 391,763 | 2,602 | 0 | 0 | 30,064 | 51,136 |
| 361439 | 157,442 | 1,046 | 0 | 63,428 | -4,705 | -239 |
| 361479 | 3,361 | 22 | 164,198 | 767,713 | 298,620 | 336,504 |
| 361482 | 1,002,462 | 6,657 | 0 | 1,234,648 | 0 | 78,645 |
| 371530 | 11,411 | 76 | 313,350 | 54,429 | 0 | 26,181 |
| 371532 | 421 | 3 | 0 | 401,918 | 0 | 103,977 |
| 371556 | 138,992 | 923 | 89,316 | 68,141 | 13,944 | 42,680 |
| 381601 | 200 | 1 | 0 | 0 | 0 | 375 |
| 381631 | 252,807 | 1,679 | 93,932 | 0 | 74,528 | 90,016 |
| 391654 | 1,579,064 | 10,486 | 0 | 0 | 0 | 539,040 |
| 391654 | 1,579,064 | 10,486 | 0 | 0 | 0 | 539,040 |
| 391688 | 58,249 | 387 | 0 | 56,613 | 0 | 51,040 |
| 421932 | 38,729 | 257 | 0 | 92,783 | 17,465 | 69,329 |
| 421942 | 319 | 2 | 0 | 0 | 6,301 | 61,828 |
| 442038 | 197 | 1 | 0 | 37,459 | 0 | 63,363 |
| 442043 | 0 | 0 | 0 | 44,057 | 0 | 17,237 |
| 442107 | 0 | 0 | 0 | 334,363 | 0 | 313,247 |
| 522430 | 15,900 | 106 | 45,428 | 223,846 | 0 | 93,291 |
| 532396 | 0 | 0 | 0 | 0 | 0 | 21,401 |
| 613026 | 0 | 0 | 0 | 5,986 | 0 | 283 |

APPENDIX C1
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 351098 | 0 | N | Y |
| 351112 | 0 | N | N |
| 351118 | 0 | N | N |
| 351121 | 0 | N | N |
| 351153 | 6,851 | N | Y |
| 351171 | 0 | N | Y |
| 351174 | 0 | N | N |
| 351176 | 0 | N | N |
| 351188 | 0 | N | N |
| 351206 | 0 | N | N |
| 351232 | 9,130 | Y | N |
| 351274 | 0 | N | N |
| 351280 | 0 | N | N |
| 351297 | 0 | N | Y |
| 351324 | 0 | N | N |
| 351326 | 0 | N | N |
| 361358 | 0 | N | N |
| 361389 | 761 | N | Y |
| 361401 | 9,382 | N | Y |
| 361439 | 0 | N | N |
| 361479 | 0 | N | N |
| 361482 | 0 | Y | N |
| 371530 | 0 | Y | N |
| 371532 | 0 | Y | N |
| 371556 | 0 | N | N |
| 381601 | 0 | N | Y |
| 381631 | 0 | N | Y |
| 391654 | 148,307 | N | Y |
| 391654 | 148,307 | N | Y |
| 391688 | 0 | N | N |
| 421932 | 1,371 | N | N |
| 421942 | 0 | N | Y |
| 442038 | 0 | N | N |
| 442043 | 0 | N | N |
| 442107 | 0 | N | N |
| 522430 | 0 | N | N |
| 532396 | 0 | N | Y |
| 613026 | 0 | N | N |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 100020 | 1,300,217 | 6,277,022 | 6,024,355 | 0 | 0 | 540 |
| 120043 | 889,144 | 1,790,615 | 2,040,610 | 0 | 0 | 42,019 |
| 132454 | 6,730,984 | 26,529,238 | 28,005,710 | 0 | 269,427 | 0 |
| 140053 | 229,608 | 623,166 | 919,042 | 0 | 0 | 0 |
| 170151 | 4,734,338 | 17,984,526 | 23,551,412 | 0 | 0 | 262,668 |
| 170161 | 71,464,346 | 238,632,341 | 310,941,546 | 2,544,197 | 0 | 2,883,176 |
| 170162 | 12,243,340 | 42,608,658 | 70,435,229 | 0 | 0 | 546,411 |
| 170179 | 1,712,451 | 4,900,055 | 6,437,293 | 0 | 0 | 235,249 |
| 170193 | 22,373,860 | 77,048,893 | 81,834,042 | 0 | 758,348 | 1,130,043 |
| 170200 | 1,990,781 | 2,345,357 | 2,186,767 | 0 | 0 | 66,629 |
| 190225 | 5,642,246 | 7,309,031 | 16,760,638 | 0 | 0 | 134,754 |
| 190248 | 3,638,638 | 6,213,918 | 11,328,840 | 0 | 0 | 168,288 |
| 200258 | 306,398 | 1,701,514 | 1,958,112 | 0 | 0 | 0 |
| 220324 | 20,682 | 1,691,610 | 3,024,445 | 10,771 | 560,728 | 0 |
| 220364 | 1,281,210 | 8,035,271 | 9,160,316 | 95,020 | 0 | 0 |
| 220387 | 2,622,489 | 29,294,292 | 18,649,825 | 0 | 0 | 6,432 |
| 230494 | 1,078,052 | 2,081,401 | 1,595,545 | 0 | 0 | 46,142 |
| 230497 | 1,132,445 | 5,476,958 | 5,664,472 | 0 | 0 | 48,998 |
| 230501 | 11,246,420 | 43,229,619 | 56,413,042 | 0 | 0 | 3,214,511 |
| 230505 | 1,750,715 | 4,809,123 | 6,824,759 | 0 | 0 | 96,407 |
| 250283 | 5,119,714 | 9,248,685 | 13,168,488 | 277,517 | 0 | 133,107 |
| 260396 | 3,506,067 | 8,845,727 | 12,678,331 | 0 | 8,492 | 115,784 |
| 260417 | 664,182 | 1,780,902 | 3,008,593 | 41,491 | 43,820 | 18,896 |
| 290553 | 15,986,082 | 51,729,699 | 58,357,809 | 0 | 7,614 | 813,116 |
| 290559 | 3,179,970 | 24,740,712 | 25,667,282 | 732,907 | 470,807 | 70,238 |
| 290565 | 7,857,629 | 22,878,349 | 43,955,491 | 0 | 2,422 | 938,639 |
| 290570 | 2,709,167 | 5,261,747 | 7,342,387 | 0 | 0 | 74,641 |
| 300585 | 333,406 | 1,451,554 | 1,445,594 | 47,288 | 16,766 | 6,675 |
| 300594 | 4,947,206 | 16,762,596 | 16,294,924 | 0 | 0 | 70,197 |
| 300609 | 1,261,354 | 3,263,911 | 3,395,694 | 0 | 0 | 30,807 |
| 300625 | 857,449 | 1,113,629 | 1,544,520 | 0 | 0 | 88,117 |
| 300633 | 224,731 | 1,117,640 | 1,024,494 | 0 | 0 | 25,870 |
| 300639 | 677,611 | 898,819 | 1,937,713 | 0 | 0 | 38,935 |
| 300656 | 300,028 | 1,669,417 | 2,422,919 | 0 | 0 | 16,647 |
| 300659 | 4,086,486 | 5,025,591 | 11,579,879 | 0 | 0 | 149,991 |
| 310678 | 320,047 | 1,450,881 | 1,751,010 | 0 | 0 | 11,908 |
| 310688 | 615,891 | 5,146,382 | 1,775,540 | 66,830 | 0 | 335,930 |
| 320796 | 608,316 | 1,542,795 | 1,961,089 | 0 | 0 | 8,437 |
| 320834 | 2,071,773 | 2,457,640 | 10,277,207 | 0 | 16,164 | 60,916 |
| 320837 | 343,142 | 1,141,696 | 1,297,560 | 0 | 250 | 47,521 |
| 320839 | 399,027 | 1,551,123 | 1,503,776 | 0 | 0 | 15,613 |
| 330946 | 1,273,686 | 1,200,829 | 2,112,374 | 0 | 0 | 95,042 |
| 330955 | 2,302,632 | 7,368,767 | 11,595,091 | 0 | 36,258 | 83,385 |
| 330967 | 680,704 | 3,782,791 | 3,880,469 | 0 | 0 | 6,795 |
| 330968 | 793,686 | 5,025,751 | 8,712,525 | 287,179 | 156,345 | 63,523 |
| 341024 | 1,308,416 | 3,771,295 | 5,684,458 | 0 | 0 | 28,345 |
| 341086 | 310,731 | 1,461,421 | 905,892 | 0 | 0 | 8,376 |
| 341092 | 84,009 | 334,037 | 32,292 | 0 | 0 | 0 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 100020 | 48,675 | 0 | 148,313 | 8,421,492 | 0 | 0 |
| 120043 | 0 | 0 | 56,197 | 3,135,944 | 0 | 59,600 |
| 132454 | 61,157 | 281,987 | 408,668 | 44,252,152 | 210,006 | 408,336 |
| 140053 | 0 | 0 | 19,019 | 1,320,326 | 0 | 0 |
| 170151 | 459,645 | 0 | 291,935 | 32,284,710 | 0 | 4,399,215 |
| 170161 | 3,058,570 | 0 | 3,243,323 | 382,606,610 | 879,822 | 44,676,111 |
| 170162 | 2,660,985 | 0 | 787,043 | 90,659,933 | 0 | 11,373,439 |
| 170179 | 0 | 0 | 110,261 | 8,331,477 | 0 | 440,567 |
| 170193 | 1,690,314 | 0 | 1,348,208 | 131,584,426 | 0 | 9,029,000 |
| 170200 | 39,540 | 0 | 52,465 | 4,305,317 | 0 | 524,399 |
| 190225 | 1,722,865 | 0 | 171,191 | 19,015,022 | 0 | 0 |
| 190248 | 2,509,022 | 0 | 175,037 | 11,843,674 | 0 | 0 |
| 200258 | 0 | 0 | 49,212 | 2,683,434 | 0 | 241,493 |
| 220324 | 0 | 0 | 127,554 | 3,397,195 | 204,758 | 0 |
| 220364 | 13,778 | 0 | 87,849 | 12,980,515 | 95,020 | 297,349 |
| 220387 | 1,150,670 | 0 | 329,572 | 33,411,054 | 0 | 2,372,953 |
| 230494 | 117,245 | 0 | 37,049 | 2,427,764 | 0 | 0 |
| 230497 | 0 | 0 | 57,283 | 5,090,713 | 0 | 0 |
| 230501 | 2,663,414 | 0 | 443,074 | 72,372,881 | 0 | 0 |
| 230505 | 333,351 | 0 | 83,063 | 10,063,540 | 0 | 0 |
| 250283 | 61,532 | 0 | 168,136 | 20,199,403 | 116,315 | 568,795 |
| 260396 | 3,472,241 | 0 | 132,733 | 13,705,317 | 0 | 5 |
| 260417 | 1,865 | 0 | 40,587 | 3,879,940 | 2,209 | 277,073 |
| 290553 | 6,067,233 | 637,299 | 609,639 | 75,795,097 | 0 | 0 |
| 290559 | 1,456,764 | 0 | 382,071 | 33,527,585 | 572,161 | 2,006,332 |
| 290565 | 2,315,269 | 0 | 457,408 | 42,598,028 | 2,282 | 0 |
| 290570 | 1,242,029 | 192,451 | 137,887 | 8,111,901 | 0 | 941,231 |
| 300585 | 2,123 | 0 | 23,375 | 1,937,115 | 2,517 | 181,866 |
| 300594 | 150,502 | 0 | 214,132 | 25,290,409 | 0 | 1,753,406 |
| 300609 | 0 | 0 | 93,693 | 5,370,984 | 0 | 509,487 |
| 300625 | 0 | 0 | 35,102 | 1,888,086 | 0 | 0 |
| 300633 | 0 | 0 | 14,044 | 1,557,510 | 0 | 133,715 |
| 300639 | 8,484 | 0 | 21,581 | 2,450,082 | 0 | 0 |
| 300656 | 0 | 0 | 22,203 | 2,354,253 | 0 | 0 |
| 300659 | 145,976 | 0 | 171,100 | 4,927,857 | 3,953,002 | 2,082,658 |
| 310678 | 132,878 | 0 | 29,392 | 2,198,047 | 0 | 287,963 |
| 310688 | 48,292 | 0 | 44,469 | 4,981,808 | 9,962 | 2,552,529 |
| 320796 | 79,347 | 0 | 24,885 | 2,503,876 | 0 | 264,032 |
| 320834 | 0 | 0 | 50,615 | 6,594,652 | 0 | 0 |
| 320837 | 1,842 | 0 | 19,021 | 2,080,953 | 0 | 122,120 |
| 320839 | 6,993 | 0 | 25,452 | 2,171,443 | 0 | 45,600 |
| 330946 | 0 | 0 | 29,643 | 2,442,152 | 0 | 410,769 |
| 330955 | 334,115 | 0 | 198,944 | 10,514,999 | 0 | 1,445,827 |
| 330967 | 93,222 | 0 | 63,334 | 6,714,924 | 0 | 1,355,202 |
| 330968 | 251,531 | 0 | 123,149 | 7,855,049 | 256,587 | 914,489 |
| 341024 | 491,455 | 0 | 52,211 | 9,203,929 | 0 | 0 |
| 341086 | 0 | 0 | 13,995 | 1,689,173 | 0 | 188,942 |
| 341092 | 0 | 0 | 4,150 | 362,646 | 0 | 0 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 100020 | 3,926 | 101,495 | 161,552 | 175,176 | 36,007 | 361,438 |
| 120043 | 8,142 | 60,219 | 122,989 | 81,174 | 33,256 | 26,829 |
| 132454 | 141,939 | 2,308,574 | 85,536 | 286,414 | -12,051 | 1,764,568 |
| 140053 | 21,475 | 49,896 | 31,963 | 35,971 | 0 | 28,995 |
| 170151 | 37,954 | 259,076 | 468,204 | 788,322 | 973 | 856,966 |
| 170161 | 740,188 | 2,979,690 | 2,044,036 | 11,246,888 | 0 | 10,885,175 |
| 170162 | 154,902 | 517,544 | 907,263 | 1,757,851 | 379 | 2,000,823 |
| 170179 | 65,529 | 75,631 | 81,383 | 356,405 | 20,889 | 243,400 |
| 170193 | 81,030 | 1,194,256 | 2,406,897 | 1,996,700 | 348,174 | 3,393,852 |
| 170200 | 0 | 82,292 | 86,333 | 141,116 | 18,647 | 193,705 |
| 190225 | 6,284 | 276,008 | 442,795 | 365,100 | 43,450 | 336,451 |
| 190248 | 42,916 | 315,415 | 440,315 | 544,940 | 48,497 | 230,197 |
| 200258 | 0 | 4,643 | 25,697 | 247,978 | 0 | 33,380 |
| 220324 | 10,972 | 23,874 | 260,353 | 298,761 | 0 | 87,753 |
| 220364 | 25,943 | 153,993 | 197,190 | 380,241 | 1,484 | 231,415 |
| 220387 | 5,983 | 965,231 | 517,318 | 409,715 | 172 | 886,017 |
| 230494 | 26,499 | 51,372 | 102,310 | 54,378 | 0 | 73,571 |
| 230497 | 0 | 25,703 | 64,666 | 200,251 | 0 | 82,857 |
| 230501 | 112,831 | 928,708 | 876,608 | 1,757,211 | 103,077 | 904,461 |
| 230505 | 4,258 | 90,464 | 188,485 | 222,039 | 11,053 | 97,600 |
| 250283 | 4,311 | 226,184 | 479,585 | 680,113 | 0 | 168,637 |
| 260396 | 12,063 | 90,865 | 244,284 | 390,947 | 31,097 | 305,431 |
| 260417 | 1,436 | 8,363 | 26,959 | 108,042 | 0 | 96,255 |
| 290553 | 431,147 | 835,188 | 2,342,350 | 2,485,143 | 151,143 | 2,002,951 |
| 290559 | 30,085 | 292,109 | 388,836 | 657,640 | -7 | 1,097,492 |
| 290565 | 49,268 | 1,104,290 | 1,204,358 | 1,752,611 | 48,212 | 665,341 |
| 290570 | 52,517 | 454,054 | 200,489 | 243,766 | 0 | 317,120 |
| 300585 | 3,684 | 12,288 | 50,640 | 56,512 | 0 | 63,408 |
| 300594 | 5,351 | 350,629 | 333,083 | 458,066 | 807 | 519,741 |
| 300609 | 1,833 | 109,993 | 90,108 | 312,156 | 0 | 174,388 |
| 300625 | 14,659 | 9,419 | 38,063 | 91,824 | 0 | 177,580 |
| 300633 | 3,024 | 20,697 | 24,792 | 36,688 | 0 | 34,206 |
| 300639 | 0 | 44,159 | 38,545 | 55,777 | 0 | 48,261 |
| 300656 | 0 | 17,767 | 37,165 | 71,437 | 0 | 65,193 |
| 300659 | 9,788 | 448,014 | 364,859 | 119,822 | 60,000 | 197,500 |
| 310678 | 271 | 18,596 | 92,833 | 54,591 | 73,372 | 10,254 |
| 310688 | 1,246 | 95,132 | 113,662 | 5,680 | 594 | 70,439 |
| 320796 | 109 | 12,047 | 28,983 | 135,310 | 0 | 36,428 |
| 320834 | 0 | 63,097 | 205,038 | 87,856 | 0 | 120,638 |
| 320837 | 774 | 13,858 | 96,116 | 21,100 | 0 | 7,175 |
| 320839 | 16,067 | 13,407 | 49,328 | 93,225 | 2,770 | 11,367 |
| 330946 | 0 | 65,468 | 21,055 | 52,719 | 0 | 22,969 |
| 330955 | 41,130 | 189,547 | 290,159 | 392,034 | 0 | 549,481 |
| 330967 | 989 | 164,935 | 53,851 | 145,978 | 11 | 137,986 |
| 330968 | 7,840 | 115,498 | 101,773 | 245,448 | 0 | 372,658 |
| 341024 | 0 | 71,147 | 163,580 | 222,308 | 0 | 111,132 |
| 341086 | 174 | 6,952 | 50,457 | 35,840 | 3,990 | 18,162 |
| 341092 | 0 | 2,975 | 30,245 | 7,507 | 0 | 2,574 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 100020 | 919,683 | 67,889 | 340,385 | 0 | 1,157,936 | 6,057 |
| 120043 | 299,375 | 0 | 267,351 | 189,696 | 429,354 | 2,689 |
| 132454 | 2,795,930 | 1,602,635 | 252,166 | 83,497 | 1,850,667 | 20,121 |
| 140053 | 130,956 | 0 | 85,873 | 74,269 | 71,017 | 0 |
| 170151 | 3,471,595 | 84,286 | 621,779 | 81,514 | 2,102,098 | 0 |
| 170161 | 45,163,686 | 1,988,665 | 4,189,804 | 335 | 24,620,660 | 88,278 |
| 170162 | 7,851,648 | 152,233 | 1,336,800 | 248,710 | 3,685,675 | 0 |
| 170179 | 787,993 | 22,542 | 550,379 | 252,569 | 513,202 | 5,670 |
| 170193 | 14,241,720 | 2,003,294 | 2,704,202 | 2,215,393 | 8,312,757 | 76,399 |
| 170200 | 214,092 | 465 | 230,500 | 60,363 | 241,045 | 0 |
| 190225 | 1,123,185 | 163,428 | 768,512 | 293,915 | 963,604 | 0 |
| 190248 | 1,187,751 | 100,988 | 629,372 | 592,032 | 822,416 | 0 |
| 200258 | 257,621 | 18,149 | 96,703 | 0 | 261,319 | 1,710 |
| 220324 | 199,040 | 0 | 222,223 | 339,300 | 339,194 | 0 |
| 220364 | 1,342,823 | 46,556 | 252,641 | 22,237 | 295,000 | 0 |
| 220387 | 3,703,597 | 232,436 | 1,801,358 | 984,048 | 781,636 | 19,017 |
| 230494 | 223,191 | 3,251 | 215,224 | 161,707 | 211,977 | 0 |
| 230497 | 505,851 | 22,616 | 236,066 | 210,434 | 279,209 | 2,832 |
| 230501 | 7,206,550 | 230,745 | 1,530,547 | 391,853 | 3,229,515 | 30,474 |
| 230505 | 799,334 | 16,269 | 532,113 | 144,684 | 468,275 | 4,477 |
| 250283 | 1,825,148 | 163,958 | 619,929 | 162,995 | 541,779 | 9,711 |
| 260396 | 1,648,193 | 15,979 | 493,647 | 149,575 | 495,395 | 7,161 |
| 260417 | 284,183 | 56,220 | 202,426 | 86,674 | 247,528 | 2,072 |
| 290553 | 7,322,217 | 421,084 | 3,286,342 | 625,699 | 1,548,966 | 0 |
| 290559 | 4,394,904 | 599,101 | 1,709,937 | 503,259 | 2,153,267 | 21,893 |
| 290565 | 5,295,337 | 153,734 | 1,509,147 | 715,343 | 2,515,122 | 26,907 |
| 290570 | 834,846 | 25,030 | 227,921 | 306,537 | 749,275 | 6,230 |
| 300585 | 224,232 | 33,277 | 135,991 | 7,342 | 99,853 | 0 |
| 300594 | 2,099,967 | 282,848 | 745,682 | 487,709 | 999,547 | 0 |
| 300609 | 626,247 | 3,326 | 519,242 | 552,237 | 290,658 | 4,884 |
| 300625 | 184,591 | 21,268 | 0 | 29,211 | 323,418 | 0 |
| 300633 | 86,174 | 1,452 | 24,376 | 28,316 | 111,309 | 0 |
| 300639 | 153,133 | 1,474 | 92,456 | 63,427 | 87,309 | 0 |
| 300656 | 204,869 | 0 | 102,042 | 69,539 | 132,450 | 0 |
| 300659 | 1,187,266 | 117,796 | 634,862 | 521,794 | 861,210 | 8,429 |
| 310678 | 163,405 | 328 | 97,369 | 68,463 | 154,203 | 1,432 |
| 310688 | 582,616 | 11,244 | 173,245 | 170,180 | 209,845 | 2,806 |
| 320796 | 251,275 | 0 | 72,738 | 48,841 | 162,782 | 1,374 |
| 320834 | 482,519 | 129 | 200,351 | 149,054 | 233,175 | 0 |
| 320837 | 191,859 | 0 | 54,939 | 77,292 | 132,277 | 0 |
| 320839 | 218,519 | 0 | 155,868 | 85,738 | 189,254 | 0 |
| 330946 | 360,270 | 670 | 144,205 | 60,096 | 171,807 | 1,730 |
| 330955 | 1,458,907 | 22,816 | 836,026 | 1,190,859 | 562,792 | 10,233 |
| 330967 | 503,674 | 13,090 | 275,373 | 154,962 | 148,034 | 3,177 |
| 330968 | 914,950 | 395,493 | 350,274 | 98,345 | 710,420 | 6,058 |
| 341024 | 594,194 | 895 | 93,834 | 276,148 | 283,367 | 0 |
| 341086 | 150,586 | 0 | 33,916 | 19,698 | 109,316 | 789 |
| 341092 | 23,121 | 0 | 20,537 | 5,900 | 26,602 | 0 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 100020 | 810,994 | 5,386 | 211,787 | 231,687 | 130,919 | 154,333 |
| 120043 | 73,663 | 489 | 576,999 | 45,585 | 11,700 | 28,559 |
| 132454 | 533,359 | 3,542 | 3,122,398 | 627,060 | 43,901 | 396,913 |
| 140053 | 1,677 | 11 | 0 | 20,792 | 40,781 | 40,781 |
| 170151 | 963,665 | 6,400 | 593,043 | 447,429 | 78,877 | 383,671 |
| 170161 | 2,160,224 | 14,346 | 1,909,382 | 9,239,638 | 3,908,095 | 8,671,669 |
| 170162 | 6,015,522 | 39,948 | 2,620,361 | 1,097,934 | 273,705 | 1,232,311 |
| 170179 | 0 | 0 | 0 | 207,835 | 143,186 | 284,330 |
| 170193 | 1,454,313 | 9,658 | 8,052,276 | 1,630,788 | 2,552,583 | 5,049,904 |
| 170200 | 10,853 | 72 | 0 | 82,865 | 46,820 | 128,133 |
| 190225 | 361,143 | 2,398 | 0 | 0 | 26,186 | 137,502 |
| 190248 | 322,359 | 2,141 | 1,993,481 | 0 | 115,472 | 115,472 |
| 200258 | 423,033 | 2,809 | 0 | 47,945 | 35,695 | 35,695 |
| 220324 | 1,425,391 | 9,466 | 0 | 52,756 | -11,359 | 33,602 |
| 220364 | 1,677 | 11 | 93,774 | 236,079 | 192,120 | 291,031 |
| 220387 | 0 | 0 | 0 | 734,064 | 318,368 | 654,097 |
| 230494 | 0 | 0 | 0 | 0 | 0 | 887 |
| 230497 | 269,176 | 1,788 | 829,105 | 0 | 0 | 0 |
| 230501 | 307,844 | 2,044 | 1,354,617 | 0 | 0 | 259,982 |
| 230505 | 240,279 | 1,596 | 0 | 0 | 0 | 0 |
| 250283 | 0 | 0 | 0 | 328,103 | 422,915 | 714,685 |
| 260396 | 755,459 | 5,017 | 434,199 | 0 | 0 | 237,988 |
| 260417 | 17,383 | 115 | 11,171 | 61,965 | 36,432 | 74,055 |
| 290553 | 48,798 | 324 | 0 | 0 | 0 | 422,666 |
| 290559 | 173,553 | 1,153 | 65,283 | 906,154 | 443,335 | 768,608 |
| 290565 | 835,511 | 5,548 | 1,927,913 | 0 | 0 | 463,494 |
| 290570 | 246,548 | 1,637 | 0 | 357,796 | 0 | 171,278 |
| 300585 | 13,195 | 88 | 7,154 | 53,328 | 10,844 | 39,007 |
| 300594 | 5,411 | 36 | 1,829,129 | 430,706 | 145,494 | 589,573 |
| 300609 | 171 | 1 | 0 | 95,388 | 30,775 | 129,942 |
| 300625 | 0 | 0 | 0 | 81,325 | 26,485 | 67,125 |
| 300633 | 0 | 0 | 0 | 32,306 | 20,556 | 24,481 |
| 300639 | 0 | 0 | 0 | 51,186 | 6,764 | 42,383 |
| 300656 | 0 | 0 | 0 | 0 | 0 | 44,386 |
| 300659 | 37,833 | 251 | 0 | 461,649 | 0 | 325,840 |
| 310678 | 0 | 0 | 0 | 54,375 | 90,374 | 90,374 |
| 310688 | 29,709 | 197 | 0 | 20,473 | 11,727 | 75,772 |
| 320796 | 0 | 0 | 0 | 65,951 | 12,353 | 42,132 |
| 320834 | 108,492 | 720 | 0 | 0 | 19,284 | 61,899 |
| 320837 | 682 | 5 | 0 | 28,953 | 13,304 | 29,594 |
| 320839 | 0 | 0 | 440,944 | 37,696 | -17,798 | -35,519 |
| 330946 | 1,842 | 12 | 0 | 84,231 | -101 | 95,971 |
| 330955 | 0 | 0 | 812,289 | 410,369 | 182,665 | 354,116 |
| 330967 | 194,375 | 1,291 | 0 | 17,217 | 124,302 | 227,781 |
| 330968 | 141,059 | 937 | 5,743 | 281,028 | 126,117 | 172,171 |
| 341024 | 219 | 1 | 0 | 0 | 0 | 47,531 |
| 341086 | 31 | 0 | 0 | 37,225 | 20,508 | 24,553 |
| 341092 | 0 | 0 | 0 | 4,038 | 0 | 600 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 100020 | 0 | N | N |
| 120043 | 0 | N | N |
| 132454 | 636 | N | N |
| 140053 | 0 | N | N |
| 170151 | 0 | N | N |
| 170161 | 0 | N | N |
| 170162 | 0 | N | N |
| 170179 | 0 | N | N |
| 170193 | 0 | N | N |
| 170200 | 0 | N | N |
| 190225 | 0 | N | Y |
| 190248 | 50,713 | N | Y |
| 200258 | 0 | N | N |
| 220324 | 0 | N | N |
| 220364 | 1,421 | N | N |
| 220387 | 45,184 | N | N |
| 230494 | 0 | Y | Y |
| 230497 | 186 | Y | Y |
| 230501 | 139,815 | N | Y |
| 230505 | 3,541 | Y | Y |
| 250283 | 0 | N | N |
| 260396 | 0 | N | Y |
| 260417 | 0 | N | N |
| 290553 | 224,354 | N | Y |
| 290559 | 13,016 | N | N |
| 290565 | 103,437 | N | Y |
| 290570 | 0 | N | N |
| 300585 | 0 | N | N |
| 300594 | 1 | N | N |
| 300609 | 0 | N | N |
| 300625 | 0 | N | N |
| 300633 | 0 | N | N |
| 300639 | 0 | N | N |
| 300656 | 0 | N | Y |
| 300659 | 0 | N | N |
| 310678 | 0 | N | N |
| 310688 | 0 | N | N |
| 320796 | 0 | N | N |
| 320834 | 0 | N | Y |
| 320837 | 0 | N | N |
| 320839 | 0 | N | N |
| 330946 | 0 | N | N |
| 330955 | 334 | N | N |
| 330967 | 5,188 | N | N |
| 330968 | 2,800 | N | N |
| 341024 | 0 | N | Y |
| 341086 | 0 | N | N |
| 341092 | 0 | N | N |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 351098 | 273,460 | 338,237 | 353,074 | 0 | 0 | 12,244 |
| 351112 | 2,123,353 | 1,528,184 | 1,986,011 | 0 | 0 | 15,708 |
| 351118 | 1,068,823 | 2,414,712 | 3,642,541 | 0 | 0 | 32,912 |
| 351121 | 120,851 | 155,594 | 218,600 | 0 | 0 | 2,002 |
| 351153 | 778,397 | 834,849 | 1,394,921 | 0 | 2,242 | 7,724 |
| 351171 | 749,853 | 1,884,836 | 2,906,240 | 0 | 0 | 13,821 |
| 351174 | 1,531,846 | 2,194,401 | 3,623,274 | 0 | 160 | 23,403 |
| 351176 | 856,812 | 743,067 | 1,224,270 | 0 | 1,277 | 198,370 |
| 351188 | 466,993 | 889,437 | 389,641 | 259,349 | 0 | 10,466 |
| 351206 | 651,351 | 1,319,612 | 880,779 | 0 | 0 | 24,187 |
| 351232 | 92,247 | 428,769 | 629,012 | 0 | 0 | 1,684 |
| 351274 | 87,350 | 1,307,579 | 1,657,063 | 0 | 0 | 1,469 |
| 351280 | 514,576 | 766,709 | 858,966 | 0 | 0 | 58,842 |
| 351297 | 2,316,527 | 4,936,317 | 6,584,933 | 0 | 15,177 | 34,848 |
| 351324 | 488,282 | 1,621,598 | 3,493,016 | 0 | 0 | 22,907 |
| 351326 | 666,593 | 1,767,112 | 1,873,611 | 0 | 645 | 42,080 |
| 361358 | 1,113,675 | 8,412,584 | 9,389,710 | 0 | 0 | 213,039 |
| 361389 | 676,349 | 2,702,218 | 3,639,043 | 0 | 2,990 | 32,480 |
| 361401 | 2,047,403 | 5,653,598 | 6,810,210 | 0 | 1,167 | 73,559 |
| 361439 | 969,473 | 2,013,758 | 2,628,533 | 0 | 0 | 17,516 |
| 361479 | 3,971,000 | 10,526,983 | 25,234,407 | 0 | 0 | 294,286 |
| 361482 | 6,315,734 | 17,715,298 | 26,161,908 | 0 | 0 | 628,010 |
| 371530 | 529,943 | 2,677,719 | 3,096,035 | 9,206 | 0 | 0 |
| 371532 | 1,937,001 | 5,168,466 | 10,849,420 | 18,411 | 0 | 884,129 |
| 371556 | 1,372,156 | 909,264 | 2,553,150 | 0 | 181,656 | 64,934 |
| 381601 | 107,444 | 178,578 | 91,418 | 0 | 5 | 1,000 |
| 381631 | 2,929,132 | 6,461,895 | 13,340,708 | 365 | 1,582 | 164,362 |
| 391654 | 7,070,949 | 31,070,583 | 42,449,086 | 0 | 0 | 102,058 |
| 391654 | 7,070,949 | 31,070,583 | 42,449,086 | 0 | 0 | 102,058 |
| 391688 | 1,475,246 | 1,842,347 | 1,656,193 | 0 | 0 | 107,617 |
| 421932 | 249,750 | 1,457,998 | 2,735,891 | 0 | 898 | 0 |
| 421942 | 1,129,599 | 1,715,099 | 2,904,850 | 0 | 1,638 | 36,351 |
| 442038 | 840,576 | 1,413,824 | 1,121,092 | 0 | 0 | 0 |
| 442043 | 273,032 | 297,216 | 953,916 | 31,200 | 60,806 | 61,995 |
| 442107 | 2,147,533 | 9,034,795 | 6,401,045 | 0 | 306,162 | 131,785 |
| 522430 | 1,346,355 | 4,429,482 | 6,244,492 | 0 | 84,438 | 31,789 |
| 532396 | 330,611 | 718,479 | 1,283,176 | 0 | 0 | 0 |
| 613026 | 46,221 | 192,631 | 105,936 | 0 | 0 | 1,410 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 351098 | 0 | 0 | 15,093 | 496,963 | 0 | 0 |
| 351112 | 0 | 0 | 48,985 | 3,721,120 | 0 | 30,702 |
| 351118 | 273,181 | 0 | 42,677 | 3,292,087 | 0 | 620,353 |
| 351121 | 0 | 0 | 6,237 | 260,005 | 0 | 29,094 |
| 351153 | 2,871 | 0 | 17,388 | 1,669,495 | 982 | 0 |
| 351171 | 0 | 0 | 24,357 | 3,086,960 | 0 | 0 |
| 351174 | 7,902 | 0 | 40,149 | 3,473,046 | 0 | 338,671 |
| 351176 | 565,781 | 0 | 23,759 | 1,989,685 | 0 | 23,063 |
| 351188 | 0 | 0 | 17,603 | 1,299,523 | 259,349 | 21,781 |
| 351206 | 22,286 | 0 | 18,176 | 2,278,260 | 0 | 0 |
| 351232 | 0 | 0 | 20,534 | 449,220 | 0 | 98,201 |
| 351274 | 0 | 0 | 35,945 | 2,406,231 | 0 | 7,771 |
| 351280 | 0 | 0 | 17,689 | 1,427,732 | 0 | 0 |
| 351297 | 23,002 | 0 | 112,425 | 7,494,673 | 0 | 326,476 |
| 351324 | 0 | 0 | 32,426 | 2,751,448 | 0 | 467,337 |
| 351326 | 0 | 0 | 39,295 | 1,395,074 | 0 | 310,490 |
| 361358 | 0 | 0 | 151,119 | 12,282,454 | 0 | 0 |
| 361389 | 0 | 0 | 37,670 | 4,499,509 | 0 | 121,409 |
| 361401 | 26,821 | 0 | 73,045 | 7,118,286 | 1,167 | 12,372 |
| 361439 | 0 | 0 | 35,362 | 4,390,006 | 0 | 52,476 |
| 361479 | 0 | 0 | 298,724 | 22,621,519 | 0 | 0 |
| 361482 | 0 | 0 | 368,969 | 24,577,751 | 0 | 2,535,123 |
| 371530 | 4,324 | 0 | 51,490 | 5,138,938 | 9,206 | 0 |
| 371532 | 1,300 | 0 | 137,697 | 11,080,848 | 18,411 | 0 |
| 371556 | 1,979 | 0 | 58,925 | 2,612,692 | 181,655 | 434,235 |
| 381601 | 0 | 0 | 1,654 | 142,314 | 0 | 0 |
| 381631 | 1,334,098 | 0 | 117,028 | 14,479,921 | 53 | 572,029 |
| 391654 | 193,168 | 0 | 295,860 | 42,554,723 | 0 | 566,634 |
| 391654 | 193,168 | 0 | 295,860 | 42,554,723 | 0 | 566,634 |
| 391688 | 0 | 0 | 34,944 | 3,854,559 | 0 | 13,070 |
| 421932 | 18,409 | 0 | 36,734 | 2,356,607 | 0 | 285,392 |
| 421942 | 0 | 0 | 44,702 | 3,084,239 | 0 | 0 |
| 442038 | 0 | 0 | 32,742 | 2,797,294 | 0 | 0 |
| 442043 | 0 | 0 | 21,909 | 677,475 | 57,798 | 173,232 |
| 442107 | 0 | 0 | 190,421 | 9,547,481 | 183,326 | 1,316,335 |
| 522430 | 93,076 | 0 | 83,012 | 6,985,091 | 0 | 772,094 |
| 532396 | 0 | 0 | 15,003 | 1,032,607 | 0 | 0 |
| 613026 | 0 | 0 | 6,511 | 225,616 | 0 | 24,887 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 351098 | 140 | 11,258 | 22,760 | 94,503 | 0 | 3,650 |
| 351112 | 1,471 | 74,303 | 63,054 | 123,530 | 29,056 | 14,926 |
| 351118 | 505 | 35,925 | 100,342 | 113,954 | 0 | 3,213 |
| 351121 | 0 | 2,681 | 32,171 | 22,126 | 0 | 2,705 |
| 351153 | 1,429 | 21,754 | 26,254 | 77,553 | 0 | 7,941 |
| 351171 | 0 | 45,127 | 65,197 | 116,018 | 0 | 23,262 |
| 351174 | 0 | 76,038 | 84,043 | 99,832 | 5,086 | 42,752 |
| 351176 | 0 | 37,749 | 15,035 | 39,323 | 0 | 72,493 |
| 351188 | 1,144 | 22,554 | 21,031 | 43,599 | 0 | 19,271 |
| 351206 | 63 | 18,544 | 47,649 | 96,949 | 0 | 8,795 |
| 351232 | 0 | 1,235 | 251,840 | 30,940 | 0 | 3,611 |
| 351274 | 1,811 | 31,815 | 113,899 | 134,866 | 3,743 | 57,318 |
| 351280 | 945 | 26,702 | 44,342 | 31,950 | 0 | 5,860 |
| 351297 | 8,104 | 152,857 | 261,040 | 317,960 | 0 | 81,859 |
| 351324 | 753 | 35,857 | 37,045 | 169,723 | 0 | 7,991 |
| 351326 | 0 | 24,358 | 152,545 | 43,589 | 1,813 | 15,287 |
| 361358 | 18,000 | 390,074 | 210,416 | 864,881 | 4,206 | 84,953 |
| 361389 | 0 | 17,843 | 81,944 | 201,800 | 0 | 13,048 |
| 361401 | 270 | 30,263 | 146,453 | 251,718 | 0 | 35,423 |
| 361439 | 0 | 43,716 | 84,147 | 146,778 | 0 | 16,001 |
| 361479 | 0 | 197,354 | 340,469 | 499,205 | 0 | 989,100 |
| 361482 | 41,865 | 292,608 | 1,135,498 | 1,020,422 | 52,345 | 527,773 |
| 371530 | 11,776 | 66,571 | 56,180 | 229,212 | 0 | 162,852 |
| 371532 | 22,729 | 203,628 | 172,232 | 506,910 | 2,076 | 758,676 |
| 371556 | 1,182 | 32,070 | 127,041 | 153,589 | 0 | 214,516 |
| 381601 | 0 | 2,240 | 3,483 | 11,831 | 183 | 2,597 |
| 381631 | 1,722 | 97,208 | 474,098 | 657,748 | 24,726 | 115,144 |
| 391654 | 7,473 | 422,129 | 672,652 | 1,201,004 | 0 | 340,643 |
| 391654 | 7,473 | 422,129 | 672,652 | 1,201,004 | 0 | 340,643 |
| 391688 | -195 | 60,257 | 91,401 | 126,723 | 0 | 60,660 |
| 421932 | 0 | 23,598 | 48,866 | 90,555 | 0 | 51,753 |
| 421942 | 0 | 26,493 | 212,512 | 194,959 | 1,650 | 21,755 |
| 442038 | 92,895 | 0 | 44,924 | 103,067 | 0 | 23,949 |
| 442043 | 9,257 | 16,337 | 24,584 | 98,214 | 0 | 17,524 |
| 442107 | 28,473 | 214,739 | 639,274 | 751,725 | 128 | 380,084 |
| 522430 | 7,920 | 40,779 | 126,859 | 183,834 | 0 | 223,403 |
| 532396 | 2,738 | 11,853 | 29,739 | 33,413 | 0 | 2,470 |
| 613026 | 0 | 12,510 | 16,473 | 13,755 | 0 | 6,097 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 351098 | 54,652 | 2,096 | 63,907 | 68,375 | 94,360 | 0 |
| 351112 | 341,527 | 93,439 | 141,574 | 190,818 | 309,996 | 0 |
| 351118 | 252,405 | 9,031 | 121,394 | 196,632 | 164,266 | 0 |
| 351121 | 28,268 | 124 | 20,781 | 25,900 | 26,865 | 296 |
| 351153 | 183,885 | 0 | 67,530 | 59,531 | 91,874 | 0 |
| 351171 | 317,609 | 7,715 | 138,033 | 49,163 | 92,178 | 0 |
| 351174 | 417,943 | 5,540 | 115,048 | 137,049 | 176,892 | 2,136 |
| 351176 | 120,608 | 0 | 78,903 | 73,914 | 164,575 | 0 |
| 351188 | 117,848 | 4,705 | 70,937 | 122,863 | 70,771 | 0 |
| 351206 | 100,838 | 0 | 54,538 | 103,475 | 67,656 | 936 |
| 351232 | 114,259 | 3,150 | 29,321 | 53,366 | 66,817 | 1,018 |
| 351274 | 206,446 | 22,175 | 174,757 | 18,432 | 111,039 | 1,828 |
| 351280 | 122,188 | 2,616 | 44,503 | 88,352 | 97,538 | 0 |
| 351297 | 1,367,463 | 84,390 | 334,600 | 392,564 | 425,822 | 6,476 |
| 351324 | 214,550 | 958 | 175,623 | 111,540 | 79,927 | 0 |
| 351326 | 293,154 | 43,599 | 167,986 | 212,129 | 75,759 | 1,863 |
| 361358 | 811,215 | 70,644 | 655,340 | 420,359 | 486,672 | 7,251 |
| 361389 | 428,786 | 7,339 | 182,272 | 139,500 | 112,350 | 0 |
| 361401 | 919,317 | 0 | 323,606 | 152,191 | 408,546 | 0 |
| 361439 | 373,322 | 0 | 170,918 | 125,152 | 80,650 | 1,782 |
| 361479 | 2,341,891 | 315,106 | 977,276 | 496,313 | 2,292,498 | 0 |
| 361482 | 3,991,268 | 188,463 | 1,718,220 | 1,336,906 | 459,975 | 18,889 |
| 371530 | 391,536 | 28,586 | 138,054 | 114,499 | 358,683 | 0 |
| 371532 | 1,129,281 | 54,291 | 295,706 | 233,862 | 626,268 | 0 |
| 371556 | 280,780 | 15,185 | 110,469 | 90,064 | 492,779 | 0 |
| 381601 | 18,471 | 0 | 10,236 | 2,328 | 7,006 | 102 |
| 381631 | 1,323,475 | 20,826 | 456,265 | 242,062 | 487,303 | 0 |
| 391654 | 4,392,887 | 110,275 | 733,194 | 405,688 | 1,052,723 | 17,360 |
| 391654 | 4,392,887 | 110,275 | 733,194 | 405,688 | 1,052,723 | 17,360 |
| 391688 | 356,015 | 0 | 91,438 | 71,720 | 199,231 | 1,925 |
| 421932 | 236,431 | 11,833 | 311,436 | 43,386 | 121,757 | 1,756 |
| 421942 | 267,891 | 15,532 | 224,385 | 208,214 | 122,814 | 0 |
| 442038 | 321,829 | 1,511 | 74,843 | 207,225 | 164,850 | 1,897 |
| 442043 | 69,346 | 0 | 85,194 | 167,396 | 63,564 | 990 |
| 442107 | 1,361,464 | 10,016 | 1,036,798 | 535,329 | 449,057 | 9,884 |
| 522430 | 778,181 | 203,009 | 374,517 | 114,157 | 432,568 | 4,486 |
| 532396 | 121,996 | 0 | 98,318 | 102,056 | 57,971 | 846 |
| 613026 | 24,828 | 0 | 24,775 | 0 | 79,341 | 0 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 351098 | 0 | 0 | 0 | 0 | 0 | 6,151 |
| 351112 | 0 | 0 | 0 | 87,566 | 31,567 | 61,966 |
| 351118 | 17 | 0 | 0 | 162,092 | 53,714 | 130,581 |
| 351121 | 0 | 0 | 0 | 9,577 | 4,726 | 8,810 |
| 351153 | 41,382 | 275 | 0 | 0 | 1,631 | 27,391 |
| 351171 | 277 | 2 | 0 | 0 | 2,424 | 55,347 |
| 351174 | 1,018 | 7 | 0 | 164,367 | 10,389 | 68,777 |
| 351176 | 14,307 | 95 | 206,673 | 63,040 | -3,449 | 18,507 |
| 351188 | 19,824 | 132 | 0 | 20,044 | -4 | 11,410 |
| 351206 | 2,272 | 15 | 571,627 | 2,226 | 19,319 | 40,094 |
| 351232 | 0 | 0 | 0 | 27,829 | 0 | 31,461 |
| 351274 | 0 | 0 | 0 | 29,449 | 124,778 | 175,268 |
| 351280 | 41,733 | 277 | 0 | 35,523 | -9,901 | 9,977 |
| 351297 | 376,101 | 2,498 | 0 | 0 | 213,566 | 296,987 |
| 351324 | 11,464 | 76 | 0 | 110,849 | -1,593 | 46,878 |
| 351326 | 28,211 | 187 | 0 | 121,755 | 41,757 | 41,757 |
| 361358 | 321 | 2 | 0 | 315,301 | 139,024 | 154,952 |
| 361389 | 156,633 | 1,040 | 0 | 0 | 0 | 2,503 |
| 361401 | 362,281 | 2,406 | 0 | 0 | 36,072 | 57,356 |
| 361439 | 153,788 | 1,021 | 0 | 54,655 | -21,293 | -16,525 |
| 361479 | 3,999 | 27 | 164,198 | 793,990 | 323,320 | 361,108 |
| 361482 | 1,006,150 | 6,682 | 0 | 1,091,817 | 0 | 96,088 |
| 371530 | 10,371 | 69 | 236,632 | 48,771 | 0 | 27,155 |
| 371532 | 375 | 2 | 0 | 363,654 | 0 | 109,062 |
| 371556 | 107,023 | 711 | 96,461 | 72,599 | -12,548 | 14,804 |
| 381601 | 2 | 0 | 0 | 0 | 0 | 315 |
| 381631 | 213,516 | 1,418 | 101,902 | 0 | 38,368 | 54,338 |
| 391654 | 1,530,517 | 10,164 | 0 | 0 | 0 | 639,546 |
| 391654 | 1,530,517 | 10,164 | 0 | 0 | 0 | 639,546 |
| 391688 | 42,438 | 282 | 0 | 55,897 | 0 | 50,263 |
| 421932 | 36,147 | 240 | 0 | 83,818 | 19,274 | 70,218 |
| 421942 | 947 | 6 | 0 | 0 | -2,385 | 58,089 |
| 442038 | 194 | 1 | 0 | 26,627 | 0 | 56,538 |
| 442043 | 0 | 0 | 0 | 32,645 | 0 | 17,895 |
| 442107 | 0 | 0 | 0 | 307,079 | 0 | 279,891 |
| 522430 | 15,606 | 104 | 27,748 | 200,801 | 0 | 95,776 |
| 532396 | 0 | 0 | 0 | 0 | 0 | 26,321 |
| 613026 | 0 | 0 | 0 | 4,407 | 0 | 1,062 |

APPENDIX C2
2007 MODIFICATION OF AVERAGE SCHEDULES
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 351098 | 0 | N | Y |
| 351112 | 0 | N | N |
| 351118 | 0 | N | N |
| 351121 | 0 | N | N |
| 351153 | 0 | N | Y |
| 351171 | 0 | N | Y |
| 351174 | 0 | N | N |
| 351176 | 0 | N | N |
| 351188 | 0 | N | N |
| 351206 | 0 | N | N |
| 351232 | 0 | Y | N |
| 351274 | 0 | N | N |
| 351280 | 0 | N | N |
| 351297 | 0 | N | Y |
| 351324 | 0 | N | N |
| 351326 | 26,824 | N | N |
| 361358 | 0 | N | N |
| 361389 | 0 | N | Y |
| 361401 | 5,845 | N | Y |
| 361439 | 0 | N | N |
| 361479 | 0 | N | N |
| 361482 | 0 | Y | N |
| 371530 | 0 | Y | N |
| 371532 | 0 | Y | N |
| 371556 | 1,570 | N | N |
| 381601 | 0 | N | Y |
| 381631 | 0 | N | Y |
| 391654 | 67,800 | N | Y |
| 391654 | 67,800 | N | Y |
| 391688 | 0 | N | N |
| 421932 | 0 | N | N |
| 421942 | 0 | N | Y |
| 442038 | 0 | N | N |
| 442043 | 0 | N | N |
| 442107 | 0 | N | N |
| 522430 | 0 | N | N |
| 532396 | 0 | N | Y |
| 613026 | 0 | N | N |

APPENDIX C3
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 OR 2005 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA
FOR 2002, 2003 OR 2004

| Study Area Code | Data Year | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|---|
| 100020 | 2002 | 1,280,955 | 5,909,801 | 5,551,121 | 0 | 0 | 2,063 |
| 120043 | 2002 | 872,386 | 1,747,265 | 2,004,468 | 0 | 0 | 35,357 |
| 132454 | 2002 | 6,520,197 | 25,725,530 | 27,241,010 | 0 | 269,427 | 0 |
| 170193 | 2002 | 22,572,066 | 74,764,078 | 79,261,099 | 0 | 831,923 | 1,142,775 |
| 170210 | 2003 | 626,072 | 2,420,771 | 2,009,971 | 0 | 0 | 28,607 |
| 190225 | 2004 | 5,642,246 | 7,309,031 | 16,760,638 | 0 | 0 | 134,754 |
| 190248 | 2004 | 3,638,638 | 6,213,918 | 11,328,840 | 0 | 0 | 168,288 |
| 190253 | 2004 | 773,059 | 5,131,825 | 3,374,134 | 0 | 2,424,184 | 28,534 |
| 200258 | 2004 | 306,398 | 1,701,514 | 1,958,112 | 0 | 0 | 0 |
| 230494 | 2002 | 1,078,052 | 2,071,357 | 1,564,385 | 0 | 0 | 86,845 |
| 240546 | 2004 | 3,101,401 | 10,162,019 | 21,581,460 | 0 | 0 | 303,356 |
| 250312 | 2004 | 2,917,751 | 2,900,417 | 4,618,103 | 0 | 0 | 485,518 |
| 290559 | 2002 | 3,117,614 | 23,696,834 | 24,340,285 | 688,091 | 361,954 | 89,561 |
| 320839 | 2003 | 383,470 | 1,327,586 | 1,373,840 | 0 | 0 | 19,072 |
| 330879 | 2004 | 656,641 | 2,715,988 | 3,604,885 | 0 | 0 | 66,857 |
| 330944 | 2004 | 1,237,480 | 10,299,144 | 9,232,233 | 0 | 0 | 629 |
| 330946 | 2003 | 1,233,741 | 1,181,462 | 2,065,078 | 0 | 0 | 102,124 |
| 341046 | 2002 | 49,770 | 474,302 | 212,595 | 0 | 0 | 0 |
| 351188 | 2002 | 470,690 | 834,845 | 385,566 | 259,349 | 0 | 10,337 |
| 351206 | 2004 | 651,351 | 1,319,612 | 880,779 | 0 | 0 | 24,187 |
| 351232 | 2004 | 92,247 | 428,769 | 629,012 | 0 | 0 | 1,684 |
| 351260 | 2004 | 4,246,699 | 2,813,996 | 4,844,420 | 0 | 0 | 411,028 |
| 351274 | 2004 | 87,350 | 1,307,579 | 1,657,063 | 0 | 0 | 1,469 |
| 351283 | 2002 | 180,848 | 814,767 | 611,654 | 0 | 0 | 10,399 |
| 351297 | 2004 | 2,316,527 | 4,936,317 | 6,584,933 | 0 | 15,177 | 34,848 |
| 351306 | 2004 | 596,609 | 2,247,923 | 1,140,309 | 0 | 2,205 | 10,074 |
| 351309 | 2003 | 479,347 | 691,451 | 859,793 | 0 | 16,828 | 18,732 |
| 351320 | 2002 | 710,832 | 365,555 | 1,668,493 | 0 | 0 | 14,603 |
| 351405 | 2004 | 529,065 | 3,919,673 | 3,307,850 | 0 | 1,999 | 0 |
| 361362 | 2003 | 1,734,232 | 10,039,756 | 10,089,255 | 253,882 | 132,567 | 70,162 |
| 361375 | 2004 | 674,158 | 5,284,437 | 11,208,506 | 0 | 0 | 0 |
| 371530 | 2002 | 522,031 | 2,659,006 | 2,925,865 | 9,206 | 0 | 0 |
| 371556 | 2004 | 1,372,156 | 909,264 | 2,553,150 | 0 | 181,656 | 64,934 |
| 371556 | 2004 | 1,372,156 | 909,264 | 2,553,150 | 0 | 181,656 | 64,934 |
| 391650 | 2004 | 4,563,260 | 14,664,949 | 9,734,578 | 0 | 0 | 332,612 |
| 391650 | 2004 | 4,563,260 | 14,664,949 | 9,734,578 | 0 | 0 | 332,612 |
| 391657 | 2004 | 3,565,950 | 9,968,137 | 10,844,641 | 0 | 0 | 165,469 |
| 431704 | 2004 | 373,130 | 1,296,845 | 1,898,869 | 0 | 0 | 124 |
| 442038 | 2004 | 840,576 | 1,413,824 | 1,121,092 | 0 | 0 | 0 |
| 442038 | 2004 | 840,576 | 1,413,824 | 1,121,092 | 0 | 0 | 0 |
| 522430 | 2004 | 1,346,355 | 4,429,482 | 6,244,492 | 0 | 84,438 | 31,789 |
| 532399 | 2004 | 4,862,820 | 9,664,123 | 11,153,350 | 0 | 0 | 203,211 |

APPENDIX C3
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 OR 2005 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA
FOR 2002, 2003 OR 2004

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 100020 | 102,795 | 0 | 137,314 | 7,710,844 | 0 | 0 |
| 120043 | 0 | 0 | 56,214 | 2,864,914 | 0 | 98,200 |
| 132454 | 68,863 | 270,367 | 447,296 | 41,737,412 | 210,006 | 175,539 |
| 170193 | 1,752,360 | 0 | 1,520,004 | 119,452,796 | 0 | 11,471,000 |
| 170210 | 0 | 0 | 27,263 | 3,002,055 | 0 | 311,554 |
| 190225 | 1,722,865 | 0 | 171,191 | 19,015,022 | 0 | 0 |
| 190248 | 2,509,022 | 0 | 175,037 | 11,843,674 | 0 | 0 |
| 190253 | 51,472 | 0 | 63,054 | 2,980,386 | 0 | 884,148 |
| 200258 | 0 | 0 | 49,212 | 2,683,434 | 0 | 241,493 |
| 230494 | 28,092 | 0 | 29,916 | 2,207,899 | 0 | 0 |
| 240546 | 158,961 | 0 | 175,686 | 19,740,378 | 0 | 0 |
| 250312 | 91,346 | 0 | 93,936 | 2,897,763 | 0 | 1,301,977 |
| 290559 | 1,123,269 | 0 | 390,367 | 29,622,811 | 458,128 | 2,031,880 |
| 320839 | 38,529 | 0 | 24,339 | 2,008,295 | 0 | 39,200 |
| 330879 | 0 | 0 | 43,563 | 5,221,913 | 0 | 0 |
| 330944 | 103,681 | 0 | 113,336 | 13,837,568 | 0 | 2,097,720 |
| 330946 | 0 | 0 | 30,860 | 2,113,890 | 0 | 445,979 |
| 341046 | 0 | 0 | 6,407 | 442,517 | 0 | 0 |
| 351188 | 0 | 0 | 17,063 | 1,204,137 | 259,349 | 31,117 |
| 351206 | 22,286 | 0 | 18,176 | 2,278,260 | 0 | 0 |
| 351232 | 0 | 0 | 21,323 | 449,220 | 0 | 98,201 |
| 351260 | 339,129 | 0 | 401,314 | 7,538,476 | 0 | 0 |
| 351274 | 0 | 0 | 35,945 | 2,406,231 | 0 | 7,771 |
| 351283 | 0 | 0 | 17,409 | 662,259 | 0 | 100,751 |
| 351297 | 23,002 | 0 | 112,425 | 7,494,673 | 0 | 326,476 |
| 351306 | 0 | 0 | 36,391 | 2,496,609 | 0 | 162,042 |
| 351309 | 0 | 0 | 21,575 | 1,101,769 | 100,226 | 8,261 |
| 351320 | 0 | 0 | 21,518 | 966,264 | 0 | 0 |
| 351405 | -13,037 | 0 | 49,980 | 4,823,719 | 0 | 456,387 |
| 361362 | 338,572 | 0 | 187,770 | 11,786,420 | 143,528 | 1,303,667 |
| 361375 | 172,533 | 244,795 | 182,740 | 13,342,728 | 0 | -229,448 |
| 371530 | 9,170 | 0 | 55,239 | 4,747,402 | 9,206 | 0 |
| 371556 | 1,979 | 0 | 58,925 | 2,612,692 | 181,655 | 434,235 |
| 371556 | 1,979 | 0 | 58,925 | 2,612,692 | 181,655 | 434,235 |
| 391650 | 126,478 | 0 | 205,742 | 18,883,380 | 0 | 0 |
| 391650 | 126,478 | 0 | 205,742 | 18,883,380 | 0 | 0 |
| 391657 | 2,344,586 | 0 | 138,311 | 14,207,483 | 712,461 | 262,469 |
| 431704 | 14,168 | 0 | 27,824 | 2,475,787 | 1,626 | 0 |
| 442038 | 0 | 0 | 32,742 | 2,797,294 | 0 | 0 |
| 442038 | 0 | 0 | 32,742 | 2,797,294 | 0 | 0 |
| 522430 | 93,076 | 0 | 83,012 | 6,985,091 | 0 | 772,094 |
| 532399 | 275,393 | 0 | 128,744 | 12,131,270 | 0 | 682,058 |

APPENDIX C3
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 OR 2005 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA
FOR 2002, 2003 OR 2004

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 100020 | 7,413 | 97,726 | 135,018 | 167,300 | 30,135 | 224,631 |
| 120043 | 9,699 | 53,750 | 156,809 | 72,687 | 32,159 | 26,178 |
| 132454 | 15,899 | 535,704 | 44,854 | 47,238 | 32,177 | 3,068,495 |
| 170193 | 104,222 | 1,154,134 | 2,593,802 | 2,156,136 | 455,671 | 3,624,889 |
| 170210 | 0 | 24,756 | 83,214 | 65,345 | 2,275 | 28,539 |
| 190225 | 6,284 | 276,008 | 442,795 | 365,100 | 43,450 | 336,451 |
| 190248 | 42,916 | 315,415 | 440,315 | 544,940 | 48,497 | 230,197 |
| 190253 | 5,864 | 43,246 | 137,137 | 161,262 | -1 | 132,815 |
| 200258 | 0 | 4,643 | 25,697 | 247,978 | 0 | 33,380 |
| 230494 | 40,374 | 66,477 | 88,804 | 17,483 | 0 | 58,737 |
| 240546 | 15,616 | 208,032 | 557,031 | 940,099 | 0 | 448,500 |
| 250312 | 0 | 217,529 | 155,961 | 360,923 | 0 | 46,045 |
| 290559 | 29,163 | 225,704 | 411,172 | 652,982 | 0 | 1,177,002 |
| 320839 | 16,855 | 6,742 | 35,811 | 116,818 | 3,251 | 11,183 |
| 330879 | 73 | 36,007 | 96,754 | 146,464 | 0 | 16,782 |
| 330944 | 0 | 236,899 | 82,492 | 256,847 | 23 | 299,209 |
| 330946 | 0 | 95,187 | 17,599 | 43,754 | 0 | 22,249 |
| 341046 | 0 | 2,536 | 43,011 | 41,794 | 0 | 3,429 |
| 351188 | 2,432 | 16,504 | 19,847 | 38,407 | 0 | 19,679 |
| 351206 | 63 | 18,544 | 47,649 | 96,949 | 0 | 8,795 |
| 351232 | 0 | 1,235 | 251,840 | 30,940 | 0 | 3,611 |
| 351260 | -5,336 | 142,253 | 4,965,011 | 776,146 | 37,924 | 136,760 |
| 351274 | 1,811 | 31,815 | 113,899 | 134,866 | 3,743 | 57,318 |
| 351283 | 4,452 | 14,297 | 13,484 | 64,284 | 0 | 10,725 |
| 351297 | 8,104 | 152,857 | 261,040 | 317,960 | 0 | 81,859 |
| 351306 | 0 | 37,894 | 192,069 | 48,741 | 0 | 47,875 |
| 351309 | 0 | 22,079 | 35,366 | 26,110 | 0 | 8,220 |
| 351320 | 841 | 38,439 | 55,252 | 23,762 | 0 | 26,234 |
| 351405 | 15,017 | 53,278 | 62,682 | 186,719 | 0 | 43,778 |
| 361362 | 41,600 | 106,805 | 382,753 | 153,958 | 0 | 622,684 |
| 361375 | 0 | 291,262 | 386,855 | 303,367 | 16,822 | 1,018,919 |
| 371530 | 16,370 | 48,464 | 51,683 | 282,179 | 0 | 164,705 |
| 371556 | 1,182 | 32,070 | 127,041 | 153,589 | 0 | 214,516 |
| 371556 | 1,182 | 32,070 | 127,041 | 153,589 | 0 | 214,516 |
| 391650 | 14,689 | 291,290 | 530,276 | 980,883 | 87,954 | 251,542 |
| 391650 | 14,689 | 291,290 | 530,276 | 980,883 | 87,954 | 251,542 |
| 391657 | 12,105 | 238,986 | 174,210 | 433,581 | 0 | 224,977 |
| 431704 | 0 | 15,097 | 9,151 | 109,787 | 0 | 79,171 |
| 442038 | 92,895 | 0 | 44,924 | 103,067 | 0 | 23,949 |
| 442038 | 92,895 | 0 | 44,924 | 103,067 | 0 | 23,949 |
| 522430 | 7,920 | 40,779 | 126,859 | 183,834 | 0 | 223,403 |
| 532399 | 0 | 190,946 | 243,525 | 317,293 | 0 | 332,295 |

APPENDIX C3
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 OR 2005 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA
FOR 2002, 2003 OR 2004

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 100020 | 832,851 | 41,987 | 331,358 | 0 | 943,319 | 5,187 |
| 120043 | 294,292 | 0 | 261,192 | 199,156 | 416,568 | 2,688 |
| 132454 | 2,905,334 | 504,882 | 71,913 | 0 | 4,247,541 | 21,753 |
| 170193 | 14,884,450 | 2,493,993 | 2,798,233 | 2,230,989 | 11,115,329 | 84,050 |
| 170210 | 189,357 | 235 | 29,833 | 57,871 | 167,740 | 1,269 |
| 190225 | 1,123,185 | 163,428 | 768,512 | 293,915 | 963,604 | 8,561 |
| 190248 | 1,187,751 | 100,988 | 629,372 | 592,032 | 822,416 | 8,816 |
| 190253 | 354,032 | 123,753 | 307,788 | 33,525 | 194,821 | 2,734 |
| 200258 | 257,621 | 18,149 | 96,703 | 0 | 261,319 | 1,710 |
| 230494 | 205,669 | 4,389 | 215,641 | 138,577 | 96,266 | 1,622 |
| 240546 | 2,037,976 | 99,084 | 322,718 | 390,873 | 1,165,747 | 10,847 |
| 250312 | 794,200 | 3,058 | 265,736 | 0 | 665,964 | 4,806 |
| 290559 | 4,276,972 | 476,222 | 1,706,144 | 478,998 | 2,251,735 | 21,861 |
| 320839 | 211,416 | 0 | 144,410 | 84,491 | 164,030 | 1,337 |
| 330879 | 479,239 | 0 | 237,259 | 116,076 | 168,443 | 2,527 |
| 330944 | 1,798,192 | 72,634 | 496,772 | 48,658 | 295,325 | 6,841 |
| 330946 | 352,964 | 1,156 | 144,971 | 64,504 | 148,279 | 1,752 |
| 341046 | 34,898 | 0 | 17,665 | 6,061 | 40,466 | 332 |
| 351188 | 114,974 | 6,558 | 67,457 | 118,491 | 64,276 | 838 |
| 351206 | 100,838 | 0 | 54,538 | 103,475 | 67,656 | 936 |
| 351232 | 114,259 | 3,150 | 29,321 | 53,366 | 66,817 | 1,052 |
| 351260 | 667,335 | 6,434 | 325,499 | 1,485,646 | 1,126,804 | 17,719 |
| 351274 | 206,446 | 22,175 | 174,757 | 18,432 | 111,039 | 1,828 |
| 351283 | 104,766 | 2,033 | 86,012 | 68,786 | 81,113 | 850 |
| 351297 | 1,367,463 | 84,390 | 334,600 | 392,564 | 425,822 | 6,476 |
| 351306 | 311,615 | 767 | 102,779 | 54,345 | 96,005 | 1,906 |
| 351309 | 177,078 | 4,701 | 67,141 | 54,413 | 96,132 | 882 |
| 351320 | 159,129 | 3,217 | 73,806 | 132,766 | 92,530 | 1,083 |
| 351405 | 295,999 | 21,368 | 135,253 | 58,989 | 126,538 | 1,985 |
| 361362 | 1,608,872 | 662,613 | 704,428 | 159,282 | 663,869 | 9,537 |
| 361375 | 815,238 | 84,748 | 1,222,871 | 291,138 | 328,132 | 8,757 |
| 371530 | 386,409 | 24,316 | 132,481 | 135,134 | 342,637 | 2,893 |
| 371556 | 280,780 | 15,185 | 110,469 | 90,064 | 492,779 | 2,665 |
| 371556 | 280,780 | 15,185 | 110,469 | 90,064 | 492,779 | 2,665 |
| 391650 | 2,092,042 | 223,387 | 938,676 | 229,020 | 877,511 | 11,334 |
| 391650 | 2,092,042 | 223,387 | 938,676 | 229,020 | 877,511 | 11,334 |
| 391657 | 1,716,799 | 156,246 | 452,626 | 224,865 | 666,922 | 8,079 |
| 431704 | 242,151 | 0 | 69,822 | 111,989 | 166,393 | 1,507 |
| 442038 | 321,829 | 1,511 | 74,843 | 207,225 | 164,850 | 1,897 |
| 442038 | 321,829 | 1,511 | 74,843 | 207,225 | 164,850 | 1,897 |
| 522430 | 778,181 | 203,009 | 374,517 | 114,157 | 432,568 | 4,486 |
| 532399 | 1,540,496 | 136,343 | 482,781 | 308,842 | 853,181 | 8,066 |

APPENDIX C3
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 OR 2005 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA
FOR 2002, 2003 OR 2004

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 100020 | 953,860 | 6,334 | 46,704 | 234,987 | 141,897 | 166,493 |
| 120043 | 59,546 | 395 | 489,536 | 55,577 | 10,100 | 23,974 |
| 132454 | 589,440 | 3,914 | 2,901,207 | 681,661 | 400,132 | 1,036,388 |
| 170193 | 1,610,122 | 10,693 | 7,424,639 | 1,894,783 | 2,086,221 | 4,737,734 |
| 170210 | 40,485 | 267 | 0 | 81,596 | 41,867 | 80,978 |
| 190225 | 361,143 | 2,398 | 0 | 0 | 26,186 | 137,502 |
| 190248 | 322,359 | 2,141 | 1,993,481 | 0 | 115,472 | 115,472 |
| 190253 | 62,534 | 413 | 27,566 | 251,766 | 54,023 | 78,596 |
| 200258 | 423,033 | 2,809 | 0 | 47,945 | 35,695 | 35,695 |
| 230494 | 0 | 0 | 0 | 0 | 0 | 818 |
| 240546 | 69,895 | 461 | 0 | 0 | 0 | 54,699 |
| 250312 | 0 | 0 | 0 | 313,774 | 0 | 255,804 |
| 290559 | 209,545 | 1,392 | 87,167 | 960,457 | 501,650 | 890,942 |
| 320839 | 0 | 0 | 356,929 | 33,990 | -19,796 | -25,445 |
| 330879 | 0 | 0 | 0 | 85,083 | 112,317 | 156,822 |
| 330944 | 387,893 | 2,559 | 64,776 | 224,419 | 157,092 | 346,719 |
| 330946 | 2,426 | 16 | 0 | 93,143 | 10,887 | 117,352 |
| 341046 | 0 | 0 | 0 | 0 | 0 | 908 |
| 351188 | 26,242 | 174 | 0 | 21,469 | 2,524 | 13,602 |
| 351206 | 2,272 | 15 | 571,627 | 2,226 | 19,319 | 40,094 |
| 351232 | 0 | 0 | 0 | 27,829 | 19,193 | 50,654 |
| 351260 | 993 | 7 | 0 | 235,642 | 334,488 | 530,765 |
| 351274 | 0 | 0 | 0 | 29,449 | 124,778 | 175,268 |
| 351283 | 0 | 0 | 0 | 39,359 | 15,597 | 38,957 |
| 351297 | 376,101 | 2,498 | 0 | 0 | 213,566 | 296,987 |
| 351306 | 32,284 | 213 | 0 | 67,685 | 166,348 | 204,634 |
| 351309 | 194,562 | 1,292 | 0 | 0 | -165 | 14,848 |
| 351320 | 59,233 | 391 | 0 | 0 | 0 | 16,872 |
| 351405 | 256,011 | 1,700 | 0 | 113,448 | 0 | 141,050 |
| 361362 | 253,186 | 1,670 | 21,415 | 436,122 | 336,417 | 378,720 |
| 361375 | 16,046 | 106 | 0 | 206,887 | 277,056 | 278,856 |
| 371530 | 11,411 | 76 | 313,350 | 54,429 | 53,921 | 80,102 |
| 371556 | 107,023 | 711 | 96,461 | 72,599 | -12,548 | 14,804 |
| 371556 | 107,023 | 711 | 96,461 | 72,599 | -12,548 | 14,804 |
| 391650 | 575,834 | 3,799 | 0 | 0 | 0 | 0 |
| 391650 | 575,834 | 3,799 | 0 | 0 | 0 | 0 |
| 391657 | 432,149 | 2,851 | 0 | 0 | 0 | 340,723 |
| 431704 | 1,141 | 8 | 0 | 50,921 | 27,811 | 63,410 |
| 442038 | 194 | 1 | 0 | 26,627 | 0 | 56,538 |
| 442038 | 194 | 1 | 0 | 26,627 | 0 | 56,538 |
| 522430 | 15,606 | 104 | 27,748 | 200,801 | 0 | 95,776 |
| 532399 | 30,170 | 199 | 457,255 | 0 | 235,306 | 235,306 |

APPENDIX C3
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 OR 2005 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA
FOR 2002, 2003 OR 2004

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 100020 | 0 | N | N |
| 120043 | 0 | N | N |
| 132454 | 228 | N | N |
| 170193 | 0 | N | N |
| 170210 | 0 | N | N |
| 190225 | 0 | Y | N |
| 190248 | 50,713 | Y | N |
| 190253 | 0 | N | N |
| 200258 | 0 | N | N |
| 230494 | 0 | Y | Y |
| 240546 | 0 | N | N |
| 250312 | 0 | N | N |
| 290559 | 24,443 | N | N |
| 320839 | 0 | N | N |
| 330879 | 0 | N | N |
| 330944 | 6,672 | N | N |
| 330946 | 0 | N | N |
| 341046 | 0 | N | N |
| 351188 | 0 | N | N |
| 351206 | 0 | N | N |
| 351232 | 0 | N | N |
| 351260 | 0 | N | N |
| 351274 | 0 | N | N |
| 351283 | 0 | N | N |
| 351297 | 0 | Y | N |
| 351306 | 0 | N | N |
| 351309 | 0 | Y | N |
| 351320 | 0 | N | N |
| 351405 | 0 | N | N |
| 361362 | 0 | N | N |
| 361375 | 0 | N | N |
| 371530 | 0 | N | N |
| 371556 | 1,570 | N | N |
| 371556 | 1,570 | N | N |
| 391650 | 0 | Y | N |
| 391650 | 0 | Y | N |
| 391657 | 0 | N | N |
| 431704 | 0 | N | N |
| 442038 | 0 | N | N |
| 442038 | 0 | N | N |
| 522430 | 0 | N | N |
| 532399 | 0 | N | N |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 120042 | 44,868 | 429,303 | 87,147 | 0 | 0 | 0 |
| 150125 | 1,915,452 | 4,968,891 | 6,368,671 | 0 | 0 | 264,738 |
| 170171 | 884,664 | 1,202,691 | 1,269,449 | 0 | 0 | 105,309 |
| 170197 | 316,218 | 1,367,512 | 1,169,887 | 0 | 0 | 31,391 |
| 170210 | 603,852 | 2,252,082 | 1,961,449 | 0 | 0 | 25,566 |
| 190250 | 10,411,102 | 22,215,145 | 34,221,275 | 0 | 0 | 963,328 |
| 190253 | 767,755 | 5,096,335 | 3,272,120 | 0 | 2,395,033 | 26,730 |
| 220375 | 2,048,400 | 7,483,893 | 13,168,263 | 127,693 | 188,233 | 51,311 |
| 230491 | 21,065,879 | 124,395,818 | 133,024,273 | 0 | 5,884,326 | 960,198 |
| 230495 | 652,433 | 3,245,291 | 6,082,278 | 0 | 0 | 176,508 |
| 230496 | 1,959,363 | 9,089,903 | 15,437,078 | 0 | 2,400 | 370,613 |
| 230511 | 9,139,867 | 19,893,437 | 36,500,761 | 114,531 | 0 | 1,305,915 |
| 240516 | 6,361,029 | 23,883,802 | 21,835,698 | 509,040 | 0 | 1,097,213 |
| 240546 | 2,863,863 | 9,835,342 | 20,770,393 | 0 | 0 | 205,861 |
| 250312 | 2,796,581 | 2,762,783 | 3,895,466 | 0 | 0 | 487,351 |
| 260398 | 14,979,620 | 24,605,092 | 18,996,973 | 0 | 0 | 1,820,148 |
| 260414 | 5,908,099 | 19,841,978 | 31,614,045 | 0 | 2,434 | 196,804 |
| 260419 | 4,775,333 | 6,574,447 | 8,514,216 | 0 | 4,153 | 147,814 |
| 270428 | 386,166 | 1,611,159 | 479,715 | 0 | 1,543 | 44,954 |
| 300604 | 658,030 | 1,936,573 | 1,861,927 | 0 | 902,618 | 23,232 |
| 320750 | 862,846 | 1,744,325 | 1,834,036 | 0 | 0 | 2,208 |
| 320771 | 180,253 | 934,504 | 1,004,605 | 0 | 0 | 0 |
| 320809 | 907,617 | 1,818,350 | 2,807,965 | 61,895 | 30,577 | 18,703 |
| 320830 | 1,791,783 | 4,969,291 | 5,777,035 | 0 | 189,151 | 47,137 |
| 330842 | 1,139,058 | 4,359,218 | 7,515,384 | 0 | 0 | 96,331 |
| 330850 | 499,704 | 2,834,751 | 5,155,775 | 0 | 0 | 14,261 |
| 330851 | 362,496 | 2,104,113 | 3,051,899 | 0 | 76,421 | 11,180 |
| 330875 | 40,800 | 834,889 | 1,527,584 | 0 | 820 | 0 |
| 330879 | 630,912 | 2,546,996 | 3,429,844 | 0 | 0 | 49,578 |
| 330881 | 10,448,053 | 23,059,127 | 36,028,095 | 0 | 0 | 160,138 |
| 330925 | 697,154 | 2,638,577 | 3,718,630 | 0 | 0 | 28,083 |
| 330944 | 1,375,830 | 9,725,211 | 8,264,808 | 0 | 0 | 8,682 |
| 330945 | 604,708 | 2,577,517 | 4,038,526 | 0 | 0 | 11,507 |
| 330971 | 3,545,181 | 9,640,006 | 11,807,038 | 0 | 0 | 293,735 |
| 340990 | 36,680 | 457,705 | 242,200 | 0 | 0 | 27,100 |
| 341017 | 677,346 | 903,568 | 1,129,562 | 0 | 0 | 49,300 |
| 341046 | 49,770 | 474,302 | 212,595 | 0 | 0 | 0 |
| 341054 | 2,785,298 | 5,525,779 | 11,677,705 | 0 | 0 | 43,203 |
| 351101 | 504,621 | 1,141,759 | 1,294,768 | 0 | 0 | 11,957 |
| 351115 | 832,834 | 2,220,040 | 3,344,598 | 0 | 0 | 12,774 |
| 351141 | 362,168 | 432,494 | 465,191 | 0 | 0 | 0 |
| 351147 | 1,248,843 | 1,228,578 | 1,505,632 | 0 | 0 | 46,314 |
| 351157 | 304,074 | 250,815 | 1,438,553 | 0 | 2,190 | 13,025 |
| 351162 | 489,082 | 962,202 | 2,444,905 | 0 | 526 | 11,421 |
| 351169 | 362,860 | 748,820 | 1,028,465 | 0 | 619 | 4,554 |
| 351173 | 2,050,278 | 4,407,631 | 6,435,368 | 0 | 476 | 38,386 |
| 351203 | 578,246 | 910,123 | 1,248,539 | 0 | 0 | 43,754 |
| 351205 | 2,476,093 | 2,119,307 | 1,890,719 | 0 | 743 | 183,196 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 120042 | 0 | 0 | 6,358 | 301,226 | 0 | 0 |
| 150125 | 0 | 0 | 131,020 | 9,134,030 | 0 | 454,790 |
| 170171 | 0 | 0 | 28,525 | 1,381,574 | 0 | 0 |
| 170197 | 0 | 0 | 23,182 | 1,808,388 | 0 | 218,843 |
| 170210 | 0 | 0 | 22,749 | 2,854,099 | 0 | 271,530 |
| 190250 | 1,757,722 | 0 | 400,323 | 28,199,396 | 0 | 4,738,900 |
| 190253 | 3,144 | 0 | 52,854 | 2,661,000 | 0 | 799,076 |
| 220375 | 232,800 | 0 | 142,590 | 12,434,401 | 24,071 | 838,619 |
| 230491 | 0 | 0 | 1,563,009 | 158,157,842 | 4,717,969 | 8,803,455 |
| 230495 | 288 | 0 | 84,920 | 5,537,128 | 0 | 683,579 |
| 230496 | 44,477 | 0 | 119,136 | 17,352,678 | 0 | 0 |
| 230511 | 1,252,117 | 0 | 387,374 | 25,014,560 | 1,909 | 0 |
| 240516 | 265,170 | 0 | 573,020 | 29,048,019 | 509,040 | 3,462,602 |
| 240546 | 1,768,246 | 0 | 169,800 | 18,543,917 | 0 | 0 |
| 250312 | 190,670 | 0 | 84,434 | 2,117,763 | 0 | 1,093,017 |
| 260398 | 196,967 | 0 | 397,535 | 39,659,952 | 0 | 119,178 |
| 260414 | 8,029,487 | 0 | 276,375 | 26,899,064 | 2,434 | 0 |
| 260419 | 55,163 | 0 | 141,503 | 11,960,199 | 0 | 990,000 |
| 270428 | 0 | 0 | 53,879 | 1,969,031 | 19 | 0 |
| 300604 | 102,682 | 0 | 31,604 | 1,932,740 | 697,500 | 38,353 |
| 320750 | 182,753 | 0 | 24,491 | 1,947,304 | 0 | 1,347,500 |
| 320771 | 148,300 | 0 | 12,561 | 821,764 | 0 | 256,995 |
| 320809 | 2,653 | 0 | 47,201 | 2,287,570 | 3,439 | 529,410 |
| 320830 | 18,162 | 0 | 83,585 | 5,875,691 | 0 | 1,384,794 |
| 330842 | 50,151 | 0 | 76,936 | 9,635,358 | 0 | 0 |
| 330850 | 10,463 | 0 | 39,425 | 4,812,255 | 0 | 325,856 |
| 330851 | 42,311 | 0 | 34,925 | 3,268,678 | 0 | 246,878 |
| 330875 | 736 | 0 | 15,792 | 1,380,646 | 0 | 70,143 |
| 330879 | 82,074 | 0 | 37,904 | 4,749,213 | 0 | 0 |
| 330881 | 1,074,739 | 0 | 513,030 | 36,609,800 | 0 | 4,594,079 |
| 330925 | 145,929 | 0 | 49,483 | 4,159,712 | 0 | 150,015 |
| 330944 | 641,227 | 0 | 97,903 | 12,083,381 | 0 | 8,005,237 |
| 330945 | 2,006 | 0 | 57,426 | 3,933,388 | 0 | 340,050 |
| 330971 | 626,331 | 0 | 181,048 | 12,572,338 | 0 | 0 |
| 340990 | 0 | 0 | 5,434 | 513,223 | 0 | 0 |
| 341017 | 648,601 | 0 | 27,269 | 1,664,157 | 0 | 0 |
| 341046 | 0 | 0 | 6,407 | 442,517 | 0 | 0 |
| 341054 | 2,805,101 | 0 | 124,205 | 11,765,625 | 0 | 0 |
| 351101 | 0 | 0 | 16,789 | 1,945,413 | 0 | 43,698 |
| 351115 | 222,739 | 0 | 50,904 | 2,260,697 | 0 | 378,802 |
| 351141 | 0 | 0 | 17,362 | 844,940 | 0 | 56,191 |
| 351147 | 0 | 0 | 29,582 | 1,513,631 | 0 | 56,520 |
| 351157 | 0 | 0 | 14,901 | 813,897 | 0 | 0 |
| 351162 | 0 | 0 | 25,846 | 2,219,333 | 214 | 0 |
| 351169 | 126,519 | 0 | 14,147 | 1,448,964 | 0 | 12,664 |
| 351173 | 0 | 0 | 69,520 | 4,096,756 | 0 | 0 |
| 351203 | 0 | 0 | 17,169 | 1,170,871 | 0 | -120 |
| 351205 | 0 | 0 | 54,799 | 2,708,389 | 261 | 38,972 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 120042 | 0 | 0 | 59,592 | 0 | 0 | 0 |
| 150125 | 637 | 228,104 | 217,949 | 271,056 | 57,041 | 256,511 |
| 170171 | 27,474 | 59,376 | 78,161 | 80,963 | 0 | 17,777 |
| 170197 | 0 | 21,313 | 53,663 | 80,157 | 0 | 10,415 |
| 170210 | 0 | 20,434 | 80,994 | 95,971 | 2,603 | 38,295 |
| 190250 | 44,082 | 900,716 | 499,732 | 466,635 | 6,869 | 1,181,953 |
| 190253 | 4,356 | 37,179 | 88,961 | 146,271 | 0 | 97,249 |
| 220375 | 6,309 | 64,982 | 92,930 | 555,423 | 1 | 308,818 |
| 230491 | 4,480 | 2,622,921 | 4,276,859 | 6,768,709 | 0 | 4,013,714 |
| 230495 | -19,361 | 38,774 | 145,887 | 235,047 | 0 | 81,739 |
| 230496 | 10,123 | 149,525 | 451,579 | 389,870 | 0 | 131,418 |
| 230511 | 0 | 485,168 | 1,354,394 | 1,557,724 | 0 | 1,666,465 |
| 240516 | 0 | 1,266,518 | 530,084 | 657,091 | 69,968 | 895,915 |
| 240546 | 16,159 | 139,056 | 685,188 | 727,550 | 407 | 360,992 |
| 250312 | 0 | 179,941 | 148,459 | 354,963 | 0 | 37,541 |
| 260398 | 41,472 | 976,436 | 953,870 | 815,747 | 1,625 | 599,000 |
| 260414 | 8,843 | 313,010 | 904,386 | 1,625,568 | 0 | 412,276 |
| 260419 | 4,571 | 188,510 | 321,962 | 363,021 | 0 | 120,635 |
| 270428 | 54,867 | 30,363 | 4,973 | 69,591 | 0 | 21,698 |
| 300604 | 0 | 35,311 | 75,646 | 45,549 | 4,492 | 23,570 |
| 320750 | 1 | 40,852 | 53,321 | 38,992 | 0 | 48,628 |
| 320771 | 0 | 6,283 | 34,646 | 30,419 | 0 | 6,035 |
| 320809 | 5,491 | 17,860 | 73,865 | 86,111 | 0 | 85,409 |
| 320830 | 9,907 | 95,231 | 139,002 | 181,779 | 0 | 155,146 |
| 330842 | 0 | 63,724 | 221,697 | 305,932 | 0 | 21,011 |
| 330850 | 0 | 16,908 | 65,414 | 180,564 | 0 | 19,587 |
| 330851 | 3,481 | 13,531 | 42,593 | 64,423 | 0 | 80,245 |
| 330875 | 0 | 34,435 | 18,364 | 43,703 | 0 | 15,721 |
| 330879 | 0 | 25,992 | 90,665 | 120,027 | 0 | 13,149 |
| 330881 | 52,530 | 403,873 | 908,603 | 637,499 | 0 | 791,591 |
| 330925 | 1,286 | 24,577 | 151,515 | 156,631 | 0 | 37,165 |
| 330944 | 5 | 231,500 | 159,215 | 376,267 | 0 | 174,253 |
| 330945 | 1,127 | 64,410 | 101,563 | 104,784 | 0 | 98,931 |
| 330971 | 20,959 | 397,912 | 483,246 | 388,152 | 5,229 | 72,835 |
| 340990 | 0 | 7,661 | 6,389 | 40,430 | 0 | 0 |
| 341017 | 1,058 | 10,293 | 20,860 | 128,833 | 0 | 13,133 |
| 341046 | 0 | 2,536 | 43,011 | 41,794 | 0 | 3,429 |
| 341054 | 1,904 | 140,999 | 392,224 | 409,235 | 20,010 | 164,556 |
| 351101 | 0 | 28,988 | 24,798 | 49,262 | 0 | 4,768 |
| 351115 | 0 | 62,812 | 89,813 | 165,692 | 0 | 18,377 |
| 351141 | 5,206 | 11,040 | 56,663 | 49,833 | 0 | 39,664 |
| 351147 | 0 | 34,470 | 58,215 | 93,063 | 7,387 | 5,839 |
| 351157 | 2,145 | 3,664 | 99,251 | 20,232 | 0 | 6,931 |
| 351162 | 601 | 22,579 | 61,033 | 91,555 | 0 | 5,207 |
| 351169 | 0 | 5,537 | 66,277 | 50,059 | 0 | 3,004 |
| 351173 | 68 | 35,612 | 78,791 | 89,961 | 0 | 87,021 |
| 351203 | 2,318 | 44,397 | 29,139 | 76,796 | 0 | 7,805 |
| 351205 | 405 | 67,086 | 82,486 | 199,775 | 52 | 4,379 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 120042 | 30,403 | 0 | 13,174 | 42,595 | 17,169 | 0 |
| 150125 | 817,062 | 13,657 | 688,403 | 512,108 | 350,067 | 6,244 |
| 170171 | 99,712 | 150 | 107,982 | 12,394 | 156,889 | 0 |
| 170197 | 154,295 | 0 | 114,647 | 35,116 | 138,516 | 1,212 |
| 170210 | 186,256 | 0 | 37,976 | 56,310 | 120,531 | 1,235 |
| 190250 | 3,565,103 | 93,529 | 1,795,625 | 516,343 | 1,010,094 | 0 |
| 190253 | 389,514 | 121,373 | 305,554 | 45,435 | 237,984 | 2,679 |
| 220375 | 1,415,317 | 269,235 | 713,323 | 100,082 | 739,714 | 7,954 |
| 230491 | 18,411,573 | 1,365,055 | 9,433,564 | 1,568,030 | 3,805,210 | 57,824 |
| 230495 | 560,973 | 77,700 | 395,590 | 157,907 | 517,571 | 0 |
| 230496 | 1,810,431 | 59,455 | 600,429 | 255,657 | 582,191 | 0 |
| 230511 | 6,537,103 | 93,466 | 2,060,198 | 440,981 | 966,002 | 26,556 |
| 240516 | 3,015,750 | 328,226 | 1,573,232 | 287,982 | 1,590,792 | 19,756 |
| 240546 | 1,952,009 | 122,239 | 245,655 | 251,262 | 1,425,845 | 0 |
| 250312 | 733,239 | 3,353 | 273,827 | 0 | 431,210 | 4,148 |
| 260398 | 3,958,196 | 120 | 1,640,638 | 699,454 | 1,757,127 | 21,977 |
| 260414 | 3,548,983 | 200,862 | 1,072,271 | 440,981 | 465,476 | 16,427 |
| 260419 | 1,209,121 | 16,398 | 489,811 | 466,585 | 742,785 | 7,403 |
| 270428 | 153,299 | 767 | 46,511 | 133,258 | 881,546 | 2,505 |
| 300604 | 187,897 | 12,110 | 160,469 | 137,571 | 164,389 | 1,562 |
| 320750 | 269,662 | 18,820 | 136,803 | 7,893 | 125,639 | 1,510 |
| 320771 | 105,812 | 0 | 39,356 | 69,450 | 86,246 | 0 |
| 320809 | 435,832 | 67,848 | 188,812 | 82,431 | 207,400 | 2,365 |
| 320830 | 595,172 | 109,452 | 415,753 | 120,371 | 412,798 | 4,217 |
| 330842 | 661,387 | 7,800 | 344,880 | 277,359 | 252,232 | 4,223 |
| 330850 | 593,192 | 30 | 315,907 | 51,296 | 41,187 | 2,480 |
| 330851 | 325,724 | 65,374 | 177,522 | 18,637 | 189,341 | 1,873 |
| 330875 | 168,629 | 5,586 | 119,376 | 17,082 | 49,399 | 917 |
| 330879 | 459,843 | 0 | 238,448 | 105,091 | 170,610 | 2,394 |
| 330881 | 4,937,956 | 337,954 | 4,032,429 | 1,018,742 | 1,605,822 | 27,483 |
| 330925 | 519,195 | 14,771 | 360,046 | 44,319 | 190,666 | 0 |
| 330944 | 1,610,915 | 96,890 | 447,777 | 37,661 | 595,883 | 6,703 |
| 330945 | 508,464 | 162,587 | 265,129 | 78,619 | 269,408 | 3,132 |
| 330971 | 1,522,280 | 14,202 | 1,022,999 | 489,327 | 437,674 | 0 |
| 340990 | 41,161 | 0 | 15,280 | 16,398 | 20,465 | 0 |
| 341017 | 123,078 | 1,613 | 239,054 | 19,733 | 118,153 | 0 |
| 341046 | 34,898 | 0 | 17,665 | 6,061 | 40,466 | 334 |
| 341054 | 1,008,221 | 14,692 | 535,923 | 506,106 | 464,222 | 0 |
| 351101 | 199,130 | 981 | 81,207 | 50,415 | 74,776 | 0 |
| 351115 | 354,928 | 0 | 169,732 | 236,038 | 171,780 | 0 |
| 351141 | 108,282 | 1,074 | 58,349 | 44,834 | 97,550 | 917 |
| 351147 | 258,205 | 9,050 | 56,839 | 120,005 | 143,822 | 0 |
| 351157 | 89,796 | 0 | 45,790 | 39,830 | 66,655 | 713 |
| 351162 | 269,393 | 0 | 91,614 | 191,232 | 75,481 | 1,504 |
| 351169 | 117,882 | 1,248 | 58,010 | 14,657 | 50,932 | 0 |
| 351173 | 797,332 | 25,646 | 175,376 | 128,906 | 245,150 | 0 |
| 351203 | 162,741 | 0 | 69,172 | 96,086 | 63,253 | 1,010 |
| 351205 | 450,623 | 14,813 | 313,765 | 196,261 | 318,511 | 2,998 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 120042 | 0 | 0 | 0 | 16,086 | 6,050 | 6,050 |
| 150125 | 1,786 | 14 | 0 | 437,218 | 0 | 153,087 |
| 170171 | 57,630 | 449 | 0 | 94,594 | 0 | 0 |
| 170197 | 26,255 | 204 | 798 | 0 | 42,069 | 83,701 |
| 170210 | 34,196 | 266 | 0 | 222 | 26,847 | 65,533 |
| 190250 | 657,066 | 5,115 | 547,750 | 1,613,094 | 482,600 | 900,381 |
| 190253 | 62,848 | 489 | 12,157 | 82,023 | 27,093 | 55,677 |
| 220375 | 336,462 | 2,619 | 418,990 | 0 | 163,048 | 273,882 |
| 230491 | 183,039 | 1,425 | 15,858,519 | 1,602,093 | 1,081,391 | 2,376,276 |
| 230495 | 187,073 | 1,456 | 137,005 | 160,911 | 42,002 | 84,644 |
| 230496 | 259,136 | 2,017 | 1,690,580 | 0 | 0 | 552 |
| 230511 | 607,197 | 4,727 | 3,858,904 | 0 | 0 | 0 |
| 240516 | 5,673,991 | 44,167 | 931,956 | 0 | 266,570 | 1,010,167 |
| 240546 | 79,405 | 618 | 0 | 0 | 0 | 75,256 |
| 250312 | 0 | 0 | 0 | 417,965 | 0 | 206,413 |
| 260398 | 286,904 | 2,233 | 0 | 790,738 | 676,508 | 1,105,201 |
| 260414 | 511,268 | 3,980 | 0 | 376,246 | 0 | 385,000 |
| 260419 | 325,380 | 2,533 | 0 | 98,304 | 216,486 | 301,780 |
| 270428 | 0 | 0 | 0 | 33,388 | 0 | 34,022 |
| 300604 | 9 | 0 | 0 | 64,355 | 0 | 45,311 |
| 320750 | 5 | 0 | 27,155 | 0 | 36,542 | 121,911 |
| 320771 | 76 | 1 | 32,789 | 0 | 12,882 | 33,000 |
| 320809 | 38,832 | 302 | 20,566 | 194,814 | 28,040 | 99,025 |
| 320830 | 217,618 | 1,694 | 45,406 | 0 | 17,143 | 171,954 |
| 330842 | 63,639 | 495 | 36,533 | 57,895 | 165,802 | 254,987 |
| 330850 | 3,951 | 31 | 0 | 131,645 | 53,481 | 132,381 |
| 330851 | 88,068 | 686 | 11,986 | 17,710 | 44,919 | 87,968 |
| 330875 | 28,833 | 224 | 0 | 0 | 34,746 | 51,421 |
| 330879 | 0 | 0 | 0 | 14,545 | 98,305 | 143,554 |
| 330881 | 957,801 | 7,456 | 215,403 | 737,329 | 312,195 | 960,978 |
| 330925 | 166,893 | 1,299 | 0 | 0 | 48,880 | 54,025 |
| 330944 | 155,524 | 1,211 | 91,000 | 0 | 17,235 | 96,379 |
| 330945 | 46,331 | 361 | 8,350 | 70,327 | 69,030 | 133,414 |
| 330971 | 717,341 | 5,584 | 0 | 110,810 | 0 | 215,850 |
| 340990 | 0 | 0 | 0 | 15,123 | 0 | 10,453 |
| 341017 | 0 | 0 | 0 | 105,319 | 0 | 5,282 |
| 341046 | 0 | 0 | 0 | 0 | 0 | 908 |
| 341054 | 350,053 | 2,725 | 8,260,020 | 0 | 0 | 19,306 |
| 351101 | 0 | 0 | 0 | 45,702 | 23,224 | 47,523 |
| 351115 | 3,273 | 25 | 44,904 | 214,648 | 40,879 | 105,965 |
| 351141 | 0 | 0 | 0 | 6,947 | 27,324 | 51,273 |
| 351147 | 11,740 | 91 | 0 | 137,932 | 7,871 | 41,068 |
| 351157 | 44,781 | 349 | 0 | 0 | 405 | 32,805 |
| 351162 | 38,897 | 303 | 0 | 0 | 0 | 50,202 |
| 351169 | 33,141 | 258 | 0 | 33,713 | -4,363 | 26,710 |
| 351173 | 428,013 | 3,332 | 0 | 317,380 | 0 | 75,038 |
| 351203 | 0 | 0 | 0 | 3,253 | -1,759 | 25,366 |
| 351205 | 71,588 | 557 | 0 | 0 | -14,727 | 63,273 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 120042 | 0 | N | N |
| 150125 | 0 | N | N |
| 170171 | 0 | Y | N |
| 170197 | 0 | N | N |
| 170210 | 0 | N | N |
| 190250 | 0 | N | N |
| 190253 | 0 | N | N |
| 220375 | 4,699 | N | N |
| 230491 | 0 | N | N |
| 230495 | 932 | N | N |
| 230496 | 6,027 | Y | Y |
| 230511 | 184,754 | Y | Y |
| 240516 | 0 | N | N |
| 240546 | 0 | N | N |
| 250312 | 0 | N | N |
| 260398 | 0 | N | N |
| 260414 | 0 | N | N |
| 260419 | 0 | N | N |
| 270428 | 0 | N | N |
| 300604 | 0 | N | N |
| 320750 | 2,903 | N | N |
| 320771 | 0 | N | N |
| 320809 | 0 | N | N |
| 320830 | 2,498 | N | N |
| 330842 | 0 | N | N |
| 330850 | 0 | N | N |
| 330851 | 0 | N | N |
| 330875 | 0 | N | N |
| 330879 | 0 | N | N |
| 330881 | 27,357 | N | N |
| 330925 | 513 | N | N |
| 330944 | 9,747 | N | N |
| 330945 | 0 | N | N |
| 330971 | 21,632 | N | N |
| 340990 | 0 | N | N |
| 341017 | 0 | N | N |
| 341046 | 0 | N | N |
| 341054 | 0 | N | N |
| 351101 | 0 | N | N |
| 351115 | 0 | N | N |
| 351141 | 0 | N | N |
| 351147 | 0 | N | N |
| 351157 | 0 | N | N |
| 351162 | 0 | N | N |
| 351169 | 603 | N | N |
| 351173 | 0 | N | N |
| 351203 | 0 | N | N |
| 351205 | 0 | N | N |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 351209 | 659,877 | 1,083,105 | 975,846 | 0 | 0 | 56,186 |
| 351217 | 839,817 | 3,126,396 | 2,508,599 | 0 | 1,209 | 18,300 |
| 351225 | 2,265,191 | 1,544,693 | 3,014,084 | 0 | 0 | 14,030 |
| 351248 | 1,050,655 | 1,616,354 | 1,826,472 | 0 | 606 | 17,832 |
| 351250 | 736,589 | 1,015,702 | 941,140 | 0 | 0 | 6,479 |
| 351275 | 149,089 | 538,331 | 192,501 | 0 | 0 | 1,849 |
| 351276 | 1,289,758 | 1,245,078 | 2,658,539 | 0 | 0 | 38,699 |
| 351283 | 180,848 | 814,767 | 611,654 | 0 | 0 | 10,399 |
| 351294 | 330,870 | 806,426 | 1,548,345 | 0 | 169 | 15,641 |
| 351298 | 7,080,941 | 24,781,587 | 15,457,760 | 0 | 0 | 261,467 |
| 351308 | 254,162 | 423,111 | 738,504 | 0 | 0 | 5,128 |
| 351320 | 710,832 | 365,555 | 1,668,493 | 0 | 0 | 14,603 |
| 361362 | 1,761,070 | 9,465,162 | 9,600,562 | 185,592 | 154,885 | 49,672 |
| 361372 | 55,770 | 533,082 | 282,999 | 0 | 31 | 0 |
| 361384 | 40,410 | 248,706 | 362,120 | 0 | 0 | 0 |
| 361409 | 7,343,809 | 12,459,443 | 14,130,248 | 0 | 0 | 780,552 |
| 361430 | 2,887,308 | 8,378,055 | 16,113,472 | 0 | 0 | 291,736 |
| 361500 | 70,722 | 39,502 | 47,776 | 0 | 0 | 0 |
| 361505 | 3,253,627 | 5,871,419 | 17,276,919 | 0 | 0 | 352,747 |
| 361507 | 514,562 | 1,031,759 | 2,140,898 | 0 | 364 | 23,362 |
| 361508 | 676,893 | 860,126 | 1,360,172 | 0 | 0 | 0 |
| 371556 | 1,304,773 | 815,279 | 2,155,030 | 0 | 147,896 | 96,493 |
| 371562 | 88,009 | 612,932 | 1,770,239 | 0 | 0 | 61,271 |
| 371565 | 228,100 | 903,458 | 1,253,197 | 0 | 48 | 13,879 |
| 381623 | 82,348 | 389,617 | 301,126 | 0 | 0 | 0 |
| 381625 | 4,335,650 | 9,368,005 | 17,682,047 | 0 | 0 | 194,334 |
| 383303 | 17,010,742 | 40,399,580 | 49,038,267 | 0 | 1,070,434 | 811,020 |
| 391650 | 5,076,615 | 15,314,747 | 9,574,717 | 0 | 0 | 348,723 |
| 391650 | 5,076,615 | 15,314,747 | 9,574,717 | 0 | 0 | 348,723 |
| 391669 | 1,825,175 | 6,015,638 | 4,725,722 | 0 | 0 | 85,179 |
| 391669 | 1,825,175 | 6,015,638 | 4,725,722 | 0 | 0 | 85,179 |
| 431704 | 370,322 | 1,204,272 | 1,873,071 | 0 | 0 | 124 |
| 442038 | 584,897 | 1,237,782 | 1,019,945 | 0 | 0 | 0 |
| 442043 | 267,502 | 746,595 | 936,136 | 31,200 | 139,355 | 30,175 |
| 532386 | 951,472 | 2,285,664 | 1,409,853 | 0 | 0 | 10,506 |
| 532399 | 4,607,926 | 9,249,362 | 10,779,411 | 62,763 | 0 | 275,211 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 351209 | 0 | 0 | 36,245 | 1,390,633 | 0 | 164,413 |
| 351217 | 2,742,144 | 0 | 32,386 | 4,015,829 | 323 | 0 |
| 351225 | 400,097 | 0 | 39,109 | 3,586,209 | 0 | 0 |
| 351248 | 6,308 | 0 | 21,243 | 3,215,366 | 0 | 70,797 |
| 351250 | 0 | 0 | 21,426 | 1,493,240 | 0 | 110,563 |
| 351275 | 0 | 0 | 5,864 | 715,074 | 0 | 5,066 |
| 351276 | 8,428 | 0 | 32,895 | 2,951,541 | 0 | 58,986 |
| 351283 | 0 | 0 | 17,567 | 662,259 | 0 | 100,751 |
| 351294 | 0 | 0 | 16,290 | 510,125 | 0 | 146,564 |
| 351298 | 4,527,799 | 0 | 216,373 | 24,931,113 | 93,507 | 0 |
| 351308 | 0 | 0 | 9,664 | 736,667 | 0 | 32,356 |
| 351320 | 0 | 0 | 22,220 | 966,264 | 0 | 0 |
| 361362 | 520,503 | 0 | 176,546 | 10,474,228 | 75,224 | 1,387,825 |
| 361372 | 0 | 0 | 6,497 | 670,004 | 0 | 0 |
| 361384 | 0 | 0 | 6,327 | 405,049 | 0 | 0 |
| 361409 | 105,341 | 0 | 247,519 | 17,313,683 | 0 | 1,267,889 |
| 361430 | 7,486 | 0 | 205,227 | 13,994,374 | 0 | 1,000,482 |
| 361500 | 0 | 0 | 3,648 | 109,792 | 0 | 0 |
| 361505 | 0 | 0 | 216,832 | 17,991,502 | 0 | 0 |
| 361507 | 58,732 | 0 | 34,429 | 1,881,259 | 0 | 220,042 |
| 361508 | 0 | 0 | 30,743 | 1,996,418 | 0 | 59,028 |
| 371556 | 12,513 | 0 | 53,499 | 2,188,415 | 147,896 | 347,356 |
| 371562 | 1,671 | 0 | 48,483 | 246,958 | 0 | 47,014 |
| 371565 | 0 | 0 | 27,918 | 1,947,930 | 0 | 0 |
| 381623 | 0 | 0 | 9,792 | 641,409 | 0 | 0 |
| 381625 | 182,286 | 0 | 125,304 | 17,810,815 | 0 | 28 |
| 383303 | 281,640 | 0 | 719,113 | 75,372,399 | 503,344 | 0 |
| 391650 | 220 | 0 | 202,048 | 18,087,054 | 0 | 0 |
| 391650 | 220 | 0 | 202,048 | 18,087,054 | 0 | 0 |
| 391669 | 459,099 | 0 | 74,555 | 7,209,028 | 0 | 5,059 |
| 391669 | 459,099 | 0 | 74,555 | 7,209,028 | 0 | 5,059 |
| 431704 | 11,998 | 0 | 25,729 | 2,233,636 | 1,626 | 0 |
| 442038 | 0 | 0 | 25,738 | 1,958,482 | 0 | 0 |
| 442043 | 0 | 0 | 23,860 | 712,870 | 150,408 | 133,620 |
| 532386 | 2,198 | 0 | 52,906 | 3,180,080 | 0 | 0 |
| 532399 | 265,175 | 0 | 139,986 | 10,884,002 | 62,763 | 543,844 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 351209 | 7,928 | 27,391 | 55,619 | 110,391 | 0 | 8,901 |
| 351217 | 367 | 15,164 | 88,389 | 60,988 | 2,359 | 21,510 |
| 351225 | 2,400 | 40,171 | 132,565 | 95,811 | 111 | 20,553 |
| 351248 | 447 | 16,981 | 45,382 | 27,556 | 0 | 17,161 |
| 351250 | 1,078 | 15,625 | 86,553 | 37,530 | 0 | 6,749 |
| 351275 | 0 | 8,800 | 16,321 | 8,613 | 0 | 4,843 |
| 351276 | 0 | 31,331 | 103,932 | 75,782 | 0 | 9,835 |
| 351283 | 4,452 | 14,297 | 13,484 | 64,284 | 0 | 10,725 |
| 351294 | 0 | 12,714 | 42,560 | 35,305 | 0 | 4,096 |
| 351298 | 13,549 | 189,725 | 693,367 | 637,459 | 38 | 198,769 |
| 351308 | 240 | 6,886 | 2,337 | 18,057 | 0 | 7,737 |
| 351320 | 841 | 38,439 | 55,252 | 23,762 | 0 | 26,234 |
| 361362 | 28,539 | 104,991 | 265,443 | 219,968 | 0 | 448,965 |
| 361372 | 318 | 628 | 1,874 | 2,972 | 0 | 2,245 |
| 361384 | 0 | 3,155 | 2,744 | 22,154 | 0 | 6,351 |
| 361409 | 30,807 | 399,664 | 377,121 | 674,039 | 0 | 223,809 |
| 361430 | 0 | 129,738 | 368,742 | 563,767 | 24,289 | 295,016 |
| 361500 | 2,428 | 8,390 | 16,549 | 14,718 | 0 | 1,993 |
| 361505 | 0 | 587,674 | 276,972 | 433,358 | 0 | 585,360 |
| 361507 | 1,681 | 14,421 | 96,274 | 57,316 | 0 | 56,358 |
| 361508 | 60 | 53,988 | 104,695 | 84,021 | 0 | 14,310 |
| 371556 | 0 | 35,144 | 112,580 | 95,213 | 0 | 193,418 |
| 371562 | 12,464 | 33,354 | 44,709 | 199,355 | 52 | 191,310 |
| 371565 | 0 | 10,378 | 48,766 | 51,800 | 0 | 7,836 |
| 381623 | 0 | 4,522 | 27,425 | 113,168 | 0 | 1,869 |
| 381625 | 36,436 | 167,448 | 184,872 | 158,535 | 4,092 | 451,637 |
| 383303 | 23,224 | 1,117,379 | 1,970,396 | 1,859,162 | 0 | 2,584,078 |
| 391650 | 23,535 | 304,554 | 436,842 | 1,034,354 | 69,830 | 234,587 |
| 391650 | 23,535 | 304,554 | 436,842 | 1,034,354 | 69,830 | 234,587 |
| 391669 | -1,945 | 37,829 | 128,433 | 329,766 | 0 | 68,534 |
| 391669 | -1,945 | 37,829 | 128,433 | 329,766 | 0 | 68,534 |
| 431704 | 0 | 16,283 | 11,540 | 64,014 | 0 | 62,983 |
| 442038 | 56,148 | 0 | 35,379 | 82,283 | 0 | 19,445 |
| 442043 | 14,526 | 12,045 | 35,653 | 79,910 | 0 | 15,202 |
| 532386 | 373 | 23,684 | 149,522 | 103,743 | 4,989 | 36,511 |
| 532399 | 0 | 229,739 | 352,463 | 342,868 | 0 | 370,752 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 351209 | 262,062 | 0 | 103,658 | 304,535 | 130,434 | 0 |
| 351217 | 325,758 | 9,471 | 104,181 | 179,505 | 71,382 | 1,590 |
| 351225 | 423,740 | 0 | 134,419 | 101,456 | 146,835 | 0 |
| 351248 | 112,585 | 0 | 55,779 | 168,287 | 72,352 | 1,005 |
| 351250 | 198,020 | 7,578 | 91,447 | 75,197 | 83,791 | 1,104 |
| 351275 | 61,740 | 0 | 40,826 | 3,325 | 42,587 | 0 |
| 351276 | 334,213 | 2,781 | 198,617 | 56,216 | 104,347 | 1,728 |
| 351283 | 104,766 | 2,033 | 86,012 | 68,786 | 81,113 | 0 |
| 351294 | 150,105 | 3,064 | 31,921 | 31,456 | 82,236 | 747 |
| 351298 | 3,799,002 | 321,418 | 733,592 | 237,543 | 481,833 | 13,226 |
| 351308 | 74,932 | 1,134 | 40,177 | 45,308 | 50,415 | 0 |
| 351320 | 159,129 | 3,217 | 73,806 | 132,766 | 92,530 | 0 |
| 361362 | 1,602,126 | 619,374 | 710,758 | 152,812 | 802,951 | 9,219 |
| 361372 | 62,337 | 2,580 | 11,577 | 101,954 | 16,330 | 0 |
| 361384 | 40,343 | 8,848 | 21,477 | 24,372 | 46,045 | 0 |
| 361409 | 2,257,230 | 117,273 | 1,280,298 | 921,001 | 709,898 | 0 |
| 361430 | 1,764,783 | 101,825 | 599,438 | 858,211 | 814,183 | 9,950 |
| 361500 | 9,611 | 0 | 11,715 | 14,316 | 15,341 | 0 |
| 361505 | 1,951,602 | 16,384 | 1,098,859 | 468,422 | 981,762 | 11,629 |
| 361507 | 286,080 | 58,464 | 179,476 | 25,630 | 179,324 | 1,783 |
| 361508 | 168,887 | 0 | 95,477 | 195,007 | 111,618 | 1,451 |
| 371556 | 240,126 | 7,025 | 127,461 | 93,439 | 438,738 | 0 |
| 371562 | 422,310 | 22,347 | 115,231 | 110,551 | 279,035 | 0 |
| 371565 | 83,858 | 0 | 47,224 | 329,330 | 136,522 | 1,254 |
| 381623 | 54,334 | 648 | 62,430 | 0 | 15,203 | 0 |
| 381625 | 1,820,212 | 198 | 461,860 | 360,470 | 582,613 | 7,455 |
| 383303 | 7,343,089 | 312,939 | 2,553,687 | 1,370,197 | 2,993,100 | 39,888 |
| 391650 | 2,139,220 | 237,510 | 899,503 | 211,846 | 872,782 | 0 |
| 391650 | 2,139,220 | 237,510 | 899,503 | 211,846 | 872,782 | 0 |
| 391669 | 998,141 | 27,874 | 189,542 | 182,618 | 315,828 | 0 |
| 391669 | 998,141 | 27,874 | 189,542 | 182,618 | 315,828 | 0 |
| 431704 | 247,322 | 0 | 71,981 | 116,774 | 170,128 | 1,399 |
| 442038 | 241,424 | 173 | 48,788 | 138,967 | 134,877 | 1,426 |
| 442043 | 66,864 | 0 | 88,719 | 221,519 | 63,620 | 1,080 |
| 532386 | 320,848 | 73,892 | 327,247 | 171,562 | 229,597 | 2,607 |
| 532399 | 1,485,993 | 120,208 | 485,598 | 267,832 | 877,119 | 8,345 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 351209 | 7,753 | 60 | 21,986 | 50,496 | 37,016 | 74,632 |
| 351217 | 112,110 | 873 | 0 | 92,970 | 2,297 | 28,123 |
| 351225 | 150,936 | 1,175 | 0 | 0 | 1,883 | 65,580 |
| 351248 | 277 | 2 | 0 | 55,362 | 35,000 | 57,175 |
| 351250 | 54,140 | 421 | 0 | 34,385 | 4,915 | 26,724 |
| 351275 | 6,892 | 54 | 0 | 7,939 | -3,512 | 2,481 |
| 351276 | 44,306 | 345 | 0 | 102,930 | 14,602 | 69,727 |
| 351283 | 0 | 0 | 0 | 43,207 | 15,597 | 38,957 |
| 351294 | 3,342 | 26 | 0 | 116,332 | 9,887 | 33,085 |
| 351298 | 1,458,041 | 11,350 | 0 | 0 | 0 | 235,986 |
| 351308 | 437 | 3 | 0 | 29,343 | 18,169 | 32,989 |
| 351320 | 58,775 | 458 | 0 | 17,505 | 0 | 16,872 |
| 361362 | 281,235 | 2,189 | 10,334 | 350,507 | 264,179 | 306,952 |
| 361372 | 10,109 | 79 | 0 | 6,744 | 0 | 657 |
| 361384 | 18 | 0 | 0 | 11,483 | 6,263 | 7,291 |
| 361409 | 158,589 | 1,234 | 0 | 707,086 | 349,114 | 420,059 |
| 361430 | 802,827 | 6,249 | 0 | 271,982 | 119,896 | 155,961 |
| 361500 | 0 | 0 | 0 | 2,911 | 0 | 392 |
| 361505 | 377,019 | 2,935 | 0 | 208,581 | 228,551 | 234,548 |
| 361507 | 9,091 | 71 | -6,708 | 96,316 | 58,975 | 63,140 |
| 361508 | 73,415 | 571 | 0 | 14,806 | 0 | 0 |
| 371556 | 143,147 | 1,114 | 82,700 | 0 | 19,279 | 54,325 |
| 371562 | 52 | 0 | 0 | 135,236 | 0 | 35,778 |
| 371565 | 40,197 | 313 | 0 | 6,081 | 0 | 0 |
| 381623 | 0 | 0 | 0 | 7,951 | 0 | 5,049 |
| 381625 | 506,920 | 3,946 | 106,103 | 102,955 | 0 | 25,321 |
| 383303 | 1,760,062 | 13,701 | 2,645,749 | 0 | 0 | 639,097 |
| 391650 | 585,045 | 4,554 | 0 | 0 | 0 | 0 |
| 391650 | 585,045 | 4,554 | 0 | 0 | 0 | 0 |
| 391669 | 322,143 | 2,508 | 0 | 88,010 | 0 | 116,460 |
| 391669 | 322,143 | 2,508 | 0 | 88,010 | 0 | 116,460 |
| 431704 | 1,327 | 10 | 0 | 73,224 | 0 | 37,659 |
| 442038 | 118 | 1 | 0 | 53,322 | 0 | 56,666 |
| 442043 | 0 | 0 | 0 | 30,303 | 0 | 17,338 |
| 532386 | 58,425 | 455 | 0 | 60,942 | 0 | 46,251 |
| 532399 | 35,896 | 279 | 367,342 | 88,808 | 233,043 | 233,043 |

APPENDIX C4
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2002

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 351209 | 0 | N | N |
| 351217 | 0 | N | N |
| 351225 | 59,159 | N | N |
| 351248 | 0 | N | N |
| 351250 | 0 | N | N |
| 351275 | 0 | N | N |
| 351276 | 0 | N | N |
| 351283 | 0 | N | N |
| 351294 | 0 | N | N |
| 351298 | 48,554 | N | N |
| 351308 | 0 | N | N |
| 351320 | 0 | N | N |
| 361362 | 0 | N | N |
| 361372 | 0 | N | N |
| 361384 | 0 | N | N |
| 361409 | 0 | N | N |
| 361430 | 0 | N | N |
| 361500 | 0 | N | N |
| 361505 | 0 | N | N |
| 361507 | 0 | N | N |
| 361508 | 0 | N | N |
| 371556 | 0 | N | N |
| 371562 | 0 | Y | N |
| 371565 | 836 | Y | N |
| 381623 | 0 | N | N |
| 381625 | 0 | N | N |
| 383303 | 297,667 | N | N |
| 391650 | 0 | N | Y |
| 391650 | 0 | N | Y |
| 391669 | 5,812 | N | N |
| 391669 | 5,812 | N | N |
| 431704 | 0 | Y | N |
| 442038 | 0 | N | N |
| 442043 | 0 | N | N |
| 532386 | 0 | Y | N |
| 532399 | 0 | N | N |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 120042 | 44,868 | 448,416 | 87,147 | 0 | 0 | 0 |
| 150125 | 1,948,467 | 5,378,372 | 6,797,681 | 0 | 0 | 283,425 |
| 170171 | 1,078,684 | 1,229,880 | 1,394,312 | 0 | 0 | 27,781 |
| 170197 | 302,961 | 1,566,374 | 1,180,860 | 0 | 0 | 26,815 |
| 170210 | 626,072 | 2,420,771 | 2,009,971 | 0 | 0 | 28,607 |
| 190250 | 10,436,632 | 23,722,606 | 35,249,229 | 0 | 0 | 1,023,058 |
| 190253 | 773,059 | 5,131,825 | 3,374,134 | 0 | 2,424,184 | 28,534 |
| 220375 | 2,067,824 | 8,821,518 | 13,900,567 | 177,310 | 172,791 | 43,774 |
| 230491 | 21,583,762 | 134,505,909 | 137,719,996 | 0 | 7,121,310 | 1,478,565 |
| 230495 | 729,104 | 3,646,703 | 6,202,233 | 0 | 0 | 75,662 |
| 230496 | 2,054,846 | 10,089,645 | 16,062,463 | 0 | 2,400 | 116,848 |
| 230511 | 9,390,925 | 21,700,731 | 37,488,152 | 114,531 | 0 | 1,305,596 |
| 240516 | 6,606,405 | 25,179,231 | 23,309,738 | 509,040 | 0 | 600,300 |
| 240546 | 3,101,401 | 10,162,019 | 21,581,460 | 0 | 0 | 303,356 |
| 250312 | 2,917,751 | 2,900,417 | 4,618,103 | 0 | 0 | 485,518 |
| 260398 | 14,961,634 | 24,809,623 | 19,465,669 | 0 | 0 | 2,097,430 |
| 260414 | 6,392,759 | 21,483,471 | 32,457,907 | 0 | 2,434 | 213,938 |
| 260419 | 5,211,271 | 7,511,952 | 8,781,873 | 0 | 4,153 | 161,764 |
| 270428 | 456,701 | 1,637,096 | 567,246 | 0 | 1,543 | 30,148 |
| 300604 | 655,450 | 2,031,597 | 2,026,619 | 0 | 902,618 | 23,438 |
| 320750 | 731,629 | 1,858,843 | 1,889,254 | 0 | 0 | 1,380 |
| 320771 | 443,303 | 977,570 | 1,169,357 | 0 | 0 | 0 |
| 320809 | 897,899 | 1,788,085 | 2,861,095 | 61,895 | 36,609 | 20,527 |
| 320830 | 1,808,819 | 4,982,881 | 5,931,002 | 0 | 185,719 | 42,015 |
| 330842 | 1,213,895 | 4,437,573 | 7,792,590 | 0 | 0 | 86,752 |
| 330850 | 580,915 | 3,063,039 | 5,311,781 | 0 | 0 | 6,568 |
| 330851 | 385,924 | 2,063,749 | 3,181,249 | 0 | 37,758 | 9,440 |
| 330875 | 40,970 | 919,112 | 1,572,902 | 0 | 13,440 | 2,253 |
| 330879 | 656,641 | 2,715,988 | 3,604,885 | 0 | 0 | 66,857 |
| 330881 | 8,306,773 | 25,638,856 | 37,761,234 | 15,587 | 399,456 | 101,582 |
| 330925 | 1,151,966 | 2,730,008 | 3,835,084 | 0 | 0 | 16,895 |
| 330944 | 1,237,480 | 10,299,144 | 9,232,233 | 0 | 0 | 629 |
| 330945 | 606,566 | 2,637,631 | 4,242,394 | 0 | 42,085 | 11,733 |
| 330971 | 3,959,856 | 10,625,986 | 12,603,921 | 0 | 0 | 275,341 |
| 340990 | 36,680 | 457,705 | 242,200 | 0 | 0 | 27,100 |
| 341017 | 712,124 | 1,328,415 | 1,588,126 | 0 | 0 | 41,496 |
| 341046 | 49,770 | 475,488 | 215,495 | 0 | 0 | 0 |
| 341054 | 2,826,708 | 6,055,147 | 12,005,832 | 0 | 0 | 45,178 |
| 351101 | 519,078 | 1,143,837 | 1,307,146 | 0 | 0 | 12,709 |
| 351115 | 863,517 | 2,381,125 | 3,355,554 | 0 | 0 | 12,637 |
| 351141 | 363,548 | 452,250 | 465,191 | 0 | 0 | 0 |
| 351147 | 1,268,609 | 1,247,953 | 1,574,739 | 0 | 0 | 46,314 |
| 351157 | 328,986 | 278,546 | 1,493,592 | 0 | 2,190 | 10,403 |
| 351162 | 488,047 | 978,124 | 2,541,858 | 0 | 526 | 14,635 |
| 351169 | 365,122 | 771,959 | 1,423,097 | 0 | 619 | 5,454 |
| 351173 | 2,038,792 | 4,497,401 | 6,486,353 | 0 | 476 | 17,433 |
| 351203 | 584,787 | 943,523 | 1,248,539 | 0 | 0 | 37,041 |
| 351205 | 2,376,490 | 2,283,523 | 2,068,330 | 0 | 743 | 120,235 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 120042 | 0 | 0 | 6,379 | 332,393 | 0 | 0 |
| 150125 | 0 | 0 | 123,597 | 9,864,295 | 0 | 549,937 |
| 170171 | 0 | 0 | 30,679 | 1,675,502 | 0 | 0 |
| 170197 | 0 | 0 | 25,834 | 1,894,141 | 0 | 211,798 |
| 170210 | 0 | 0 | 23,948 | 3,002,055 | 0 | 311,554 |
| 190250 | 1,075,994 | 0 | 407,309 | 30,367,060 | 0 | 5,428,100 |
| 190253 | 51,472 | 0 | 58,450 | 2,980,386 | 0 | 884,148 |
| 220375 | 291,263 | 0 | 154,639 | 13,652,030 | 69,512 | 1,137,990 |
| 230491 | 0 | 0 | 1,550,488 | 174,219,956 | 5,355,827 | 11,079,099 |
| 230495 | 1,731 | 0 | 81,376 | 6,094,023 | 0 | 691,942 |
| 230496 | 56,351 | 0 | 115,610 | 18,937,504 | 0 | 0 |
| 230511 | 1,637,588 | 0 | 395,074 | 31,023,014 | 24,815 | 0 |
| 240516 | 513,483 | 0 | 576,990 | 32,771,809 | 509,040 | 2,841,479 |
| 240546 | 1,541,391 | 0 | 175,663 | 19,740,378 | 0 | 0 |
| 250312 | 91,346 | 0 | 97,944 | 2,897,763 | 0 | 1,301,977 |
| 260398 | 298,059 | 0 | 402,446 | 43,211,289 | 0 | -887,378 |
| 260414 | 11,592,355 | 0 | 266,896 | 30,742,470 | 2,434 | 0 |
| 260419 | 0 | 0 | 187,383 | 13,102,569 | 0 | 960,000 |
| 270428 | 0 | 0 | 55,651 | 2,146,622 | 19 | 0 |
| 300604 | 34,625 | 0 | 33,356 | 2,192,283 | 877,500 | 89,645 |
| 320750 | 60,268 | 0 | 31,173 | 2,010,720 | 0 | 363,702 |
| 320771 | 44,102 | 0 | 13,858 | 916,769 | 0 | 359,846 |
| 320809 | 0 | 0 | 42,192 | 2,438,589 | 23,556 | 541,095 |
| 320830 | 57,286 | 0 | 88,192 | 6,401,160 | 0 | 1,386,868 |
| 330842 | 0 | 0 | 84,442 | 10,338,873 | 0 | 0 |
| 330850 | 6,597 | 0 | 40,896 | 5,436,270 | 0 | 360,365 |
| 330851 | 42,021 | 0 | 39,816 | 3,561,535 | 0 | 171,322 |
| 330875 | 14,404 | 0 | 17,922 | 1,507,010 | 0 | 85,804 |
| 330879 | 0 | 0 | 43,148 | 5,221,913 | 0 | 0 |
| 330881 | 269,305 | 0 | 511,472 | 39,387,849 | 830 | 5,296,007 |
| 330925 | 41,574 | 0 | 50,057 | 4,606,160 | 0 | 228,998 |
| 330944 | 103,681 | 0 | 104,004 | 13,837,568 | 0 | 2,097,720 |
| 330945 | 44,755 | 0 | 48,462 | 4,352,849 | 0 | 336,083 |
| 330971 | 1,879,285 | 0 | 180,323 | 13,128,809 | 0 | 0 |
| 340990 | 0 | 0 | 5,472 | 548,601 | 0 | 0 |
| 341017 | 8,852 | 0 | 27,347 | 1,808,979 | 0 | 0 |
| 341046 | 0 | 0 | 5,119 | 477,182 | 0 | 0 |
| 341054 | 2,134,723 | 0 | 136,935 | 12,815,410 | 0 | 0 |
| 351101 | 118,407 | 0 | 19,178 | 2,145,258 | 0 | 45,254 |
| 351115 | 70,816 | 0 | 50,675 | 2,368,502 | 0 | 530,451 |
| 351141 | 0 | 0 | 18,467 | 949,280 | 0 | 52,570 |
| 351147 | 0 | 0 | 29,872 | 1,704,476 | 0 | 213,801 |
| 351157 | 0 | 0 | 15,337 | 879,155 | 0 | 0 |
| 351162 | 372,808 | 0 | 26,546 | 2,400,947 | 220 | 0 |
| 351169 | 7,769 | 0 | 15,831 | 1,542,678 | 0 | 0 |
| 351173 | 0 | 0 | 66,522 | 4,797,715 | 0 | 0 |
| 351203 | 0 | 0 | 21,705 | 1,338,465 | 0 | 12,216 |
| 351205 | 38,788 | 0 | 61,918 | 3,016,333 | 291 | 0 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 120042 | 0 | 0 | 55,158 | 575 | 0 | 0 |
| 150125 | 208 | 263,653 | 332,430 | 188,883 | 59,431 | 257,519 |
| 170171 | 31,660 | 66,049 | 59,635 | 62,525 | 0 | 18,091 |
| 170197 | 0 | 28,263 | 70,374 | 78,982 | 0 | 12,434 |
| 170210 | 0 | 24,756 | 83,214 | 65,345 | 2,275 | 28,539 |
| 190250 | 38,778 | 910,968 | 546,825 | 549,931 | 29,970 | 1,181,481 |
| 190253 | 5,864 | 43,246 | 137,137 | 161,262 | -1 | 132,815 |
| 220375 | 8,297 | 56,410 | 101,338 | 605,254 | 0 | 452,104 |
| 230491 | 5,796 | 2,247,025 | 4,265,301 | 6,460,777 | 0 | 4,936,146 |
| 230495 | 5,270 | 42,821 | 153,180 | 270,278 | 0 | 87,680 |
| 230496 | 9,579 | 132,560 | 399,738 | 453,965 | 0 | 144,781 |
| 230511 | 0 | 390,203 | 1,580,086 | 1,555,539 | 264 | 1,614,232 |
| 240516 | 0 | 1,423,783 | 571,805 | 567,625 | 55,345 | 943,174 |
| 240546 | 15,616 | 208,032 | 557,031 | 940,099 | 0 | 448,500 |
| 250312 | 0 | 217,529 | 155,961 | 360,923 | 0 | 46,045 |
| 260398 | 39,876 | 943,952 | 984,194 | 848,781 | 0 | 659,442 |
| 260414 | 10,499 | 317,565 | 773,765 | 1,477,873 | 0 | 490,183 |
| 260419 | 3,904 | 265,408 | 394,316 | 304,677 | 0 | 142,575 |
| 270428 | 56,470 | 41,267 | 11,035 | 74,306 | 0 | 81,283 |
| 300604 | 1,233 | 66,227 | 65,266 | 42,251 | 5,493 | 30,783 |
| 320750 | 6 | 44,567 | 44,200 | 39,001 | 27 | 63,262 |
| 320771 | 129 | 15,804 | 36,667 | 26,749 | 0 | 5,225 |
| 320809 | 5,307 | 16,149 | 85,712 | 82,091 | 0 | 108,849 |
| 320830 | 10,429 | 93,757 | 143,916 | 157,479 | 0 | 208,028 |
| 330842 | 0 | 63,226 | 285,788 | 250,646 | 0 | 46,095 |
| 330850 | 0 | 27,329 | 94,407 | 176,111 | 0 | 29,822 |
| 330851 | 3,031 | 19,380 | 52,504 | 52,245 | 0 | 91,436 |
| 330875 | 0 | 32,960 | 22,982 | 46,353 | 0 | 35,858 |
| 330879 | 73 | 36,007 | 96,754 | 146,464 | 0 | 16,782 |
| 330881 | 62,872 | 256,954 | 595,055 | 814,955 | 0 | 1,566,031 |
| 330925 | 1,200 | 50,675 | 128,670 | 144,187 | 0 | 40,466 |
| 330944 | 0 | 236,899 | 82,492 | 256,847 | 23 | 299,209 |
| 330945 | 2,383 | 30,223 | 75,426 | 79,437 | 0 | 113,979 |
| 330971 | 31,315 | 315,307 | 485,377 | 531,828 | 3,196 | 73,380 |
| 340990 | 0 | 7,861 | 6,556 | 41,488 | 0 | 0 |
| 341017 | 836 | 11,259 | 17,346 | 150,045 | 0 | 12,885 |
| 341046 | 0 | 6,091 | 22,002 | 8,744 | 0 | 3,910 |
| 341054 | 6,067 | 140,556 | 319,711 | 462,509 | 18,099 | 173,888 |
| 351101 | 0 | 34,038 | 16,009 | 67,532 | 0 | 8,601 |
| 351115 | 0 | 61,797 | 159,859 | 148,674 | 0 | 20,066 |
| 351141 | 7,176 | 20,088 | 55,953 | 76,674 | 0 | 45,508 |
| 351147 | 0 | 45,960 | 55,224 | 97,699 | 8,270 | 6,439 |
| 351157 | 2,463 | 3,815 | 102,955 | 13,825 | 0 | 6,974 |
| 351162 | 8,678 | 22,573 | 54,550 | 98,660 | 0 | 5,429 |
| 351169 | 0 | 3,997 | 52,163 | 77,928 | 0 | 3,198 |
| 351173 | 922 | 22,690 | 68,475 | 117,609 | 0 | 88,896 |
| 351203 | 70 | 30,612 | 34,589 | 103,430 | 0 | 7,908 |
| 351205 | 867 | 114,065 | 66,779 | 130,825 | 0 | 4,261 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 120042 | 31,167 | 0 | 4,327 | 37,540 | 37,384 | 0 |
| 150125 | 855,843 | 19,707 | 736,497 | 512,296 | 316,410 | 6,605 |
| 170171 | 299,220 | 100 | 190,066 | 12,015 | 159,865 | 0 |
| 170197 | 141,403 | 0 | 115,037 | 34,031 | 158,770 | 1,233 |
| 170210 | 189,357 | 235 | 29,833 | 57,871 | 167,740 | 1,279 |
| 190250 | 4,073,521 | 199,024 | 1,830,887 | 552,945 | 1,048,075 | 0 |
| 190253 | 354,032 | 123,753 | 307,788 | 33,525 | 194,821 | 2,755 |
| 220375 | 1,553,165 | 327,508 | 699,635 | 115,504 | 760,330 | 8,770 |
| 230491 | 18,402,399 | 2,032,568 | 8,886,721 | 1,801,402 | 3,234,580 | 57,824 |
| 230495 | 581,716 | 86,853 | 396,248 | 157,953 | 464,293 | 0 |
| 230496 | 1,853,402 | 75,109 | 648,504 | 255,610 | 487,753 | 0 |
| 230511 | 6,775,029 | 150,217 | 2,150,243 | 499,285 | 1,043,265 | 27,599 |
| 240516 | 4,145,218 | 172,378 | 1,608,986 | 318,451 | 1,627,046 | 21,883 |
| 240546 | 2,037,976 | 99,084 | 322,718 | 390,873 | 1,165,747 | 0 |
| 250312 | 794,200 | 3,058 | 265,736 | 0 | 665,964 | 4,842 |
| 260398 | 4,030,398 | 0 | 1,681,040 | 752,232 | 1,881,151 | 22,345 |
| 260414 | 4,046,266 | 186,271 | 1,023,769 | 399,096 | 512,589 | 16,876 |
| 260419 | 1,217,621 | 18,697 | 715,969 | 791,191 | 912,411 | 9,260 |
| 270428 | 177,591 | 1,035 | 40,289 | 132,058 | 842,718 | 2,633 |
| 300604 | 196,510 | 25,828 | 133,352 | 70,051 | 285,561 | 1,711 |
| 320750 | 257,126 | 12,216 | 141,280 | 9,918 | 61,215 | 1,433 |
| 320771 | 110,191 | 0 | 40,744 | 79,063 | 94,869 | 0 |
| 320809 | 395,340 | 68,334 | 166,095 | 84,806 | 160,068 | 2,282 |
| 320830 | 624,080 | 113,332 | 436,462 | 105,061 | 311,492 | 4,266 |
| 330842 | 703,515 | 6,690 | 385,495 | 282,979 | 333,642 | 4,657 |
| 330850 | 627,533 | 3,055 | 320,660 | 67,821 | 71,757 | 2,690 |
| 330851 | 395,130 | 62,788 | 150,104 | 43,368 | 146,295 | 0 |
| 330875 | 144,635 | 22,103 | 108,459 | 22,628 | 60,074 | 962 |
| 330879 | 479,239 | 0 | 237,259 | 116,076 | 168,443 | 2,546 |
| 330881 | 4,815,181 | 1,176,470 | 3,083,271 | 887,693 | 2,399,827 | 29,145 |
| 330925 | 494,296 | 15,394 | 338,294 | 46,122 | 195,649 | 0 |
| 330944 | 1,798,192 | 72,634 | 496,772 | 48,658 | 295,325 | 6,893 |
| 330945 | 422,862 | 85,355 | 226,459 | 57,809 | 206,394 | 2,529 |
| 330971 | 1,849,073 | 27,693 | 913,887 | 401,980 | 462,582 | 0 |
| 340990 | 42,238 | 0 | 15,680 | 16,827 | 21,001 | 0 |
| 341017 | 212,605 | 933 | 191,855 | 19,969 | 141,986 | 0 |
| 341046 | 34,665 | 0 | 23,729 | 4,266 | 54,906 | 279 |
| 341054 | 1,215,145 | 73,525 | 641,566 | 465,619 | 527,354 | 0 |
| 351101 | 217,267 | 3,782 | 125,448 | 43,538 | 88,908 | 0 |
| 351115 | 368,492 | 0 | 183,998 | 209,312 | 145,213 | 2,449 |
| 351141 | 119,164 | 617 | 62,778 | 53,813 | 72,045 | 987 |
| 351147 | 230,023 | 7,490 | 62,332 | 112,150 | 146,207 | 0 |
| 351157 | 92,831 | 0 | 48,321 | 40,552 | 76,224 | 740 |
| 351162 | 241,084 | 0 | 85,748 | 196,340 | 92,591 | 1,490 |
| 351169 | 125,634 | 1,222 | 54,859 | 18,864 | 58,658 | 0 |
| 351173 | 790,455 | 39,242 | 163,780 | 109,528 | 233,448 | 0 |
| 351203 | 170,390 | 0 | 77,731 | 100,810 | 79,626 | 1,107 |
| 351205 | 463,240 | 18,217 | 325,602 | 183,729 | 319,479 | 2,977 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 120042 | 0 | 0 | 0 | 19,894 | 0 | 304 |
| 150125 | 1,786 | 14 | 0 | 89,029 | 0 | 229,141 |
| 170171 | 47,193 | 367 | 0 | 98,682 | 0 | 0 |
| 170197 | 24,183 | 188 | 454 | 41,312 | 28,068 | 64,916 |
| 170210 | 40,172 | 313 | 0 | 1,234 | 41,867 | 80,978 |
| 190250 | 439,805 | 3,423 | 1,062,175 | 1,625,986 | 515,300 | 933,255 |
| 190253 | 62,051 | 483 | 27,566 | 140,251 | 54,023 | 78,596 |
| 220375 | 305,570 | 2,379 | 654,435 | 0 | 211,667 | 326,927 |
| 230491 | 116,859 | 910 | 14,255,693 | 1,199,376 | 1,305,421 | 2,528,592 |
| 230495 | 164,309 | 1,279 | 120,651 | 65,395 | 40,107 | 82,931 |
| 230496 | 197,666 | 1,539 | 1,482,337 | 0 | 0 | 1,305 |
| 230511 | 446,131 | 3,473 | 4,058,938 | 0 | 0 | 0 |
| 240516 | 5,685,425 | 44,256 | 1,193,709 | 0 | 219,450 | 1,010,533 |
| 240546 | 69,355 | 540 | 0 | 0 | 0 | 54,699 |
| 250312 | 0 | 0 | 0 | 411,403 | 0 | 255,804 |
| 260398 | 268,568 | 2,091 | 0 | 790,641 | 525,567 | 938,291 |
| 260414 | 529,806 | 4,124 | 0 | 367,642 | 0 | 396,000 |
| 260419 | 327,122 | 2,546 | 0 | 160,731 | 353,476 | 519,083 |
| 270428 | 0 | 0 | 0 | 28,042 | 8,987 | 45,591 |
| 300604 | 0 | 0 | 0 | 30,996 | 0 | 54,408 |
| 320750 | 0 | 0 | 34,100 | 196,027 | 53,715 | 145,355 |
| 320771 | 52 | 0 | 36,543 | 0 | 12,344 | 37,734 |
| 320809 | 37,440 | 291 | 49,487 | 80,833 | 71,392 | 130,365 |
| 320830 | 206,467 | 1,607 | 72,531 | 126,681 | 126,109 | 230,652 |
| 330842 | 62,326 | 485 | 16,606 | 36,187 | 212,193 | 300,789 |
| 330850 | 3,579 | 28 | 0 | 82,293 | 48,946 | 117,873 |
| 330851 | 85,400 | 665 | 12,394 | 150,979 | 69,116 | 110,408 |
| 330875 | 27,317 | 213 | 0 | 4,135 | 32,532 | 52,884 |
| 330879 | 0 | 0 | 0 | 75,021 | 112,317 | 156,822 |
| 330881 | 438,711 | 3,415 | 205,991 | 144,326 | 362,195 | 983,290 |
| 330925 | 157,620 | 1,227 | 0 | 0 | 71,145 | 95,170 |
| 330944 | 384,897 | 2,996 | 64,776 | 0 | 157,092 | 346,719 |
| 330945 | 48,370 | 377 | 20,065 | 109,191 | 86,542 | 143,480 |
| 330971 | 733,707 | 5,711 | 0 | 136,304 | 0 | 212,770 |
| 340990 | 0 | 0 | 0 | 12,987 | 0 | 10,727 |
| 341017 | 0 | 0 | 0 | 112,916 | 0 | 5,165 |
| 341046 | 0 | 0 | 0 | 0 | 0 | 878 |
| 341054 | 428,834 | 3,338 | 6,414,106 | 0 | 0 | 19,942 |
| 351101 | 0 | 0 | 0 | 51,278 | 6,889 | 27,421 |
| 351115 | 2,876 | 22 | 38,802 | 199,670 | 46,362 | 101,118 |
| 351141 | 0 | 0 | 0 | 4,962 | 22,086 | 49,721 |
| 351147 | 7,669 | 60 | 0 | 117,872 | 22,296 | 59,219 |
| 351157 | 42,980 | 335 | 0 | 0 | 2,190 | 34,590 |
| 351162 | 35,887 | 279 | 0 | 0 | 0 | 44,956 |
| 351169 | 32,012 | 249 | 0 | 49,554 | -2,460 | 26,391 |
| 351173 | 416,386 | 3,241 | 0 | 287,857 | 0 | 65,230 |
| 351203 | 0 | 0 | 0 | 66,356 | 2,871 | 26,837 |
| 351205 | 70,744 | 551 | 0 | 198,642 | -5,597 | 72,403 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 120042 | 0 | N | N |
| 150125 | 0 | N | N |
| 170171 | 0 | Y | N |
| 170197 | 0 | N | N |
| 170210 | 0 | N | N |
| 190250 | 0 | N | N |
| 190253 | 0 | N | N |
| 220375 | 355 | N | N |
| 230491 | 0 | N | N |
| 230495 | 1,157 | N | N |
| 230496 | 4,052 | Y | Y |
| 230511 | 175,853 | Y | Y |
| 240516 | 0 | N | N |
| 240546 | 0 | N | N |
| 250312 | 0 | N | N |
| 260398 | 0 | N | N |
| 260414 | 0 | N | N |
| 260419 | 0 | N | N |
| 270428 | 0 | N | N |
| 300604 | 0 | N | N |
| 320750 | 1,195 | N | N |
| 320771 | 0 | N | N |
| 320809 | 0 | N | N |
| 320830 | 0 | N | N |
| 330842 | 0 | N | N |
| 330850 | 0 | N | N |
| 330851 | 0 | N | N |
| 330875 | 0 | N | N |
| 330879 | 0 | N | N |
| 330881 | 29,462 | N | N |
| 330925 | 2,997 | N | N |
| 330944 | 6,672 | N | N |
| 330945 | 0 | N | N |
| 330971 | 50,709 | N | N |
| 340990 | 0 | N | N |
| 341017 | 0 | N | N |
| 341046 | 0 | N | N |
| 341054 | 50,589 | N | N |
| 351101 | 0 | N | N |
| 351115 | 0 | N | N |
| 351141 | 0 | N | N |
| 351147 | 0 | N | N |
| 351157 | 0 | N | N |
| 351162 | 0 | N | N |
| 351169 | 5,998 | N | N |
| 351173 | 0 | N | N |
| 351203 | 0 | N | N |
| 351205 | 0 | N | N |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Land & Support Facilities | Central Office Equipment | Cable & Wire Facilities | Tangible Assets | Intangible Assets | Materials & Supplies |
|---|---|---|---|---|---|---|
| 351209 | 672,897 | 1,127,932 | 1,017,498 | 0 | 0 | 51,672 |
| 351217 | 794,758 | 3,143,170 | 4,814,805 | 0 | 1,209 | 18,075 |
| 351225 | 2,338,944 | 2,424,012 | 3,343,121 | 0 | 0 | 11,903 |
| 351248 | 1,043,839 | 1,719,257 | 1,945,842 | 0 | 0 | 16,214 |
| 351250 | 785,584 | 1,024,400 | 963,920 | 0 | 0 | 4,516 |
| 351275 | 156,919 | 547,151 | 195,590 | 0 | 0 | 802 |
| 351276 | 1,292,292 | 1,406,641 | 2,733,848 | 0 | 0 | 29,096 |
| 351283 | 188,407 | 818,986 | 613,184 | 0 | 0 | 7,407 |
| 351294 | 336,560 | 809,524 | 1,567,263 | 0 | 169 | 14,726 |
| 351298 | 16,653,883 | 24,822,765 | 16,243,511 | 0 | 0 | 306,494 |
| 351308 | 254,162 | 423,111 | 740,706 | 0 | 0 | 4,596 |
| 351320 | 717,003 | 368,911 | 1,679,132 | 0 | 0 | 13,836 |
| 361362 | 1,734,232 | 10,039,756 | 10,089,255 | 253,882 | 132,567 | 70,162 |
| 361372 | 63,422 | 533,600 | 283,981 | 0 | 31 | 0 |
| 361384 | 37,425 | 273,009 | 383,511 | 0 | 0 | 0 |
| 361409 | 7,379,670 | 12,146,196 | 14,483,699 | 0 | 0 | 570,105 |
| 361430 | 4,771,590 | 8,702,056 | 16,780,123 | 0 | 0 | 150,666 |
| 361500 | 70,722 | 39,502 | 51,558 | 0 | 0 | 0 |
| 361505 | 3,404,239 | 5,798,818 | 17,644,997 | 0 | 0 | 458,392 |
| 361507 | 518,304 | 1,267,566 | 2,289,693 | 25,924 | 27,000 | 16,333 |
| 361508 | 680,593 | 964,323 | 1,577,466 | 0 | 0 | 0 |
| 371556 | 1,301,158 | 865,836 | 2,196,176 | 0 | 181,656 | 66,321 |
| 371562 | 141,164 | 646,671 | 1,814,546 | 0 | 0 | 61,271 |
| 371565 | 222,799 | 923,459 | 1,271,826 | 0 | 48 | 13,925 |
| 381623 | 82,348 | 389,617 | 301,126 | 0 | 0 | 0 |
| 381625 | 4,546,215 | 9,301,399 | 17,725,152 | 0 | 0 | 199,377 |
| 383303 | 16,812,160 | 41,198,167 | 50,287,121 | 0 | 1,176,372 | 730,913 |
| 391650 | 4,563,260 | 14,664,949 | 9,734,578 | 0 | 0 | 332,612 |
| 391650 | 4,563,260 | 14,664,949 | 9,734,578 | 0 | 0 | 332,612 |
| 391669 | 1,904,234 | 6,179,711 | 4,916,387 | 0 | 0 | 112,671 |
| 391669 | 1,904,234 | 6,179,711 | 4,916,387 | 0 | 0 | 112,671 |
| 431704 | 373,130 | 1,296,845 | 1,898,869 | 0 | 0 | 124 |
| 442038 | 754,245 | 1,310,213 | 1,083,533 | 0 | 0 | 0 |
| 442043 | 267,502 | 746,595 | 942,015 | 31,200 | 139,355 | 28,892 |
| 532386 | 950,697 | 2,336,018 | 1,456,484 | 0 | 0 | 10,079 |
| 532399 | 4,862,820 | 9,664,123 | 11,153,350 | 0 | 0 | 203,211 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Other Telephone Plant | Other Non-Current Assets | Cash Working Capital | Accumulated Depreciation | Accumulated Amortization | Net Deferred Operating Income Tax |
|---|---|---|---|---|---|---|
| 351209 | 0 | 0 | 36,320 | 1,555,914 | 0 | 168,763 |
| 351217 | 871,365 | 0 | 34,943 | 4,344,371 | 323 | 0 |
| 351225 | 2,005 | 0 | 38,657 | 3,865,386 | 0 | 0 |
| 351248 | 0 | 0 | 25,421 | 3,438,664 | 0 | 139,309 |
| 351250 | 0 | 0 | 28,533 | 1,697,660 | 0 | 119,112 |
| 351275 | 82,360 | 0 | 6,241 | 767,317 | 0 | 10,444 |
| 351276 | 75,966 | 0 | 34,090 | 3,072,669 | 0 | 108,470 |
| 351283 | 0 | 0 | 18,834 | 792,022 | 0 | 114,933 |
| 351294 | 0 | 0 | 17,011 | 689,676 | 0 | 188,391 |
| 351298 | 2,390,050 | 0 | 265,327 | 28,244,304 | 159,512 | 0 |
| 351308 | 0 | 0 | 9,122 | 813,171 | 0 | 25,742 |
| 351320 | 0 | 0 | 23,704 | 1,114,783 | 0 | 0 |
| 361362 | 338,572 | 0 | 185,781 | 11,786,420 | 143,528 | 1,303,667 |
| 361372 | 0 | 0 | 4,608 | 737,120 | 0 | 0 |
| 361384 | 0 | 0 | 6,500 | 441,604 | 0 | 0 |
| 361409 | 0 | 0 | 270,392 | 18,406,634 | 0 | 1,534,029 |
| 361430 | 28,703 | 0 | 217,835 | 15,292,305 | 0 | 1,176,972 |
| 361500 | 0 | 0 | 3,442 | 119,752 | 0 | 0 |
| 361505 | 0 | 0 | 217,645 | 19,661,209 | 0 | 0 |
| 361507 | 19,218 | 0 | 28,566 | 2,137,482 | 1,380 | 262,736 |
| 361508 | 0 | 0 | 29,367 | 2,165,809 | 0 | 141,214 |
| 371556 | 13,783 | 0 | 52,738 | 2,380,422 | 153,020 | 340,891 |
| 371562 | 18,020 | 0 | 51,778 | 421,703 | 0 | 33,880 |
| 371565 | 0 | 0 | 28,366 | 2,093,933 | 0 | 0 |
| 381623 | 0 | 0 | 7,842 | 698,662 | 0 | 0 |
| 381625 | 228,493 | 0 | 142,162 | 18,725,562 | 0 | 599 |
| 383303 | 509,914 | 0 | 701,914 | 80,126,287 | 810,867 | 0 |
| 391650 | 126,478 | 0 | 205,579 | 18,883,380 | 0 | 0 |
| 391650 | 126,478 | 0 | 205,579 | 18,883,380 | 0 | 0 |
| 391669 | 426,680 | 0 | 80,090 | 8,078,836 | 0 | 4,959 |
| 391669 | 426,680 | 0 | 80,090 | 8,078,836 | 0 | 4,959 |
| 431704 | 14,168 | 0 | 27,306 | 2,475,787 | 1,626 | 0 |
| 442038 | 0 | 0 | 27,394 | 2,334,603 | 0 | 0 |
| 442043 | 0 | 0 | 25,165 | 766,901 | 151,188 | 141,451 |
| 532386 | 2,066 | 0 | 51,670 | 3,342,332 | 0 | 0 |
| 532399 | 275,393 | 0 | 136,134 | 12,131,270 | 0 | 682,058 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Network Operations Expense | General Support Expense | Central Office Equipment Expense | Cable & Wire Facilities Expense | Other Property & Plant Expense | Network Support Expense |
|---|---|---|---|---|---|---|
| 351209 | 11,580 | 31,298 | 57,813 | 99,451 | 0 | 9,761 |
| 351217 | 452 | 7,101 | 102,617 | 71,857 | 2,091 | 28,669 |
| 351225 | 2,469 | 41,860 | 111,095 | 84,628 | 0 | 25,835 |
| 351248 | 544 | 16,966 | 54,333 | 30,011 | 0 | 11,734 |
| 351250 | -5 | 20,803 | 114,940 | 158,896 | 0 | 7,573 |
| 351275 | 0 | 7,660 | 21,503 | 11,241 | 0 | 5,582 |
| 351276 | 0 | 28,428 | 115,384 | 54,428 | 0 | 9,060 |
| 351283 | 2,249 | 15,471 | 4,434 | 62,280 | 0 | 7,668 |
| 351294 | 0 | 16,359 | 38,045 | 55,728 | 0 | 2,670 |
| 351298 | 15,641 | 334,414 | 741,606 | 694,775 | 54 | 202,530 |
| 351308 | 255 | 3,197 | 521 | 19,083 | 0 | 6,698 |
| 351320 | 1,000 | 41,193 | 51,840 | 26,369 | 0 | 17,649 |
| 361362 | 41,600 | 106,805 | 382,753 | 153,958 | 0 | 622,684 |
| 361372 | 291 | 3,374 | 1,209 | 1,949 | 0 | 2,790 |
| 361384 | 0 | 3,094 | 2,862 | 33,246 | 0 | 5,956 |
| 361409 | 22,446 | 367,967 | 398,846 | 1,209,404 | 0 | 338,129 |
| 361430 | 0 | 179,149 | 413,078 | 634,438 | 36,100 | 308,358 |
| 361500 | 2,568 | 2,395 | 12,348 | 12,819 | 0 | 2,374 |
| 361505 | 0 | 584,034 | 333,898 | 392,190 | 0 | 613,324 |
| 361507 | 1,942 | 6,686 | 91,145 | 52,693 | -1 | 75,335 |
| 361508 | 0 | 59,083 | 100,419 | 89,968 | 0 | 14,555 |
| 371556 | 3,079 | 34,153 | 98,682 | 111,222 | 0 | 200,781 |
| 371562 | 14,300 | 41,389 | 42,678 | 227,522 | 345 | 195,206 |
| 371565 | 0 | 11,697 | 39,730 | 55,321 | 0 | 8,080 |
| 381623 | 0 | 15,421 | 44,098 | 60,114 | 0 | 4,388 |
| 381625 | 45,839 | 187,451 | 212,692 | 163,823 | 3,113 | 483,373 |
| 383303 | 21,868 | 1,221,453 | 2,098,876 | 2,096,360 | 0 | 2,797,491 |
| 391650 | 14,689 | 291,290 | 530,276 | 980,883 | 87,954 | 251,542 |
| 391650 | 14,689 | 291,290 | 530,276 | 980,883 | 87,954 | 251,542 |
| 391669 | 3,626 | 72,549 | 157,918 | 374,182 | 0 | 88,381 |
| 391669 | 3,626 | 72,549 | 157,918 | 374,182 | 0 | 88,381 |
| 431704 | 0 | 15,097 | 9,151 | 109,787 | 0 | 79,171 |
| 442038 | 50,685 | 0 | 37,993 | 116,345 | 0 | 23,158 |
| 442043 | 10,638 | 15,829 | 19,816 | 99,758 | 0 | 18,581 |
| 532386 | 1,035 | 17,781 | 138,502 | 113,164 | 2,975 | 40,844 |
| 532399 | 0 | 190,946 | 243,525 | 317,293 | 0 | 332,295 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Depreciation & Amortization Expense | Marketing Expense | Services Expense | Executive & Planning Expense | General Administrative Expense | Contributions |
|---|---|---|---|---|---|---|
| 351209 | 267,675 | 0 | 110,064 | 302,081 | 128,616 | 0 |
| 351217 | 395,903 | 2,847 | 107,197 | 138,869 | 78,855 | 1,700 |
| 351225 | 545,852 | 0 | 126,044 | 110,998 | 158,491 | 0 |
| 351248 | 114,350 | 0 | 45,754 | 153,281 | 153,906 | 1,224 |
| 351250 | 205,620 | 6,860 | 88,029 | 108,867 | 99,348 | 1,446 |
| 351275 | 53,039 | 0 | 32,352 | 15,253 | 34,431 | 337 |
| 351276 | 329,020 | 3,166 | 178,523 | 79,523 | 141,900 | 1,770 |
| 351283 | 133,932 | 1,648 | 83,323 | 90,807 | 130,453 | 0 |
| 351294 | 181,642 | 3,160 | 34,839 | 40,966 | 84,787 | 851 |
| 351298 | 4,074,090 | 395,570 | 767,624 | 237,482 | 600,525 | 14,645 |
| 351308 | 76,505 | 257 | 42,533 | 46,602 | 50,596 | 0 |
| 351320 | 165,194 | 4,417 | 76,385 | 145,830 | 83,894 | 0 |
| 361362 | 1,608,872 | 662,613 | 704,428 | 159,282 | 663,869 | 9,609 |
| 361372 | 67,116 | 65 | 15,676 | 61,965 | 11,376 | 0 |
| 361384 | 39,600 | 7,472 | 17,318 | 22,542 | 46,688 | 325 |
| 361409 | 2,120,806 | 133,301 | 1,376,385 | 1,004,466 | 526,316 | 0 |
| 361430 | 1,849,697 | 93,933 | 591,883 | 792,309 | 982,896 | 10,530 |
| 361500 | 9,960 | 0 | 15,880 | 14,007 | 18,331 | 0 |
| 361505 | 1,795,082 | 24,735 | 1,096,363 | 487,547 | 1,002,243 | 11,524 |
| 361507 | 212,140 | 62,101 | 144,108 | 31,271 | 148,477 | 1,565 |
| 361508 | 175,598 | 0 | 108,381 | 143,784 | 98,597 | 1,385 |
| 371556 | 256,501 | 34,051 | 115,478 | 98,382 | 404,669 | 0 |
| 371562 | 436,116 | 23,019 | 113,781 | 121,711 | 306,440 | 0 |
| 371565 | 158,034 | 0 | 58,753 | 343,253 | 130,298 | 0 |
| 381623 | 57,253 | 567 | 43,670 | 0 | 13,344 | 0 |
| 381625 | 1,951,846 | 375 | 438,927 | 468,858 | 680,162 | 8,170 |
| 383303 | 6,249,429 | 315,120 | 2,594,936 | 1,097,885 | 2,917,833 | 38,072 |
| 391650 | 2,092,042 | 223,387 | 938,676 | 229,020 | 877,511 | 0 |
| 391650 | 2,092,042 | 223,387 | 938,676 | 229,020 | 877,511 | 0 |
| 391669 | 1,092,640 | 52,070 | 216,843 | 182,308 | 318,223 | 0 |
| 391669 | 1,092,640 | 52,070 | 216,843 | 182,308 | 318,223 | 0 |
| 431704 | 242,151 | 0 | 69,822 | 111,989 | 166,393 | 0 |
| 442038 | 376,871 | 2,930 | 51,279 | 115,133 | 134,656 | 1,741 |
| 442043 | 69,023 | 0 | 98,155 | 221,722 | 61,036 | 1,107 |
| 532386 | 292,687 | 64,647 | 302,202 | 169,011 | 238,897 | 2,517 |
| 532399 | 1,540,496 | 136,343 | 482,781 | 308,842 | 853,181 | 8,127 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Interest & Related Items | Interest on Customer Deposits | Other Long Term Liabilities | Federal Income Tax | State Income Tax | Other Operating Taxes |
|---|---|---|---|---|---|---|
| 351209 | 1,727 | 13 | 22,297 | 43,997 | 46,707 | 87,241 |
| 351217 | 119,440 | 930 | 0 | 154,965 | 1,811 | 33,723 |
| 351225 | 198,176 | 1,543 | 0 | 0 | 1,442 | 58,259 |
| 351248 | 189 | 1 | 0 | 33,628 | 66,000 | 118,080 |
| 351250 | 26,318 | 205 | 0 | 47,676 | -7,022 | 14,667 |
| 351275 | 5,740 | 45 | 0 | 6,664 | 4,879 | 11,374 |
| 351276 | 40,637 | 316 | 0 | 106,571 | 25,719 | 71,288 |
| 351283 | 0 | 0 | 0 | 57,281 | -25,524 | 2,588 |
| 351294 | 2,383 | 19 | 0 | 107,157 | 6,065 | 27,582 |
| 351298 | 1,493,315 | 11,624 | 0 | 549,976 | 0 | 287,631 |
| 351308 | 374 | 3 | 0 | 26,118 | 16,572 | 25,669 |
| 351320 | 42,717 | 333 | 0 | 67,535 | 0 | 17,436 |
| 361362 | 251,230 | 1,956 | 21,415 | 389,559 | 336,417 | 378,720 |
| 361372 | 8,723 | 68 | 0 | 3,991 | 0 | 639 |
| 361384 | 17 | 0 | 0 | 11,953 | 6,081 | 6,985 |
| 361409 | 151,607 | 1,180 | 0 | 606,782 | 363,089 | 440,840 |
| 361430 | 723,500 | 5,632 | 0 | 411,607 | 83,528 | 125,970 |
| 361500 | 0 | 0 | 0 | 2,538 | 0 | 494 |
| 361505 | 341,662 | 2,660 | 0 | 167,178 | 215,432 | 245,164 |
| 361507 | 6,741 | 52 | -945 | 6,721 | 65,083 | 67,606 |
| 361508 | 87,025 | 677 | 0 | 11,988 | 0 | 0 |
| 371556 | 138,834 | 1,081 | 89,316 | 0 | 13,944 | 42,680 |
| 371562 | 56 | 0 | 0 | 134,385 | 0 | 38,805 |
| 371565 | 42,719 | 333 | 0 | 0 | 0 | 0 |
| 381623 | 0 | 0 | 0 | 4,494 | 0 | 4,717 |
| 381625 | 554,954 | 4,320 | 108,320 | 188,541 | 0 | 25,151 |
| 383303 | 1,448,518 | 11,275 | 3,220,731 | 0 | 0 | 320,350 |
| 391650 | 571,386 | 4,448 | 0 | 0 | 0 | 0 |
| 391650 | 571,386 | 4,448 | 0 | 0 | 0 | 0 |
| 391669 | 323,485 | 2,518 | 20,119 | 17,542 | 0 | 132,208 |
| 391669 | 323,485 | 2,518 | 20,119 | 17,542 | 0 | 132,208 |
| 431704 | 1,132 | 9 | 0 | 66,156 | 0 | 35,599 |
| 442038 | 196 | 2 | 0 | 49,008 | 0 | 85,104 |
| 442043 | 0 | 0 | 0 | 48,988 | 0 | 17,237 |
| 532386 | 51,487 | 401 | 0 | 60,656 | 0 | 55,501 |
| 532399 | 29,937 | 233 | 457,255 | 180,238 | 235,306 | 235,306 |

APPENDIX C5
2007 MODIFICATION OF AVERAGE SCHEDULES
2004 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

| Study Area Code | Allowance For Funds Used During Construction | State Income Tax Indicator | Federal Income Tax Indicator |
|---|---|---|---|
| 351209 | 0 | N | N |
| 351217 | 0 | N | N |
| 351225 | 20,697 | N | N |
| 351248 | 0 | N | N |
| 351250 | 0 | N | N |
| 351275 | 0 | N | N |
| 351276 | 0 | N | N |
| 351283 | 0 | N | N |
| 351294 | 0 | N | N |
| 351298 | 118,937 | N | N |
| 351308 | 0 | N | N |
| 351320 | 0 | N | N |
| 361362 | 0 | N | N |
| 361372 | 0 | N | N |
| 361384 | 0 | N | N |
| 361409 | 0 | N | N |
| 361430 | 0 | N | N |
| 361500 | 0 | N | N |
| 361505 | 0 | N | N |
| 361507 | 0 | N | N |
| 361508 | 0 | N | N |
| 371556 | 0 | N | N |
| 371562 | 0 | Y | N |
| 371565 | 0 | Y | N |
| 381623 | 0 | N | N |
| 381625 | 0 | N | N |
| 383303 | 134,685 | N | N |
| 391650 | 0 | N | Y |
| 391650 | 0 | N | Y |
| 391669 | 6,300 | N | N |
| 391669 | 6,300 | N | N |
| 431704 | 0 | Y | N |
| 442038 | 0 | N | N |
| 442043 | 0 | N | N |
| 532386 | 0 | Y | N |
| 532399 | 0 | N | N |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Access Lines | Traffic Sensitive Minutes of Use | Intertoll Dial Circuits | Circuit Miles | Normal Route Circuit Miles | Long Route Circuit Miles |
|---|---|---|---|---|---|---|
| 100020 | 6,814 | 1,245,085 | 526 | 3,656 | 3,656 | 0 |
| 120042 | 473 | 71,709 | 0 | 51 | 51 | 0 |
| 120043 | 1,745 | 487,641 | 0 | 701 | 701 | 0 |
| 132454 | 24,245 | 6,744,588 | 0 | 11,844 | 11,844 | 0 |
| 140053 | 893 | 214,665 | 0 | 191 | 191 | 0 |
| 150125 | 8,321 | 1,777,979 | 0 | 582 | 582 | 0 |
| 170151 | 20,841 | 3,657,599 | 0 | 6,674 | 6,674 | 0 |
| 170161 | 306,847 | 50,933,952 | 6,012 | 780,825 | 780,825 | 0 |
| 170162 | 55,414 | 8,866,601 | 0 | 34,188 | 34,188 | 0 |
| 170171 | 1,327 | 282,695 | 0 | 310 | 310 | 0 |
| 170179 | 5,866 | 820,248 | 118 | 1,536 | 1,536 | 0 |
| 170193 | 70,703 | 17,849,131 | 2,589 | 68,066 | 68,066 | 0 |
| 170197 | 1,383 | 319,012 | 0 | 344 | 344 | 0 |
| 170200 | 2,244 | 514,604 | 0 | 96 | 96 | 0 |
| 170210 | 1,381 | 261,557 | 0 | 518 | 518 | 0 |
| 190225 | 7,562 | 2,689,138 | 0 | 15,361 | 15,361 | 0 |
| 190248 | 6,270 | 2,655,876 | 0 | 24,751 | 24,751 | 0 |
| 190250 | 25,081 | 7,488,003 | 1,834 | 30,961 | 30,961 | 0 |
| 190253 | 2,265 | 2,587,697 | 0 | 3,898 | 3,898 | 0 |
| 200258 | 1,461 | 789,650 | 0 | 777 | 777 | 0 |
| 220324 | 4,395 | 1,020,215 | 0 | 622 | 622 | 0 |
| 220364 | 7,094 | 1,825,683 | 240 | 21,491 | 21,491 | 0 |
| 220375 | 7,597 | 1,648,703 | 0 | 4,178 | 4,178 | 0 |
| 220387 | 22,319 | 3,690,214 | 0 | 26,116 | 26,116 | 0 |
| 230491 | 114,234 | 31,099,224 | 1,061 | 47,609 | 47,609 | 0 |
| 230494 | 1,841 | 480,740 | 0 | 170 | 170 | 0 |
| 230495 | 4,508 | 711,516 | 0 | 3,601 | 3,601 | 0 |
| 230496 | 10,004 | 1,415,363 | 0 | 33,292 | 33,292 | 0 |
| 230497 | 3,250 | 535,851 | 0 | 936 | 936 | 0 |
| 230501 | 35,738 | 7,830,789 | 0 | 74,755 | 74,755 | 0 |
| 230505 | 3,400 | 640,529 | 0 | 6,335 | 6,335 | 0 |
| 230511 | 30,112 | 6,090,569 | 0 | 66,106 | 66,106 | 0 |
| 240516 | 16,915 | 4,109,235 | 1,527 | 68,761 | 68,761 | 0 |
| 240546 | 16,476 | 4,619,139 | 0 | 30,703 | 30,703 | 0 |
| 250283 | 11,689 | 3,097,965 | 1,238 | 11,794 | 11,794 | 0 |
| 250312 | 7,330 | 2,013,676 | 0 | 9,009 | 9,009 | 0 |
| 260396 | 6,390 | 1,449,634 | 102 | 10,408 | 10,408 | 0 |
| 260398 | 26,903 | 6,885,721 | 0 | 20,597 | 20,597 | 0 |
| 260414 | 16,125 | 3,705,152 | 926 | 60,682 | 60,682 | 0 |
| 260417 | 2,135 | 384,619 | 0 | 378 | 378 | 0 |
| 260419 | 7,916 | 1,837,844 | 397 | 130,975 | 130,975 | 0 |
| 270428 | 1,470 | 202,810 | 0 | 0 | 0 | 0 |
| 290553 | 35,063 | 6,981,960 | 0 | 107,700 | 107,700 | 0 |
| 290559 | 22,214 | 9,064,676 | 0 | 5,649 | 5,649 | 0 |
| 290565 | 26,963 | 4,968,006 | 0 | 56,023 | 56,023 | 0 |
| 290570 | 5,842 | 1,364,484 | 60 | 10,445 | 10,445 | 0 |
| 300585 | 760 | 113,689 | 0 | 340 | 340 | 0 |
| 300594 | 10,611 | 1,653,875 | 0 | 3,497 | 3,497 | 0 |
| 300604 | 1,775 | 245,051 | 0 | 366 | 366 | 0 |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Interstate Circuits | Switch Circuit Terminations | Adjusted Special Access Revenues | Number of Exchanges | Sample Weight | Data Collection Year |
|---|---|---|---|---|---|---|
| 100020 | 1,013 | 1,001 | 30,755 | 3 | 2.0000 | 2005 |
| 120042 | 28 | 24 | 0 | 1 | 6.0000 | 2004 |
| 120043 | 191 | 163 | 5,959 | 1 | 1.0000 | 2005 |
| 132454 | 2,221 | 1,895 | 226,132 | 1 | 1.0000 | 2005 |
| 140053 | 41 | 35 | 2,533 | 1 | 2.9167 | 2005 |
| 150125 | 209 | 178 | 13,942 | 2 | 2.0000 | 2004 |
| 170151 | 1,025 | 875 | 118,601 | 2 | 2.0000 | 2005 |
| 170161 | 23,124 | 20,871 | 748,030 | 79 | 2.0000 | 2005 |
| 170162 | 2,139 | 1,825 | 233,039 | 10 | 2.0000 | 2005 |
| 170171 | 103 | 88 | 4,633 | 1 | 5.0000 | 2004 |
| 170179 | 234 | 152 | 17,054 | 2 | 5.6811 | 2005 |
| 170193 | 6,215 | 5,500 | 608,412 | 8 | 2.0000 | 2005 |
| 170197 | 69 | 59 | 0 | 1 | 2.0000 | 2004 |
| 170200 | 95 | 81 | 5,155 | 1 | 5.0000 | 2005 |
| 170210 | 96 | 82 | 3,154 | 1 | 2.0000 | 2004 |
| 190225 | 605 | 516 | 34,844 | 5 | 6.7186 | 2005 |
| 190248 | 949 | 810 | 11,893 | 6 | 2.0000 | 2005 |
| 190250 | 2,794 | 2,384 | 149,627 | 9 | 2.0000 | 2004 |
| 190253 | 245 | 209 | 15,001 | 1 | 2.0000 | 2004 |
| 200258 | 165 | 141 | 1,238 | 1 | 1.0000 | 2005 |
| 220324 | 88 | 75 | 6,374 | 1 | 5.0000 | 2005 |
| 220364 | 410 | 350 | 35,613 | 4 | 5.3862 | 2005 |
| 220375 | 580 | 496 | 50,170 | 3 | 2.0000 | 2004 |
| 220387 | 1,253 | 1,069 | 144,839 | 2 | 2.0000 | 2005 |
| 230491 | 6,513 | 6,021 | 494,509 | 3 | 2.0000 | 2004 |
| 230494 | 176 | 150 | 9,221 | 1 | 5.0000 | 2005 |
| 230495 | 368 | 314 | 8,981 | 1 | 5.2849 | 2004 |
| 230496 | 1,111 | 948 | 17,415 | 7 | 6.7369 | 2004 |
| 230497 | 164 | 140 | 576 | 2 | 5.0000 | 2005 |
| 230501 | 2,431 | 2,243 | 71,325 | 12 | 2.0000 | 2005 |
| 230505 | 230 | 196 | 5,355 | 3 | 5.0000 | 2005 |
| 230511 | 1,840 | 1,562 | 87,513 | 10 | 2.0000 | 2004 |
| 240516 | 2,633 | 2,671 | 76,825 | 3 | 2.0000 | 2004 |
| 240546 | 1,057 | 986 | 37,508 | 7 | 2.0000 | 2004 |
| 250283 | 1,938 | 1,744 | 163,246 | 3 | 2.0000 | 2005 |
| 250312 | 442 | 377 | 14,471 | 1 | 2.0000 | 2004 |
| 260396 | 622 | 580 | 17,069 | 7 | 6.6094 | 2005 |
| 260398 | 1,904 | 1,625 | 50,247 | 8 | 2.0000 | 2004 |
| 260414 | 2,216 | 1,201 | 13,486 | 7 | 3.0000 | 2004 |
| 260417 | 102 | 87 | 1,887 | 1 | 5.0000 | 2005 |
| 260419 | 2,196 | 1,083 | 18,019 | 6 | 2.0000 | 2004 |
| 270428 | 0 | 145 | 6,632 | 1 | 2.5000 | 2004 |
| 290553 | 2,905 | 2,479 | 166,000 | 17 | 2.0000 | 2005 |
| 290559 | 2,050 | 1,749 | 154,233 | 1 | 2.0000 | 2005 |
| 290565 | 1,913 | 979 | 60,449 | 10 | 2.0000 | 2005 |
| 290570 | 782 | 670 | 12,848 | 5 | 3.0000 | 2005 |
| 300585 | 83 | 71 | 2,412 | 1 | 6.1938 | 2005 |
| 300594 | 279 | 191 | 30,103 | 2 | 2.0000 | 2005 |
| 300604 | 77 | 39 | 3,074 | 1 | 5.0000 | 2004 |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Access Lines | Traffic Sensitive Minutes of Use | Intertoll Dial Circuits | Circuit Miles | Normal Route Circuit Miles | Long Route Circuit Miles |
|---|---|---|---|---|---|---|
| 300609 | 3,810 | 556,911 | 0 | 377 | 377 | 0 |
| 300625 | 1,559 | 244,593 | 0 | 9,106 | 9,106 | 0 |
| 300633 | 721 | 113,874 | 0 | 4,023 | 4,023 | 0 |
| 300639 | 1,309 | 192,282 | 0 | 272 | 272 | 0 |
| 300656 | 1,393 | 191,152 | 0 | 5,598 | 5,598 | 0 |
| 300659 | 9,829 | 1,965,693 | 0 | 16,370 | 16,370 | 0 |
| 310678 | 1,363 | 385,712 | 0 | 2,152 | 2,152 | 0 |
| 310688 | 1,419 | 240,598 | 0 | 7,979 | 7,979 | 0 |
| 320750 | 2,261 | 366,499 | 0 | 347 | 347 | 0 |
| 320771 | 545 | 90,260 | 0 | 12,559 | 12,559 | 0 |
| 320796 | 1,151 | 104,098 | 0 | 526 | 526 | 0 |
| 320809 | 1,779 | 296,017 | 0 | 425 | 425 | 0 |
| 320830 | 3,372 | 489,799 | 110 | 3,384 | 3,384 | 0 |
| 320834 | 3,699 | 979,933 | 0 | 765 | 765 | 0 |
| 320837 | 785 | 130,199 | 0 | 227 | 227 | 0 |
| 320839 | 1,077 | 173,290 | 0 | 19,062 | 19,062 | 0 |
| 330842 | 7,074 | 1,775,388 | 227 | 64,295 | 56,800 | 7,495 |
| 330850 | 3,305 | 550,288 | 0 | 41,449 | 41,449 | 0 |
| 330851 | 2,026 | 243,840 | 0 | 111 | 111 | 0 |
| 330875 | 1,203 | 228,142 | 0 | 623 | 623 | 0 |
| 330879 | 3,418 | 905,304 | 0 | 21,106 | 15,200 | 5,906 |
| 330881 | 32,279 | 10,703,629 | 0 | 7,917 | 7,917 | 0 |
| 330925 | 2,350 | 378,904 | 0 | 671 | 671 | 0 |
| 330944 | 9,114 | 2,660,404 | 422 | 134,911 | 134,911 | 0 |
| 330945 | 2,710 | 451,218 | 0 | 953 | 953 | 0 |
| 330946 | 1,183 | 410,356 | 0 | 745 | 745 | 0 |
| 330955 | 10,990 | 2,150,478 | 291 | 4,186 | 4,186 | 0 |
| 330967 | 3,919 | 733,864 | 593 | 21,886 | 21,886 | 0 |
| 330968 | 7,792 | 1,300,243 | 0 | 1,635 | 1,635 | 0 |
| 330971 | 6,351 | 1,635,585 | 989 | 36,683 | 36,683 | 0 |
| 340990 | 625 | 91,984 | 0 | 66 | 66 | 0 |
| 341017 | 1,262 | 119,704 | 0 | 236 | 236 | 0 |
| 341024 | 2,351 | 377,336 | 0 | 2,029 | 2,029 | 0 |
| 341046 | 163 | 15,377 | 0 | 23 | 23 | 0 |
| 341054 | 4,453 | 632,996 | 0 | 14,146 | 14,146 | 0 |
| 341086 | 542 | 105,219 | 0 | 97 | 97 | 0 |
| 341092 | 99 | 12,941 | 0 | 15 | 15 | 0 |
| 351098 | 362 | 71,447 | 0 | 9,060 | 4,000 | 5,060 |
| 351101 | 860 | 111,999 | 0 | 9,115 | 9,115 | 0 |
| 351112 | 1,087 | 229,130 | 53 | 59,295 | 35,900 | 23,395 |
| 351115 | 2,960 | 396,034 | 125 | 9,175 | 7,900 | 1,275 |
| 351118 | 1,855 | 296,241 | 13 | 5,894 | 5,400 | 494 |
| 351121 | 144 | 20,437 | 0 | 6,976 | 1,900 | 5,076 |
| 351141 | 778 | 159,525 | 0 | 5,774 | 2,800 | 2,974 |
| 351147 | 950 | 186,030 | 0 | 7,771 | 6,800 | 971 |
| 351153 | 762 | 129,218 | 0 | 1,496 | 1,496 | 0 |
| 351157 | 717 | 120,489 | 15 | 7,021 | 3,700 | 3,321 |
| 351162 | 1,350 | 204,863 | 20 | 14,047 | 14,047 | 0 |
| 351169 | 541 | 150,370 | 0 | 11,236 | 3,100 | 8,136 |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Interstate Circuits | Switch Circuit Terminations | Adjusted Special Access Revenues | Number of Exchanges | Sample Weight | Data Collection Year |
|---|---|---|---|---|---|---|
| 300609 | 288 | 171 | 2,823 | 1 | 2.0000 | 2005 |
| 300625 | 1,164 | 43 | 1,981 | 1 | 5.0000 | 2005 |
| 300633 | 1,409 | 36 | 238 | 1 | 5.0569 | 2005 |
| 300639 | 91 | 78 | 3,956 | 1 | 5.0000 | 2005 |
| 300656 | 866 | 32 | 5,282 | 1 | 5.2580 | 2005 |
| 300659 | 417 | 356 | 27,571 | 2 | 6.0191 | 2005 |
| 310678 | 50 | 43 | 3,152 | 1 | 5.0000 | 2005 |
| 310688 | 1,760 | 746 | 34,874 | 1 | 2.0000 | 2005 |
| 320750 | 107 | 91 | 8,585 | 1 | 5.0000 | 2004 |
| 320771 | 1,070 | 31 | 1,377 | 1 | 6.1880 | 2004 |
| 320796 | 143 | 122 | 400 | 1 | 6.0562 | 2005 |
| 320809 | 83 | 60 | 7,743 | 3 | 6.0362 | 2004 |
| 320830 | 172 | 207 | 11,756 | 4 | 6.0813 | 2004 |
| 320834 | 139 | 119 | 5,453 | 1 | 5.0000 | 2005 |
| 320837 | 50 | 43 | 2,065 | 1 | 6.3159 | 2005 |
| 320839 | 1,528 | 72 | 1,463 | 1 | 5.3277 | 2005 |
| 330842 | 697 | 564 | 22,162 | 3 | 2.0000 | 2004 |
| 330850 | 516 | 124 | 9,063 | 1 | 5.0000 | 2004 |
| 330851 | 56 | 29 | 3,249 | 1 | 5.0000 | 2004 |
| 330875 | 27 | 23 | 3,762 | 1 | 5.0000 | 2004 |
| 330879 | 187 | 152 | 10,645 | 3 | 10.1332 | 2004 |
| 330881 | 1,859 | 1,586 | 231,704 | 2 | 2.0000 | 2004 |
| 330925 | 110 | 94 | 2,766 | 1 | 5.0000 | 2004 |
| 330944 | 1,797 | 1,070 | 61,603 | 2 | 2.0000 | 2004 |
| 330945 | 130 | 111 | 3,845 | 2 | 5.6573 | 2004 |
| 330946 | 95 | 81 | 2,433 | 2 | 7.2942 | 2005 |
| 330955 | 807 | 689 | 25,559 | 1 | 2.0000 | 2005 |
| 330967 | 1,454 | 659 | 29,519 | 1 | 5.0000 | 2005 |
| 330968 | 346 | 295 | 32,085 | 1 | 2.0000 | 2005 |
| 330971 | 4,335 | 1,766 | 49,987 | 6 | 5.0000 | 2004 |
| 340990 | 22 | 19 | 0 | 1 | 13.5833 | 2004 |
| 341017 | 46 | 39 | 5,776 | 1 | 5.0000 | 2004 |
| 341024 | 123 | 105 | 3,763 | 7 | 5.7570 | 2005 |
| 341046 | 12 | 10 | 89 | 1 | 5.0000 | 2004 |
| 341054 | 383 | 271 | 6,107 | 13 | 9.3316 | 2004 |
| 341086 | 25 | 21 | 1,107 | 1 | 7.1887 | 2005 |
| 341092 | 19 | 16 | 0 | 1 | 5.0000 | 2005 |
| 351098 | 49 | 38 | 2,105 | 1 | 8.1271 | 2005 |
| 351101 | 328 | 65 | 1,488 | 1 | 6.3050 | 2004 |
| 351112 | 441 | 252 | 3,372 | 3 | 7.7780 | 2005 |
| 351115 | 97 | 158 | 997 | 4 | 7.1825 | 2004 |
| 351118 | 66 | 101 | 13,384 | 2 | 7.8821 | 2005 |
| 351121 | 23 | 39 | 1,121 | 1 | 5.0000 | 2005 |
| 351141 | 34 | 51 | 553 | 1 | 5.8047 | 2004 |
| 351147 | 83 | 59 | 1,185 | 1 | 5.0000 | 2004 |
| 351153 | 146 | 23 | 2,160 | 1 | 5.5976 | 2005 |
| 351157 | 45 | 73 | 1,028 | 2 | 6.7895 | 2004 |
| 351162 | 363 | 113 | 2,813 | 2 | 7.7567 | 2004 |
| 351169 | 38 | 31 | 754 | 1 | 6.4353 | 2004 |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Access Lines | Traffic Sensitive Minutes of Use | Intertoll Dial Circuits | Circuit Miles | Normal Route Circuit Miles | Long Route Circuit Miles |
|---|---|---|---|---|---|---|
| 351171 | 1,986 | 318,799 | 0 | 4,540 | 4,540 | 0 |
| 351173 | 2,529 | 341,177 | 0 | 25,555 | 25,555 | 0 |
| 351174 | 1,134 | 252,726 | 57 | 17,568 | 6,600 | 10,968 |
| 351176 | 702 | 147,084 | 0 | 18,188 | 3,500 | 14,688 |
| 351188 | 570 | 92,130 | 72 | 10,761 | 3,900 | 6,861 |
| 351203 | 806 | 142,601 | 0 | 10,583 | 3,400 | 7,183 |
| 351205 | 1,724 | 385,970 | 0 | 6,680 | 6,680 | 0 |
| 351206 | 408 | 119,188 | 0 | 25,698 | 7,300 | 18,398 |
| 351217 | 968 | 131,704 | 44 | 17,028 | 17,028 | 0 |
| 351225 | 1,899 | 277,704 | 0 | 24,890 | 15,400 | 9,490 |
| 351232 | 498 | 817,957 | 304 | 84,474 | 59,900 | 24,574 |
| 351248 | 2,187 | 338,040 | 0 | 16,772 | 8,000 | 8,772 |
| 351250 | 636 | 118,320 | 0 | 7,466 | 2,300 | 5,166 |
| 351274 | 1,780 | 1,610,505 | 0 | 118 | 118 | 0 |
| 351275 | 211 | 43,054 | 0 | 4,628 | 1,400 | 3,228 |
| 351276 | 1,302 | 119,904 | 0 | 5,511 | 2,800 | 2,711 |
| 351280 | 387 | 72,290 | 0 | 2,309 | 2,100 | 209 |
| 351283 | 467 | 249,234 | 0 | 11,570 | 11,570 | 0 |
| 351294 | 536 | 131,226 | 0 | 5,637 | 2,600 | 3,037 |
| 351297 | 3,011 | 3,703,244 | 0 | 351,772 | 129,600 | 222,172 |
| 351298 | 14,052 | 2,524,752 | 0 | 91,189 | 91,189 | 0 |
| 351308 | 381 | 86,509 | 35 | 3,822 | 1,800 | 2,022 |
| 351320 | 592 | 165,601 | 0 | 39,233 | 39,233 | 0 |
| 351324 | 1,169 | 258,942 | 0 | 16,674 | 4,300 | 12,374 |
| 351326 | 749 | 171,087 | 0 | 10,455 | 4,100 | 6,355 |
| 361358 | 7,237 | 1,219,925 | 172 | 17,017 | 17,017 | 0 |
| 361362 | 8,656 | 3,735,700 | 0 | 26,700 | 26,700 | 0 |
| 361372 | 206 | 33,149 | 0 | 2,429 | 2,429 | 0 |
| 361384 | 275 | 43,939 | 0 | 100 | 100 | 0 |
| 361389 | 1,107 | 263,349 | 0 | 18,556 | 7,900 | 10,656 |
| 361401 | 1,548 | 363,710 | 295 | 53,664 | 53,664 | 0 |
| 361409 | 12,143 | 1,863,472 | 0 | 28,857 | 21,800 | 7,057 |
| 361430 | 10,792 | 1,386,873 | 0 | 32,196 | 29,900 | 2,296 |
| 361439 | 947 | 123,163 | 95 | 5,420 | 5,420 | 0 |
| 361479 | 18,973 | 3,674,939 | 0 | 4,053 | 4,053 | 0 |
| 361500 | 39 | 12,586 | 0 | 0 | 0 | 0 |
| 361505 | 6,413 | 1,189,475 | 383 | 66,232 | 59,500 | 6,732 |
| 361507 | 1,644 | 274,749 | 0 | 388 | 388 | 0 |
| 361508 | 1,133 | 185,425 | 0 | 919 | 919 | 0 |
| 371530 | 1,597 | 464,298 | 174 | 11,023 | 11,023 | 0 |
| 371532 | 2,953 | 727,438 | 253 | 30,128 | 30,128 | 0 |
| 371556 | 1,605 | 851,918 | 0 | 3,135 | 3,135 | 0 |
| 371556 | 1,605 | 851,918 | 0 | 3,135 | 3,135 | 0 |
| 371562 | 1,239 | 268,181 | 0 | 8,720 | 8,700 | 20 |
| 371565 | 680 | 173,571 | 0 | 1,038 | 1,038 | 0 |
| 381601 | 48 | 6,363 | 0 | 627 | 627 | 0 |
| 381625 | 5,411 | 1,151,026 | 0 | 125,631 | 66,100 | 59,531 |
| 381631 | 4,762 | 1,157,554 | 0 | 23,755 | 23,755 | 0 |
| 383303 | 38,328 | 11,360,928 | 990 | 127,254 | 127,254 | 0 |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Interstate Circuits | Switch Circuit Terminations | Adjusted Special Access Revenues | Number of Exchanges | Sample Weight | Data Collection Year |
|---|---|---|---|---|---|---|
| 351171 | 192 | 43 | 12,499 | 1 | 5.0000 | 2005 |
| 351173 | 499 | 139 | 2,386 | 4 | 5.0000 | 2004 |
| 351174 | 81 | 117 | 2,795 | 3 | 5.0000 | 2005 |
| 351176 | 43 | 65 | 0 | 1 | 7.0873 | 2005 |
| 351188 | 48 | 72 | 3,323 | 1 | 2.0000 | 2005 |
| 351203 | 42 | 64 | 2,804 | 1 | 5.3177 | 2004 |
| 351205 | 97 | 140 | 14,810 | 2 | 5.2789 | 2004 |
| 351206 | 90 | 138 | 603 | 2 | 15.3038 | 2005 |
| 351217 | 232 | 89 | 2,859 | 3 | 5.5898 | 2004 |
| 351225 | 189 | 149 | 3,501 | 4 | 6.6460 | 2004 |
| 351232 | 735 | 1,077 | 0 | 1 | 9.3956 | 2005 |
| 351248 | 98 | 141 | 6,813 | 2 | 5.0890 | 2004 |
| 351250 | 28 | 45 | 3,518 | 1 | 6.8285 | 2004 |
| 351274 | 42 | 36 | 4,119 | 1 | 2.0000 | 2005 |
| 351275 | 17 | 24 | 0 | 1 | 10.4660 | 2004 |
| 351276 | 34 | 28 | 1,072 | 2 | 9.5589 | 2004 |
| 351280 | 26 | 38 | 2,885 | 1 | 6.8650 | 2005 |
| 351283 | 141 | 207 | 1,895 | 1 | 2.0000 | 2004 |
| 351294 | 32 | 34 | 1,019 | 1 | 8.9984 | 2004 |
| 351297 | 1,591 | 1,861 | 0 | 11 | 6.0600 | 2005 |
| 351298 | 1,143 | 633 | 70,768 | 6 | 2.0000 | 2004 |
| 351308 | 22 | 34 | 1,684 | 1 | 7.1857 | 2004 |
| 351320 | 521 | 198 | 881 | 1 | 2.0000 | 2004 |
| 351324 | 53 | 43 | 1,234 | 2 | 8.6224 | 2005 |
| 351326 | 50 | 77 | 3,772 | 1 | 5.0955 | 2005 |
| 361358 | 313 | 315 | 68,625 | 7 | 2.0000 | 2005 |
| 361362 | 1,226 | 1,046 | 83,757 | 2 | 2.0000 | 2004 |
| 361372 | 961 | 12 | 1,306 | 1 | 6.5899 | 2004 |
| 361384 | 22 | 9 | 0 | 1 | 2.0000 | 2004 |
| 361389 | 97 | 115 | 4,689 | 4 | 6.4116 | 2005 |
| 361401 | 662 | 622 | 634 | 10 | 5.0000 | 2005 |
| 361409 | 268 | 368 | 60,001 | 1 | 2.0000 | 2004 |
| 361430 | 367 | 392 | 42,366 | 8 | 5.4694 | 2004 |
| 361439 | 135 | 115 | 4,634 | 3 | 5.5715 | 2005 |
| 361479 | 675 | 576 | 35,828 | 3 | 2.0000 | 2005 |
| 361500 | 0 | 7 | 0 | 1 | 5.0000 | 2004 |
| 361505 | 730 | 895 | 7,863 | 18 | 3.0000 | 2004 |
| 361507 | 27 | 0 | 7,327 | 1 | 5.0000 | 2004 |
| 361508 | 38 | 32 | 2,174 | 1 | 6.0370 | 2004 |
| 371530 | 185 | 222 | 15,603 | 5 | 1.0000 | 2005 |
| 371532 | 394 | 559 | 34,757 | 15 | 1.5000 | 2005 |
| 371556 | 217 | 161 | 8,473 | 1 | 6.0000 | 2005 |
| 371556 | 217 | 161 | 6,102 | 1 | 1.0000 | 2004 |
| 371562 | 107 | 171 | 3,754 | 3 | 6.0000 | 2004 |
| 371565 | 52 | 44 | 885 | 2 | 5.8051 | 2004 |
| 381601 | 9 | 15 | 0 | 1 | 5.0000 | 2005 |
| 381625 | 811 | 456 | 33,013 | 16 | 6.2064 | 2004 |
| 381631 | 462 | 462 | 25,972 | 13 | 9.5611 | 2005 |
| 383303 | 2,862 | 2,218 | 448,032 | 25 | 2.0000 | 2004 |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Access Lines | Traffic Sensitive Minutes of Use | Intertoll Dial Circuits | Circuit Miles | Normal Route Circuit Miles | Long Route Circuit Miles |
|---|---|---|---|---|---|---|
| 391650 | 12,509 | 3,655,710 | 0 | 70,073 | 44,800 | 25,273 |
| 391650 | 12,509 | 3,655,710 | 0 | 70,073 | 44,800 | 25,273 |
| 391654 | 14,091 | 3,578,909 | 536 | 182,068 | 148,700 | 33,368 |
| 391654 | 14,091 | 3,578,909 | 536 | 182,068 | 148,700 | 33,368 |
| 391669 | 2,124 | 455,460 | 131 | 108,292 | 85,300 | 22,992 |
| 391669 | 2,124 | 455,460 | 131 | 108,292 | 85,300 | 22,992 |
| 391688 | 1,098 | 214,166 | 0 | 10,236 | 5,400 | 4,836 |
| 421932 | 1,476 | 287,849 | 0 | 281 | 281 | 0 |
| 421942 | 1,851 | 481,619 | 0 | 46,821 | 11,300 | 35,521 |
| 431704 | 1,353 | 367,894 | 0 | 68 | 68 | 0 |
| 442038 | 1,380 | 890,562 | 0 | 495 | 495 | 0 |
| 442038 | 1,380 | 890,562 | 0 | 495 | 495 | 0 |
| 442043 | 854 | 117,392 | 0 | 228 | 228 | 0 |
| 442043 | 854 | 117,392 | 0 | 228 | 228 | 0 |
| 442107 | 7,873 | 1,677,374 | 0 | 933 | 933 | 0 |
| 522430 | 4,373 | 2,066,969 | 0 | 3,331 | 3,331 | 0 |
| 532386 | 1,977 | 377,577 | 0 | 219 | 219 | 0 |
| 532396 | 629 | 112,846 | 0 | 241 | 241 | 0 |
| 532399 | 7,598 | 2,486,156 | 331 | 5,773 | 5,773 | 0 |
| 613026 | 176 | 25,976 | 0 | 0 | 0 | 0 |

APPENDIX D1
2007 MODIFICATION OF AVERAGE SCHEDULES
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

| Study Area Code | Interstate Circuits | Switch Circuit Terminations | Adjusted Special Access Revenues | Number of Exchanges | Sample Weight | Data Collection Year |
|---|---|---|---|---|---|---|
| 391650 | 550 | 726 | 21,755 | 1 | 1.0000 | 2004 |
| 391650 | 550 | 726 | 21,755 | 1 | 6.0000 | 2004 |
| 391654 | 1,825 | 1,548 | 103,065 | 26 | 1.5000 | 2005 |
| 391654 | 1,825 | 1,548 | 103,065 | 26 | 6.0000 | 2005 |
| 391669 | 1,047 | 402 | 2,493 | 6 | 1.0000 | 2004 |
| 391669 | 1,047 | 402 | 2,493 | 6 | 6.0000 | 2004 |
| 391688 | 66 | 83 | 3,447 | 3 | 3.3925 | 2005 |
| 421932 | 69 | 54 | 6,498 | 1 | 5.0000 | 2005 |
| 421942 | 139 | 113 | 12,266 | 3 | 5.3571 | 2005 |
| 431704 | 120 | 102 | 1,161 | 1 | 1.0000 | 2004 |
| 442038 | 69 | 54 | 0 | 1 | 6.0000 | 2005 |
| 442038 | 69 | 54 | 0 | 1 | 1.0000 | 2004 |
| 442043 | 42 | 36 | 1,925 | 2 | 4.8288 | 2005 |
| 442043 | 42 | 36 | 1,233 | 2 | 6.0000 | 2004 |
| 442107 | 479 | 409 | 29,996 | 1 | 1.0000 | 2005 |
| 522430 | 320 | 178 | 4,226 | 3 | 5.9999 | 2005 |
| 532386 | 86 | 56 | 8,645 | 1 | 5.0000 | 2004 |
| 532396 | 35 | 30 | 3,359 | 1 | 6.5907 | 2005 |
| 532399 | 844 | 720 | 38,635 | 1 | 2.0000 | 2004 |
| 613026 | 0 | 7 | 1,110 | 1 | 2.5000 | 2005 |

APPENDIX D2

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY DEMAND DATA

| Sequence | Exchange Count | Access Lines | CL Minutes of Use | TS Minutes of Use | Interstate Toll Circuit Miles | Host Remote Circuit Miles | Circuit Miles | Switched Terminations | Imputed Host Remote Circuits | Imputed ITD | Adjusted Special Access Revenues | Data Collection Year | Sample Weight | TS Participant | Special Access Indicator |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1001 | 9 | 7,163 | 1,536,734 | 1,536,734 | 1,894 | 3,762 | 5,656 | 459 | 159 | 0 | 9,173 | 2005 | 5.29 | 1 | 1 |
| 1002 | 8 | 14,311 | 4,291,514 | 4,291,514 | 14,573 | 2,341 | 16,914 | 834 | 149 | 334 | 29,145 | 2005 | 5.33 | 1 | 1 |
| 1003 | 9 | 21,099 | 5,270,030 | 5,270,030 | 1,932 | 905 | 2,836 | 1,459 | 45 | 0 | 52,770 | 2005 | 3.00 | 1 | 1 |
| 1004 | 1 | 1,142 | 344,038 | 344,038 | 1,699 | 0 | 1,699 | 261 | 0 | 0 | 2,387 | 2004 | 10.03 | 1 | 1 |
| 1005 | 4 | 8,194 | 1,858,021 | 1,858,021 | 3,754 | 1,121 | 4,875 | 547 | 73 | 0 | 35,422 | 2004 | 5.64 | 1 | 1 |
| 1006 | 1 | 3,689 | 871,389 | 871,389 | 220 | 0 | 220 | 201 | 0 | 0 | 19,587 | 2005 | 8.50 | 1 | 1 |
| 1007 | 1 | 1,652 | 804,697 | 804,697 | 870 | 0 | 870 | 142 | 0 | 0 | 1,733 | 2005 | 2.00 | 1 | 1 |
| 1008 | 9 | 21,111 | 6,623,037 | 6,623,037 | 139,519 | 17,844 | 157,362 | 2,252 | 413 | 0 | 117,149 | 2004 | 2.00 | 1 | 1 |
| 1009 | 3 | 5,974 | 1,689,937 | 1,689,937 | 2,008 | 2,622 | 4,630 | 587 | 165 | 0 | 76,856 | 2005 | 5.00 | 1 | 1 |
| 1010 | 6 | 11,132 | 2,711,962 | 2,711,962 | 6,875 | 1,745 | 8,620 | 769 | 158 | 0 | 70,169 | 2005 | 5.60 | 1 | 1 |
| 1011 | 3 | 4,066 | 905,998 | 905,998 | 841 | 112 | 952 | 186 | 13 | 0 | 13,938 | 2004 | 7.15 | 1 | 1 |
| 1012 | 11 | 28,776 | 7,068,705 | 7,068,705 | 14,233 | 23,724 | 37,957 | 1,533 | 608 | 0 | 134,428 | 2004 | 5.00 | 1 | 1 |
| 1013 | 2 | 4,516 | 882,861 | 882,861 | 389 | 250 | 639 | 115 | 36 | 0 | 8,074 | 2004 | 7.51 | 1 | 1 |
| 1014 | 1 | 1,336 | 245,764 | 245,764 | 58 | 60 | 118 | 66 | 8 | 0 | 6,634 | 2005 | 6.36 | 1 | 1 |
| 1015 | 1 | 3,945 | 1,190,156 | 1,190,156 | 1,239 | 2,379 | 3,618 | 285 | 137 | 0 | 11,679 | 2005 | 5.00 | 1 | 1 |
| 1016 | 1 | 7,548 | 2,020,696 | 2,020,696 | 1,802 | 750 | 2,553 | 327 | 86 | 0 | 17,249 | 2005 | 5.00 | 1 | 1 |
| 1017 | 4 | 10,411 | 2,413,172 | 2,413,172 | 0 | 1,224 | 1,224 | 65 | 65 | 0 | 59,307 | 2004 | 5.00 | 1 | 1 |
| 1018 | 1 | 2,980 | 606,656 | 606,656 | 334 | 836 | 1,170 | 177 | 134 | 0 | 5,580 | 2005 | 6.01 | 1 | 1 |
| 1019 | 1 | 1,111 | 291,168 | 291,168 | 5,525 | 0 | 5,525 | 91 | 0 | 0 | 1,759 | 2005 | 6.00 | 1 | 1 |
| 1020 | 2 | 10,116 | 2,481,246 | 2,481,246 | 1,299 | 1,072 | 2,371 | 405 | 124 | 0 | 19,002 | 2005 | 5.14 | 1 | 1 |
| 1021 | 13 | 36,003 | 8,572,381 | 8,572,381 | 51,399 | 818 | 52,218 | 1,650 | 29 | 669 | 258,144 | 2005 | 3.00 | 1 | 1 |
| 1022 | 3 | 7,648 | 1,387,659 | 1,387,659 | 2,260 | 856 | 3,117 | 201 | 23 | 0 | 30,116 | 2005 | 5.47 | 1 | 1 |
| 1023 | 6 | 11,076 | 1,921,107 | 1,921,107 | 12,621 | 9,258 | 21,878 | 613 | 138 | 0 | 25,688 | 2004 | 5.00 | 1 | 1 |
| 1024 | 1 | 15,631 | 4,078,886 | 4,078,886 | 19,028 | 0 | 19,028 | 1,188 | 0 | 0 | 119,886 | 2004 | 3.00 | 1 | 1 |
| 1025 | 1 | 5,111 | 1,402,593 | 1,402,593 | 2,594 | 0 | 2,594 | 254 | 0 | 0 | 18,709 | 2004 | 10.31 | 1 | 1 |
| 1026 | 2 | 4,176 | 795,011 | 795,011 | 4,934 | 358 | 5,293 | 287 | 11 | 0 | 16,533 | 2004 | 8.66 | 1 | 1 |
| 1027 | 7 | 10,302 | 2,295,151 | 2,295,151 | 4,179 | 0 | 4,179 | 462 | 0 | 0 | 32,928 | 2004 | 5.00 | 1 | 1 |
| 1028 | 12 | 79,327 | 18,080,483 | 18,080,483 | 216,441 | 55,262 | 271,703 | 3,268 | 776 | 1,790 | 441,216 | 2005 | 3.00 | 1 | 1 |
| 1029 | 1 | 1,523 | 415,914 | 415,914 | 532 | 0 | 532 | 62 | 0 | 0 | 2,354 | 2004 | 8.84 | 1 | 1 |
| 1030 | 1 | 21,280 | 5,543,494 | 5,543,494 | 4,736 | 0 | 4,736 | 420 | 0 | 0 | 54,099 | 2005 | 3.00 | 1 | 1 |
| 1031 | 3 | 19,401 | 7,259,820 | 7,259,820 | 19,504 | 2,860 | 22,363 | 1,950 | 299 | 0 | 122,328 | 2004 | 2.00 | 1 | 1 |
| 1032 | 6 | 13,749 | 3,313,531 | 3,313,531 | 13,495 | 7,286 | 20,781 | 2,255 | 540 | 652 | 76,734 | 2005 | 7.59 | 1 | 1 |
| 1033 | 4 | 2,634 | 637,662 | 637,662 | 2,208 | 0 | 2,208 | 210 | 0 | 0 | 6,075 | 2004 | 5.00 | 1 | 1 |
| 1034 | 3 | 3,295 | 744,311 | 744,311 | 453 | 643 | 1,096 | 123 | 17 | 0 | 7,503 | 2005 | 8.75 | 1 | 1 |
| 1035 | 4 | 3,220 | 795,834 | 795,834 | 4,005 | 309 | 4,314 | 315 | 37 | 0 | 6,597 | 2004 | 5.00 | 1 | 1 |
| 1036 | 4 | 8,605 | 1,778,450 | 1,778,450 | 3,367 | 234 | 3,601 | 327 | 30 | 0 | 14,724 | 2005 | 6.64 | 1 | 1 |
| 1037 | 5 | 10,116 | 2,567,500 | 2,567,500 | 24,789 | 1,338 | 26,127 | 560 | 54 | 0 | 18,009 | 2004 | 5.17 | 1 | 1 |
| 1038 | 3 | 4,327 | 678,215 | 678,215 | 201 | 534 | 734 | 137 | 52 | 0 | 10,777 | 2005 | 5.11 | 1 | 1 |
| 1039 | 1 | 1,953 | 336,760 | 336,760 | 379 | 0 | 379 | 88 | 0 | 0 | 7,036 | 2005 | 8.12 | 1 | 1 |
| 1040 | 3 | 5,415 | 993,126 | 993,126 | 533 | 175 | 708 | 133 | 29 | 0 | 11,452 | 2004 | 11.72 | 1 | 1 |
| 1041 | 15 | 38,074 | 7,955,995 | 7,955,995 | 244,402 | 4,350 | 248,751 | 3,450 | 203 | 1,316 | 126,437 | 2005 | 4.00 | 1 | 1 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY DEMAND DATA

| Sequence | Exchange Count | Access Lines | CL Minutes of Use | TS Minutes of Use | Interstate Toll Circuit Miles | Host Remote Circuit Miles | Circuit Miles | Switched Terminations | Imputed Host Remote Circuits | Imputed ITD | Adjusted Special Access Revenues | Data Collection Year | Sample Weight | TS Participant | Special Access Indicator |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1042 | 1 | 7,514 | 1,785,374 | 1,785,374 | 2,612 | 0 | 2,612 | 282 | 0 | 0 | 24,798 | 2005 | 5.00 | 1 | 1 |
| 1043 | 3 | 2,157 | 266,348 | 266,348 | 0 | 115 | 115 | 95 | 17 | 0 | 5,810 | 2005 | 11.26 | 1 | 1 |
| 1044 | 2 | 2,552 | 662,384 | 662,384 | 1,249 | 231 | 1,480 | 211 | 33 | 0 | 3,471 | 2005 | 8.27 | 1 | 1 |
| 1045 | 5 | 5,847 | 815,871 | 815,871 | 4,959 | 1,868 | 6,826 | 220 | 67 | 0 | 12,419 | 2005 | 5.00 | 1 | 1 |
| 1046 | 9 | 6,176 | 1,150,798 | 1,150,798 | 631 | 2,496 | 3,127 | 189 | 72 | 0 | 30,205 | 2005 | 5.84 | 1 | 1 |
| 1047 | 1 | 1,497 | 317,350 | 317,350 | 303 | 0 | 303 | 53 | 0 | 0 | 7,020 | 2005 | 8.56 | 1 | 1 |
| 1048 | 18 | 6,966 | 1,635,733 | 1,635,733 | 2,032 | 0 | 2,032 | 285 | 0 | 0 | 9,270 | 2004 | 5.00 | 1 | 1 |
| 1049 | 9 | 13,627 | 2,363,728 | 2,363,728 | 4,320 | 0 | 4,320 | 518 | 0 | 0 | 41,269 | 2005 | 5.00 | 1 | 1 |
| 1050 | 3 | 8,483 | 1,774,656 | 1,774,656 | 14,386 | 2,505 | 16,891 | 1,807 | 154 | 763 | 10,021 | 2004 | 7.29 | 1 | 1 |
| 1051 | 1 | 2,198 | 480,036 | 480,036 | 1,889 | 0 | 1,889 | 109 | 0 | 0 | 10,790 | 2005 | 6.38 | 1 | 1 |
| 1052 | 5 | 13,761 | 4,820,495 | 4,820,495 | 9,866 | 1,502 | 11,368 | 1,789 | 147 | 780 | 33,824 | 2005 | 2.00 | 1 | 1 |
| 1053 | 1 | 8,354 | 1,718,737 | 1,718,737 | 328 | 0 | 328 | 153 | 0 | 0 | 29,940 | 2004 | 5.00 | 1 | 1 |
| 1054 | 3 | 4,598 | 1,804,176 | 1,804,176 | 15,631 | 0 | 15,631 | 444 | 0 | 0 | 28,699 | 2005 | 2.00 | 1 | 1 |
| 1055 | 13 | 10,086 | 2,468,020 | 2,468,020 | 111,023 | 9,969 | 120,992 | 6,257 | 204 | 1,662 | 56,212 | 2005 | 5.81 | 1 | 1 |
| 1056 | 2 | 2,802 | 625,254 | 625,254 | 18,556 | 269 | 18,825 | 111 | 24 | 0 | 12,809 | 2004 | 7.40 | 1 | 1 |
| 1057 | 3 | 2,365 | 591,379 | 591,379 | 0 | 1,788 | 1,788 | 128 | 42 | 0 | 9,669 | 2004 | 8.01 | 1 | 1 |
| 1058 | 3 | 4,805 | 1,132,609 | 1,132,609 | 1,997 | 713 | 2,710 | 172 | 50 | 0 | 14,423 | 2005 | 7.02 | 1 | 1 |
| 1059 | 2 | 10,773 | 1,633,768 | 1,633,768 | 0 | 0 | 0 | 304 | 0 | 0 | 32,200 | 2005 | 5.00 | 1 | 1 |
| 1060 | 4 | 29,461 | 6,333,728 | 6,333,728 | 12,006 | 1,203 | 13,210 | 1,369 | 188 | 0 | 75,481 | 2004 | 3.00 | 1 | 1 |
| 1061 | 2 | 311 | 54,526 | 54,526 | 608 | 0 | 608 | 19 | 0 | 0 | 1,140 | 2005 | 5.00 | 1 | 1 |
| 1062 | 6 | 6,495 | 1,303,377 | 1,303,377 | 1,110 | 3,382 | 4,492 | 232 | 97 | 0 | 52,795 | 2004 | 5.00 | 1 | 1 |
| 1063 | 5 | 4,247 | 662,403 | 662,403 | 2,430 | 3,260 | 5,690 | 118 | 44 | 0 | 13,233 | 2004 | 5.00 | 1 | 1 |
| 1064 | 3 | 1,626 | 227,373 | 227,373 | 1,600 | 183 | 1,783 | 72 | 21 | 45 | 10,566 | 2004 | 9.35 | 1 | 1 |
| 1065 | 1 | 673 | 340,102 | 340,102 | 2,672 | 0 | 2,672 | 70 | 0 | 0 | 2,786 | 2005 | 2.00 | 1 | 1 |
| 1066 | 1 | 549 | 152,134 | 152,134 | 1,460 | 0 | 1,460 | 119 | 0 | 0 | 345 | 2004 | 2.00 | 1 | 1 |
| 1067 | 12 | 11,850 | 2,926,116 | 2,926,116 | 22,098 | 8,824 | 30,922 | 778 | 243 | 0 | 56,211 | 2005 | 4.00 | 1 | 1 |
| 1068 | 2 | 756 | 109,116 | 109,116 | 266 | 0 | 266 | 45 | 0 | 0 | 2,341 | 2005 | 5.00 | 1 | 1 |
| 1069 | 1 | 4,668 | 653,697 | 653,697 | 8,613 | 0 | 8,613 | 219 | 0 | 0 | 11,877 | 2005 | 2.00 | 1 | 1 |
| 1070 | 3 | 2,084 | 396,415 | 396,415 | 0 | 0 | 0 | 94 | 0 | 0 | 7,338 | 2005 | 5.00 | 1 | 1 |
| 1071 | 1 | 2,704 | 531,518 | 531,518 | 405 | 0 | 405 | 67 | 0 | 0 | 8,054 | 2004 | 6.03 | 1 | 1 |
| 1072 | 4 | 882 | 200,349 | 200,349 | 717 | 469 | 1,186 | 55 | 28 | 0 | 8,530 | 2004 | 14.55 | 1 | 1 |
| 1073 | 1 | 1,004 | 214,250 | 214,250 | 118 | 0 | 118 | 26 | 0 | 0 | 3,903 | 2005 | 13.37 | 1 | 1 |
| 1074 | 1 | 590 | 138,090 | 138,090 | 1,332 | 0 | 1,332 | 30 | 0 | 0 | 3,436 | 2005 | 11.23 | 1 | 1 |
| 1075 | 2 | 1,089 | 263,285 | 263,285 | 440 | 0 | 440 | 34 | 0 | 0 | 8,693 | 2004 | 5.00 | 1 | 1 |
| 1076 | 26 | 18,591 | 3,883,915 | 3,883,915 | 47,640 | 26,931 | 74,571 | 1,362 | 307 | 0 | 124,425 | 2005 | 5.00 | 1 | 1 |
| 1077 | 18 | 8,079 | 2,285,887 | 2,285,887 | 9,238 | 31,001 | 40,239 | 705 | 279 | 0 | 51,982 | 2004 | 5.76 | 1 | 1 |
| 1078 | 29 | 11,433 | 2,993,885 | 2,993,885 | 78,372 | 42,592 | 120,964 | 739 | 225 | 0 | 67,050 | 2004 | 5.33 | 1 | 1 |
| 1079 | 15 | 12,670 | 2,553,769 | 2,553,769 | 59,939 | 3,332 | 63,271 | 498 | 72 | 0 | 77,571 | 2005 | 5.00 | 1 | 1 |
| 1080 | 14 | 6,446 | 1,601,296 | 1,601,296 | 22,288 | 8,903 | 31,191 | 753 | 179 | 321 | 21,415 | 2004 | 5.00 | 1 | 1 |
| 1081 | 2 | 769 | 150,703 | 150,703 | 2,089 | 813 | 2,902 | 64 | 13 | 0 | 7,586 | 2004 | 11.73 | 1 | 1 |
| 1082 | 10 | 4,594 | 970,188 | 970,188 | 36,401 | 0 | 36,401 | 728 | 0 | 317 | 27,446 | 2005 | 1.00 | 1 | 1 |

APPENDIX D2

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY DEMAND DATA

| Sequence | Exchange Count | Access Lines | CL Minutes of Use | TS Minutes of Use | Interstate Toll Circuit Miles | Host Remote Circuit Miles | Circuit Miles | Switched Terminations | Imputed Host Remote Circuits | Imputed ITD | Adjusted Special Access Revenues | Data Collection Year | Sample Weight | TS Participant | Special Access Indicator |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1083 | 3 | 715 | 171,762 | 171,762 | 17,255 | 870 | 18,126 | 90 | 21 | 0 | 85 | 2005 | 13.96 | 1 | 1 |
| 1084 | 25 | 13,463 | 3,176,475 | 3,176,475 | 82,185 | 6,327 | 88,512 | 1,256 | 42 | 628 | 49,924 | 2004 | 4.00 | 1 | 1 |
| 1085 | 9 | 3,497 | 993,700 | 993,700 | 19,810 | 15,140 | 34,950 | 222 | 112 | 0 | 13,512 | 2005 | 5.00 | 1 | 1 |
| 1086 | 24 | 19,142 | 5,278,476 | 5,278,476 | 31,989 | 11,697 | 43,686 | 839 | 203 | 0 | 58,760 | 2005 | 5.00 | 1 | 1 |
| 1087 | 8 | 3,930 | 1,239,819 | 1,239,819 | 13,049 | 7,485 | 20,534 | 320 | 121 | 0 | 14,747 | 2005 | 2.00 | 1 | 1 |
| 1088 | 6 | 7,828 | 2,736,616 | 2,736,616 | 1,133 | 3,588 | 4,721 | 356 | 189 | 0 | 28,883 | 2005 | 2.00 | 1 | 1 |
| 1089 | 5 | 9,689 | 2,339,172 | 2,339,172 | 36,598 | 0 | 36,598 | 1,141 | 0 | 0 | 31,151 | 2005 | 2.00 | 1 | 1 |
| 1090 | 3 | 1,022 | 247,068 | 247,068 | 555 | 212 | 767 | 55 | 20 | 0 | 7,589 | 2004 | 5.00 | 1 | 1 |
| 1091 | 6 | 5,510 | 2,027,193 | 2,027,193 | 1,603 | 982 | 2,584 | 368 | 70 | 0 | 14,181 | 2005 | 6.41 | 1 | 1 |
| 1092 | 10 | 3,010 | 1,535,816 | 1,535,816 | 195 | 0 | 195 | 127 | 0 | 0 | 12,270 | 2004 | 2.00 | 1 | 1 |
| 1093 | 1 | 2,081 | 374,105 | 374,105 | 82 | 0 | 82 | 82 | 0 | 0 | 11,879 | 2004 | 8.30 | 1 | 1 |
| 1094 | 1 | 1,577 | 382,241 | 382,241 | 6,007 | 0 | 6,007 | 121 | 0 | 0 | 25,176 | 2005 | 2.00 | 1 | 1 |
| 1095 | 18 | 5,888 | 1,182,615 | 1,182,615 | 349 | 0 | 349 | 236 | 0 | 0 | 31,663 | 2004 | 5.30 | 1 | 1 |
| 1096 | 2 | 326 | 96,573 | 96,573 | 6,831 | 230 | 7,061 | 98 | 8 | 0 | 2,103 | 2004 | 2.50 | 1 | 1 |
| 1097 | 1 | 402 | 213,487 | 213,487 | 142 | 0 | 142 | 214 | 0 | 0 | 0 | 2005 | 1.00 | 1 | 0 |
| 1098 | 3 | 2,723 | 5,800,150 | 5,800,150 | 19,768 | 4,852 | 24,619 | 527 | 116 | 0 | 28,249 | 2004 | 2.00 | 1 | 1 |
| 1099 | 31 | 13,874 | 4,551,581 | 4,551,581 | 18,896 | 0 | 18,896 | 1,447 | 0 | 833 | 96,041 | 2004 | 4.00 | 1 | 1 |
| 1100 | 8 | 1,901 | 590,532 | 590,532 | 10,489 | 0 | 10,489 | 180 | 0 | 0 | 6,934 | 2005 | 5.00 | 1 | 1 |
| 1101 | 3 | 5,554 | 1,427,270 | 1,427,270 | 74,592 | 0 | 74,592 | 1,341 | 0 | 0 | 22,432 | 2005 | 5.00 | 1 | 1 |
| 1102 | 8 | 1,386 | 699,892 | 699,892 | 199 | 1,325 | 1,524 | 171 | 73 | 0 | 8,004 | 2005 | 2.00 | 1 | 1 |
| 1103 | 3 | 3,752 | 1,257,660 | 1,257,660 | 1,232 | 0 | 1,232 | 168 | 0 | 0 | 15,450 | 2005 | 5.00 | 1 | 1 |
| 1104 | 2 | 2,600 | 1,175,716 | 1,175,716 | 0 | 1,385 | 1,385 | 98 | 98 | 0 | 5,939 | 2005 | 2.00 | 1 | 1 |
| 1105 | 2 | 2,721 | 700,002 | 700,002 | 0 | 0 | 0 | 0 | 0 | 0 | 4,665 | 2004 | 5.00 | 1 | 1 |
| 1106 | 32 | 14,499 | 3,576,764 | 3,576,764 | 78,298 | 23,128 | 101,425 | 877 | 353 | 0 | 72,845 | 2004 | 5.24 | 1 | 1 |
| 1107 | 2 | 1,598 | 684,119 | 684,119 | 1,470 | 0 | 1,470 | 98 | 0 | 0 | 4,569 | 2005 | 2.00 | 1 | 1 |
| 1108 | 3 | 4,280 | 1,398,198 | 1,398,198 | 2,351 | 0 | 2,351 | 158 | 0 | 0 | 22,958 | 2004 | 6.85 | 1 | 1 |
| 1109 | 12 | 4,200 | 692,382 | 692,382 | 4,825 | 0 | 4,825 | 292 | 0 | 0 | 25,453 | 2004 | 5.00 | 1 | 1 |
| 1110 | 2 | 3,363 | 1,092,007 | 1,092,007 | 5,068 | 331 | 5,399 | 417 | 17 | 0 | 10,912 | 2005 | 5.43 | 1 | 1 |
| 1111 | 4 | 4,740 | 859,842 | 859,842 | 3,742 | 0 | 3,742 | 392 | 0 | 0 | 17,846 | 2004 | 5.00 | 1 | 1 |
| 1112 | 10 | 1,220 | 283,962 | 283,962 | 10,609 | 0 | 10,609 | 134 | 0 | 0 | 10,086 | 2004 | 10.23 | 1 | 1 |
| 1113 | 3 | 1,690 | 504,146 | 504,146 | 9,532 | 0 | 9,532 | 755 | 0 | 277 | 1,163 | 2005 | 2.00 | 1 | 1 |
| 1114 | 2 | 1,231 | 368,721 | 368,721 | 191 | 110 | 301 | 71 | 25 | 0 | 3,817 | 2004 | 2.00 | 1 | 1 |
| 1115 | 2 | 1,561 | 338,831 | 338,831 | 2,310 | 76 | 2,386 | 47 | 9 | 0 | 6,359 | 2005 | 10.05 | 1 | 1 |
| 1116 | 10 | 5,005 | 1,878,456 | 1,878,456 | 6,274 | 3,326 | 9,601 | 540 | 150 | 200 | 6,863 | 2004 | 2.00 | 1 | 1 |
| 1117 | 9 | 8,896 | 2,491,117 | 2,491,117 | 179 | 0 | 179 | 946 | 0 | 898 | 33,974 | 2004 | 2.00 | 1 | 1 |
| 1118 | 9 | 4,317 | 1,899,092 | 1,899,092 | 100,214 | 7,353 | 107,567 | 1,858 | 164 | 1,115 | 26,963 | 2004 | 2.00 | 1 | 1 |
| 1119 | 2 | 4,207 | 989,599 | 989,599 | 1,788 | 0 | 1,788 | 88 | 0 | 59 | 13,067 | 2004 | 10.18 | 1 | 1 |
| 1120 | 6 | 2,140 | 512,504 | 512,504 | 2,219 | 889 | 3,107 | 123 | 48 | 0 | 10,760 | 2005 | 9.33 | 1 | 1 |
| 1121 | 9 | 3,389 | 1,178,552 | 1,178,552 | 19,837 | 0 | 19,837 | 881 | 0 | 527 | 3,153 | 2004 | 7.65 | 1 | 1 |
| 1122 | 22 | 16,688 | 6,816,921 | 6,816,921 | 105,228 | 34,117 | 139,345 | 2,462 | 242 | 702 | 165,091 | 2005 | 2.00 | 1 | 1 |
| 1123 | 5 | 6,625 | 2,316,471 | 2,316,471 | 22,030 | 0 | 22,030 | 1,686 | 0 | 859 | 18,498 | 2005 | 2.00 | 1 | 1 |

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY DEMAND DATA

| Sequence | Exchange Count | Access Lines | CL Minutes of Use | TS Minutes of Use | Interstate Toll Circuit Miles | Host Remote Circuit Miles | Circuit Miles | Switched Terminations | Imputed Host Remote Circuits | Imputed ITD | Adjusted Special Access Revenues | Data Collection Year | Sample Weight | TS Participant | Special Access Indicator |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1124 | 76 | 52,977 | 11,603,297 | 11,603,297 | 116,881 | 56,324 | 173,205 | 3,989 | 984 | 1,817 | 187,830 | 2004 | 4.00 | 1 | 1 |
| 1125 | 6 | 2,352 | 831,234 | 831,234 | 2,822 | 961 | 3,784 | 300 | 69 | 0 | 8,091 | 2004 | 2.00 | 1 | 1 |
| 1126 | 2 | 1,195 | 154,561 | 154,561 | 870 | 0 | 870 | 42 | 0 | 0 | 9,112 | 2005 | 5.00 | 1 | 1 |
| 1127 | 2 | 6,319 | 958,458 | 958,458 | 7,306 | 0 | 7,306 | 660 | 0 | 0 | 24,565 | 2005 | 8.12 | 1 | 1 |
| 1128 | 16 | 4,573 | 808,458 | 808,458 | 15,595 | 9,667 | 25,262 | 377 | 141 | 0 | 46,311 | 2004 | 6.74 | 1 | 1 |
| 1129 | 6 | 2,427 | 331,226 | 331,226 | 3,056 | 1,163 | 4,219 | 176 | 50 | 0 | 1,633 | 2004 | 8.79 | 1 | 1 |
| 1130 | 6 | 7,025 | 812,894 | 812,894 | 36,628 | 444 | 37,073 | 588 | 52 | 405 | 51,680 | 2005 | 6.57 | 1 | 1 |
| 1131 | 1 | 865 | 182,934 | 182,934 | 425 | 0 | 425 | 107 | 0 | 0 | 11,804 | 2004 | 6.29 | 1 | 1 |
| 1132 | 11 | 6,811 | 1,381,448 | 1,381,448 | 15,316 | 1,129 | 16,445 | 733 | 48 | 358 | 51,578 | 2004 | 5.93 | 1 | 1 |
| 1133 | 1 | 102 | 9,347 | 9,347 | 45 | 0 | 45 | 5 | 0 | 0 | 691 | 2005 | 24.77 | 1 | 1 |
| 1134 | 3 | 3,248 | 367,861 | 367,861 | 600 | 0 | 600 | 91 | 0 | 0 | 13,884 | 2004 | 8.32 | 1 | 1 |
| 1135 | 10 | 2,061 | 369,479 | 369,479 | 1,813 | 945 | 2,758 | 141 | 36 | 0 | 23,738 | 2005 | 7.93 | 1 | 1 |
| 1136 | 1 | 8,086 | 1,710,879 | 1,710,879 | 1,790 | 0 | 1,790 | 271 | 0 | 0 | 0 | 2004 | 5.00 | 1 | 0 |
| 1137 | 2 | 26,055 | 6,895,139 | 6,895,139 | 23,566 | 923 | 24,489 | 1,114 | 31 | 560 | 143,594 | 2005 | 3.00 | 1 | 1 |
| 1138 | 1 | 12,548 | 2,824,602 | 2,824,602 | 5,622 | 0 | 5,622 | 448 | 0 | 0 | 73,114 | 2004 | 6.20 | 1 | 1 |
| 1139 | 6 | 4,303 | 836,504 | 836,504 | 4,278 | 750 | 5,028 | 561 | 46 | 326 | 14,601 | 2005 | 8.49 | 1 | 1 |
| 1140 | 15 | 3,245 | 546,462 | 546,462 | 6,894 | 3,141 | 10,035 | 520 | 90 | 329 | 17,345 | 2005 | 9.90 | 1 | 1 |
| 1141 | 6 | 4,602 | 594,237 | 594,237 | 17,158 | 3,755 | 20,913 | 282 | 62 | 0 | 31,707 | 2004 | 5.97 | 1 | 1 |
| 1142 | 17 | 6,400 | 854,770 | 854,770 | 14,621 | 36,784 | 51,405 | 457 | 217 | 0 | 69,407 | 2004 | 5.50 | 1 | 1 |
| 1143 | 9 | 2,062 | 501,661 | 501,661 | 0 | 3,258 | 3,258 | 91 | 91 | 0 | 9,722 | 2005 | 7.48 | 1 | 1 |
| 1144 | 10 | 7,960 | 2,469,039 | 2,469,039 | 11,677 | 3,497 | 15,174 | 698 | 44 | 291 | 73,266 | 2004 | 2.00 | 1 | 1 |
| 1145 | 1 | 210 | 37,753 | 37,753 | 55 | 0 | 55 | 28 | 0 | 0 | 1,403 | 2004 | 2.00 | 1 | 1 |
| 1146 | 3 | 1,072 | 439,096 | 439,096 | 859 | 337 | 1,196 | 159 | 41 | 0 | 5,535 | 2004 | 2.00 | 1 | 1 |
| 1147 | 7 | 4,958 | 1,734,804 | 1,734,804 | 0 | 0 | 0 | 262 | 0 | 0 | 41,471 | 2004 | 2.00 | 1 | 1 |
| 1148 | 1 | 568 | 169,743 | 169,743 | 300 | 0 | 300 | 24 | 0 | 0 | 3,051 | 2004 | 2.00 | 1 | 1 |
| 1149 | 1 | 687 | 195,580 | 195,580 | 0 | 0 | 0 | 0 | 0 | 0 | 3,983 | 2004 | 14.85 | 1 | 1 |
| 1150 | 5 | 2,062 | 713,427 | 713,427 | 30,095 | 2,476 | 32,570 | 277 | 65 | 0 | 16,957 | 2004 | 2.00 | 1 | 1 |
| 1151 | 4 | 2,226 | 644,983 | 644,983 | 4,085 | 831 | 4,916 | 172 | 33 | 0 | 14,822 | 2005 | 7.35 | 1 | 1 |
| 1152 | 3 | 5,683 | 1,275,369 | 1,275,369 | 89,054 | 0 | 89,054 | 377 | 0 | 0 | 47,880 | 2005 | 5.00 | 1 | 1 |
| 1153 | 5 | 8,033 | 2,322,216 | 2,322,216 | 3,653 | 2,958 | 6,612 | 316 | 93 | 0 | 12,476 | 2005 | 5.00 | 1 | 1 |
| 1154 | 7 | 638 | 116,137 | 116,137 | 755 | 0 | 755 | 66 | 0 | 0 | 511 | 2004 | 5.00 | 1 | 1 |
| 1155 | 5 | 5,056 | 2,078,472 | 2,078,472 | 8,640 | 0 | 8,640 | 598 | 0 | 0 | 34,653 | 2004 | 2.00 | 1 | 1 |
| 1156 | 2 | 2,146 | 910,124 | 910,124 | 182 | 0 | 182 | 182 | 0 | 0 | 14,808 | 2005 | 2.00 | 1 | 1 |
| 1157 | 27 | 10,953 | 3,527,820 | 3,527,820 | 153,954 | 28,935 | 182,889 | 1,665 | 345 | 594 | 83,507 | 2005 | 2.00 | 1 | 1 |
| 1158 | 33 | 13,513 | 3,892,770 | 3,892,770 | 55,888 | 10,195 | 66,083 | 701 | 282 | 204 | 114,672 | 2005 | 4.00 | 1 | 1 |
| 1159 | 11 | 5,816 | 1,586,722 | 1,586,722 | 2,500 | 2,447 | 4,946 | 335 | 107 | 0 | 18,885 | 2004 | 5.02 | 1 | 1 |
| 1160 | 11 | 4,566 | 1,519,759 | 1,519,759 | 506 | 12,541 | 13,047 | 387 | 188 | 99 | 21,735 | 2005 | 2.00 | 1 | 1 |
| 1161 | 9 | 8,922 | 3,916,344 | 3,916,344 | 0 | 32,627 | 32,627 | 331 | 331 | 0 | 57,015 | 2004 | 2.00 | 1 | 1 |
| 1162 | 3 | 1,381 | 500,057 | 500,057 | 2,440 | 0 | 2,440 | 90 | 0 | 0 | 18,033 | 2005 | 2.00 | 1 | 1 |
| 1163 | 2 | 751 | 304,369 | 304,369 | 3,827 | 887 | 4,714 | 73 | 14 | 0 | 9,191 | 2004 | 2.00 | 1 | 1 |
| 1164 | 24 | 11,692 | 3,863,693 | 3,863,693 | 291,228 | 55,591 | 346,819 | 2,821 | 412 | 854 | 230,485 | 2004 | 4.00 | 1 | 1 |

APPENDIX D2

2007 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY DEMAND DATA

| Sequence | Exchange Count | Access Lines | CL Minutes of Use | TS Minutes of Use | Interstate Toll Circuit Miles | Host Remote Circuit Miles | Circuit Miles | Switched Terminations | Imputed Host Remote Circuits | Imputed ITD | Adjusted Special Access Revenues | Data Collection Year | Sample Weight | TS Participant | Special Access Indicator |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1165 | 9 | 6,918 | 2,840,986 | 2,840,986 | 25,144 | 26,051 | 51,195 | 507 | 234 | 0 | 52,850 | 2004 | 2.00 | 1 | 1 |
| 1166 | 6 | 3,500 | 1,186,072 | 1,186,072 | 11,944 | 6,521 | 18,466 | 285 | 98 | 0 | 17,632 | 2005 | 2.00 | 1 | 1 |
| 1167 | 6 | 3,757 | 899,494 | 899,494 | 7,623 | 1,185 | 8,808 | 267 | 66 | 0 | 28,482 | 2004 | 6.33 | 1 | 1 |
| 1168 | 3 | 6,242 | 1,456,742 | 1,456,742 | 3,206 | 2,837 | 6,043 | 400 | 96 | 0 | 39,144 | 2005 | 5.62 | 1 | 1 |
| 1169 | 1 | 933 | 162,182 | 162,182 | 0 | 0 | 0 | 48 | 0 | 0 | 3,491 | 2004 | 11.84 | 1 | 1 |
| 1170 | 20 | 19,052 | 6,163,457 | 6,163,457 | 110,020 | 1,072 | 111,092 | 1,027 | 26 | 0 | 108,247 | 2004 | 2.00 | 1 | 1 |
| 1171 | 1 | 338 | 168,950 | 168,950 | 0 | 586 | 586 | 24 | 24 | 0 | 3,125 | 2004 | 2.00 | 1 | 1 |
| 1172 | 4 | 2,315 | 849,580 | 849,580 | 3,687 | 421 | 4,108 | 134 | 24 | 0 | 12,633 | 2005 | 2.00 | 1 | 1 |
| 1173 | 4 | 3,198 | 1,206,327 | 1,206,327 | 29,535 | 0 | 29,535 | 601 | 0 | 0 | 17,653 | 2004 | 2.00 | 1 | 1 |
| 1174 | 4 | 2,656 | 1,093,796 | 1,093,796 | 761 | 0 | 761 | 179 | 0 | 0 | 9,516 | 2004 | 2.00 | 1 | 1 |
| 1175 | 1 | 12,303 | 2,855,490 | 2,855,490 | 6,125 | 0 | 6,125 | 591 | 0 | 0 | 17,373 | 2005 | 6.49 | 1 | 1 |
| 1176 | 2 | 249 | 92,197 | 92,197 | 372 | 0 | 372 | 19 | 0 | 0 | 547 | 2004 | 5.00 | 1 | 1 |
| 1177 | 1 | 653 | 245,110 | 245,110 | 834 | 0 | 834 | 131 | 0 | 0 | 6,159 | 2005 | 9.95 | 1 | 1 |
| 1178 | 1 | 214 | 88,386 | 88,386 | 0 | 103 | 103 | 13 | 13 | 0 | 687 | 2005 | 2.00 | 1 | 1 |
| 1179 | 1 | 965 | 265,685 | 265,685 | 105 | 0 | 105 | 36 | 0 | 0 | 1,878 | 2004 | 8.11 | 1 | 1 |
| 1180 | 1 | 526 | 210,978 | 210,978 | 724 | 0 | 724 | 36 | 0 | 0 | 2,209 | 2005 | 2.00 | 1 | 1 |
| 1181 | 5 | 1,800 | 627,494 | 627,494 | 5,178 | 1,884 | 7,061 | 136 | 55 | 0 | 12,050 | 2004 | 9.43 | 1 | 1 |
| 1182 | 4 | 705 | 365,051 | 365,051 | 20,812 | 422 | 21,234 | 267 | 26 | 0 | 6,123 | 2005 | 2.00 | 1 | 1 |
| 1183 | 14 | 15,494 | 4,100,640 | 4,100,640 | 1,669 | 22,681 | 24,349 | 633 | 213 | 0 | 66,162 | 2005 | 4.00 | 1 | 1 |
| 1184 | 1 | 6,384 | 687,037 | 687,037 | 3,621 | 202 | 3,823 | 592 | 11 | 0 | 22,296 | 2004 | 5.00 | 1 | 1 |
| 1185 | 8 | 9,781 | 1,227,460 | 1,227,460 | 14,510 | 0 | 14,510 | 256 | 0 | 0 | 40,307 | 2005 | 5.00 | 1 | 1 |
| 1186 | 2 | 274 | 37,836 | 37,836 | 61 | 0 | 61 | 12 | 0 | 0 | 1,246 | 2005 | 5.00 | 1 | 1 |
| 1187 | 1 | 653 | 291,962 | 291,962 | 0 | 3,414 | 3,414 | 34 | 34 | 0 | 11,985 | 2005 | 2.00 | 1 | 1 |
| 1188 | 3 | 1,049 | 330,211 | 330,211 | 791 | 0 | 791 | 51 | 0 | 0 | 2,831 | 2004 | 2.00 | 1 | 1 |
| 1189 | 2 | 13,437 | 4,813,210 | 4,813,210 | 23,247 | 496 | 23,742 | 677 | 92 | 0 | 128,821 | 2005 | 2.00 | 1 | 1 |
| 1190 | 6 | 2,462 | 801,310 | 801,310 | 24,215 | 3,793 | 28,007 | 186 | 74 | 0 | 34,883 | 2005 | 6.22 | 1 | 1 |
| 1191 | 3 | 9,535 | 3,144,768 | 3,144,768 | 0 | 408 | 408 | 349 | 37 | 0 | 63,647 | 2005 | 2.00 | 1 | 1 |
| 1192 | 6 | 1,012 | 433,210 | 433,210 | 4,029 | 2,085 | 6,114 | 143 | 40 | 0 | 10,647 | 2004 | 2.00 | 1 | 1 |
| 1193 | 9 | 5,595 | 2,566,306 | 2,566,306 | 380 | 0 | 380 | 399 | 0 | 0 | 31,941 | 2005 | 2.00 | 1 | 1 |
| 1194 | 10 | 1,027 | 450,048 | 450,048 | 73 | 0 | 73 | 67 | 0 | 0 | 5,676 | 2005 | 5.00 | 1 | 1 |
| 1195 | 1 | 2,045 | 676,344 | 676,344 | 749 | 0 | 749 | 98 | 0 | 0 | 10,622 | 2004 | 6.86 | 1 | 1 |
| 1196 | 11 | 8,803 | 4,855,963 | 4,855,963 | 1,577 | 0 | 1,577 | 700 | 0 | 0 | 74,418 | 2005 | 2.00 | 1 | 1 |
| 1197 | 20 | 11,652 | 3,159,434 | 3,159,434 | 539 | 305 | 844 | 580 | 23 | 0 | 51,012 | 2004 | 5.00 | 1 | 1 |
| 1198 | 12 | 3,483 | 1,219,530 | 1,219,530 | 0 | 0 | 0 | 270 | 0 | 0 | 35,309 | 2004 | 2.00 | 1 | 1 |
| 1199 | 3 | 657 | 184,992 | 184,992 | 51 | 0 | 51 | 57 | 0 | 0 | 4,812 | 2004 | 5.00 | 1 | 1 |
| 1200 | 3 | 234 | 91,509 | 91,509 | 11 | 0 | 11 | 0 | 0 | 0 | 1,875 | 2005 | 2.00 | 1 | 1 |

APPENDIX D3
2007 MODIFICATION OF AVERAGE SCHEDULES
AVERAGE SCHEDULE HIGH TRAFFIC VOLUME STUDY AREA DEMAND DATA

| Study Area Code | Data Year | Access Lines | Traffic Sensitive Minutes of Use | Intertoll Dial Circuits | Adjusted Special Access Revenues |
|---|---|---|---|---|---|
| 100020 | 2002 | 7,294 | 2,061,326 | 190 | 22,205 |
| 120043 | 2002 | 1,794 | 640,886 | 0 | 2,972 |
| 132454 | 2002 | 25,272 | 7,777,276 | 0 | 157,716 |
| 170193 | 2002 | 79,261 | 22,902,493 | 1,971 | 510,460 |
| 170210 | 2003 | 1,419 | 533,296 | 0 | 3,154 |
| 190225 | 2004 | 7,361 | 2,525,321 | 0 | 33,835 |
| 190248 | 2004 | 6,280 | 2,363,465 | 0 | 11,907 |
| 190253 | 2004 | 2,520 | 1,697,590 | 0 | 17,967 |
| 200258 | 2004 | 1,544 | 715,613 | 0 | 1,224 |
| 230494 | 2002 | 1,948 | 575,050 | 0 | 7,052 |
| 240546 | 2004 | 16,910 | 4,961,635 | 0 | 45,930 |
| 250312 | 2004 | 7,507 | 2,642,999 | 0 | 17,298 |
| 290559 | 2002 | 25,236 | 8,735,053 | 0 | 100,147 |
| 320839 | 2003 | 1,278 | 377,042 | 0 | 921 |
| 330879 | 2004 | 3,390 | 1,020,311 | 0 | 11,773 |
| 330944 | 2004 | 9,900 | 2,957,092 | 421 | 75,813 |
| 330946 | 2003 | 1,263 | 401,645 | 0 | 2,129 |
| 341046 | 2002 | 165 | 54,098 | 0 | 0 |
| 351188 | 2002 | 588 | 231,390 | 0 | 1,610 |
| 351206 | 2004 | 424 | 118,243 | 0 | 604 |
| 351232 | 2004 | 839 | 5,888,160 | 0 | 0 |
| 351260 | 2004 | 7,922 | 3,583,235 | 0 | 0 |
| 351274 | 2004 | 1,804 | 1,153,989 | 0 | 4,154 |
| 351283 | 2002 | 464 | 398,868 | 0 | 1,677 |
| 351297 | 2004 | 2,481 | 2,335,834 | 0 | 0 |
| 351306 | 2004 | 2,766 | 1,902,633 | 0 | 0 |
| 351309 | 2003 | 472 | 419,066 | 0 | 0 |
| 351320 | 2002 | 641 | 295,475 | 0 | 341 |
| 351405 | 2004 | 2,139 | 764,344 | 0 | 0 |
| 361362 | 2003 | 8,969 | 3,312,547 | 0 | 83,757 |
| 361375 | 2004 | 10,477 | 4,772,836 | 0 | 0 |
| 371530 | 2002 | 1,667 | 576,130 | 175 | 9,134 |
| 371556 | 2004 | 1,635 | 1,046,370 | 0 | 8,509 |
| 371556 | 2004 | 1,635 | 1,046,370 | 0 | 8,509 |
| 391650 | 2004 | 13,359 | 4,441,688 | 0 | 41,063 |
| 391650 | 2004 | 13,359 | 4,441,688 | 0 | 41,063 |
| 391657 | 2004 | 6,949 | 2,467,530 | 0 | 0 |
| 431704 | 2004 | 1,449 | 444,724 | 0 | 3,513 |
| 442038 | 2004 | 1,470 | 1,019,543 | 0 | 0 |
| 442038 | 2004 | 1,470 | 1,019,543 | 0 | 0 |
| 522430 | 2004 | 4,556 | 1,494,671 | 0 | 4,274 |
| 532399 | 2004 | 7,751 | 2,185,031 | 350 | 48,758 |

APPENDIX D3
2007 MODIFICATION OF AVERAGE SCHEDULES
AVERAGE SCHEDULE HIGH TRAFFIC VOLUME STUDY AREA DEMAND DATA

| Study Area Code | Circuit Miles | Normal Route Circuit Miles | Long Route Circuit Miles | Interstate Circuits | Switch Circuit Terminations | Number of Exchanges |
|---|---|---|---|---|---|---|
| 100020 | 2,716 | 2,716 | 0 | 602 | 680 | 3 |
| 120043 | 557 | 557 | 0 | 130 | 130 | 1 |
| 132454 | 8,142 | 8,142 | 0 | 1,220 | 1,220 | 1 |
| 170193 | 80,874 | 80,874 | 0 | 5,635 | 5,923 | 8 |
| 170210 | 533 | 533 | 0 | 84 | 84 | 1 |
| 190225 | 15,359 | 15,359 | 0 | 516 | 516 | 5 |
| 190248 | 20,670 | 20,670 | 0 | 674 | 674 | 6 |
| 190253 | 3,898 | 3,898 | 0 | 188 | 173 | 1 |
| 200258 | 749 | 749 | 0 | 134 | 134 | 1 |
| 230494 | 140 | 140 | 0 | 120 | 120 | 1 |
| 240546 | 29,891 | 29,891 | 0 | 886 | 969 | 7 |
| 250312 | 7,537 | 7,537 | 0 | 415 | 415 | 1 |
| 290559 | 3,042 | 3,042 | 0 | 1,317 | 1,317 | 1 |
| 320839 | 135 | 135 | 0 | 32 | 38 | 1 |
| 330879 | 19,039 | 15,200 | 3,839 | 152 | 152 | 3 |
| 330944 | 111,721 | 111,721 | 0 | 1,584 | 1,172 | 2 |
| 330946 | 846 | 846 | 0 | 91 | 91 | 2 |
| 341046 | 24 | 24 | 0 | 11 | 11 | 1 |
| 351188 | 9,180 | 3,200 | 5,980 | 32 | 59 | 1 |
| 351206 | 25,698 | 7,300 | 18,398 | 73 | 138 | 2 |
| 351232 | 0 | 0 | 0 | 0 | 0 | 1 |
| 351260 | 0 | 0 | 0 | 0 | 0 | 3 |
| 351274 | 117 | 117 | 0 | 36 | 36 | 1 |
| 351283 | 11,884 | 11,884 | 0 | 120 | 207 | 1 |
| 351297 | 324,678 | 95,800 | 228,878 | 958 | 1,708 | 11 |
| 351306 | 0 | 0 | 0 | 0 | 0 | 1 |
| 351309 | 10,133 | 8,800 | 1,333 | 88 | 164 | 1 |
| 351320 | 16,610 | 8,400 | 8,210 | 84 | 168 | 1 |
| 351405 | 0 | 0 | 0 | 0 | 0 | 7 |
| 361362 | 31,520 | 31,520 | 0 | 1,046 | 1,046 | 2 |
| 361375 | 0 | 0 | 0 | 0 | 0 | 11 |
| 371530 | 10,906 | 10,906 | 0 | 155 | 217 | 5 |
| 371556 | 2,847 | 2,847 | 0 | 146 | 146 | 1 |
| 371556 | 2,847 | 2,847 | 0 | 146 | 146 | 1 |
| 391650 | 70,033 | 43,000 | 27,033 | 430 | 709 | 1 |
| 391650 | 70,033 | 43,000 | 27,033 | 430 | 709 | 1 |
| 391657 | 0 | 0 | 0 | 0 | 0 | 5 |
| 431704 | 68 | 68 | 0 | 93 | 93 | 1 |
| 442038 | 522 | 522 | 0 | 58 | 58 | 1 |
| 442038 | 522 | 522 | 0 | 58 | 58 | 1 |
| 522430 | 2,208 | 2,208 | 0 | 178 | 178 | 3 |
| 532399 | 6,037 | 6,037 | 0 | 753 | 753 | 1 |

APPENDIX D4
2007 MODIFICATIONS OF AVERAGE SCHEDULES
AVERAGE SCHEDULE ACCESS MINUTES OF USE ECONOMETRIC MODEL DATA

| Date | Sample TS MOU Actual | Real Price Index | Real Income (In Billions) | Real Cellular Price | Employment (In 1000s) |
|---|---|---|---|---|---|
| 199901 | 420,806,508 | 0.35095 | 3,993 | 0.59770 | 127,526 |
| 199902 | 424,254,251 | 0.34147 | 4,001 | 0.59941 | 127,773 |
| 199903 | 420,679,728 | 0.34582 | 4,001 | 0.59973 | 128,048 |
| 199904 | 422,992,437 | 0.35378 | 3,998 | 0.59980 | 128,343 |
| 199905 | 419,017,200 | 0.34929 | 3,999 | 0.60072 | 128,618 |
| 199906 | 425,469,192 | 0.35039 | 4,003 | 0.60104 | 128,861 |
| 199907 | 421,968,348 | 0.32930 | 4,004 | 0.60556 | 129,073 |
| 199908 | 453,201,513 | 0.33244 | 4,008 | 0.59270 | 129,316 |
| 199909 | 446,850,444 | 0.33074 | 4,025 | 0.58946 | 129,618 |
| 199910 | 439,621,140 | 0.32401 | 4,043 | 0.58283 | 129,954 |
| 199911 | 438,865,945 | 0.31428 | 4,061 | 0.57606 | 130,256 |
| 199912 | 441,832,060 | 0.31781 | 4,089 | 0.56825 | 130,515 |
| 200001 | 461,360,058 | 0.31877 | 4,129 | 0.56256 | 130,761 |
| 200002 | 466,551,933 | 0.30737 | 4,158 | 0.55602 | 131,020 |
| 200003 | 450,979,204 | 0.31508 | 4,163 | 0.55399 | 131,278 |
| 200004 | 456,919,409 | 0.30749 | 4,158 | 0.54690 | 131,594 |
| 200005 | 447,274,358 | 0.29914 | 4,163 | 0.55365 | 131,852 |
| 200006 | 439,340,823 | 0.30593 | 4,175 | 0.54441 | 131,937 |
| 200007 | 457,430,062 | 0.30206 | 4,193 | 0.54488 | 131,962 |
| 200008 | 473,445,956 | 0.30088 | 4,205 | 0.53457 | 132,046 |
| 200009 | 463,807,639 | 0.29850 | 4,203 | 0.53791 | 132,133 |
| 200010 | 461,514,599 | 0.29296 | 4,195 | 0.52655 | 132,227 |
| 200011 | 455,354,572 | 0.28574 | 4,194 | 0.51554 | 132,314 |
| 200012 | 458,170,208 | 0.28464 | 4,196 | 0.51505 | 132,379 |
| 200101 | 483,436,606 | 0.27753 | 4,203 | 0.49322 | 132,500 |
| 200102 | 459,214,484 | 0.27293 | 4,206 | 0.51269 | 132,566 |
| 200103 | 462,009,142 | 0.27229 | 4,198 | 0.50627 | 132,445 |
| 200104 | 466,844,231 | 0.26843 | 4,172 | 0.50249 | 132,266 |
| 200105 | 452,972,974 | 0.26584 | 4,164 | 0.50458 | 132,145 |
| 200106 | 451,511,801 | 0.26078 | 4,201 | 0.50308 | 132,019 |
| 200107 | 457,469,988 | 0.25676 | 4,271 | 0.50168 | 131,943 |
| 200108 | 466,867,009 | 0.26082 | 4,308 | 0.50130 | 131,816 |
| 200109 | 470,850,041 | 0.26177 | 4,292 | 0.50096 | 131,534 |
| 200110 | 462,202,286 | 0.24165 | 4,239 | 0.50503 | 131,153 |
| 200111 | 445,841,244 | 0.24192 | 4,223 | 0.50525 | 130,871 |
| 200112 | 441,363,237 | 0.23203 | 4,260 | 0.50296 | 130,732 |
| 200201 | 459,223,385 | 0.22063 | 4,326 | 0.50122 | 130,610 |
| 200202 | 443,328,118 | 0.21526 | 4,364 | 0.49781 | 130,471 |
| 200203 | 447,643,612 | 0.21201 | 4,369 | 0.49480 | 130,419 |
| 200204 | 458,613,114 | 0.20738 | 4,368 | 0.49420 | 130,388 |
| 200205 | 446,793,709 | 0.21006 | 4,373 | 0.49623 | 130,337 |
| 200206 | 442,116,698 | 0.20853 | 4,366 | 0.50815 | 130,313 |
| 200207 | 447,260,266 | 0.20281 | 4,353 | 0.51021 | 130,291 |
| 200208 | 462,075,009 | 0.20543 | 4,346 | 0.50711 | 130,267 |
| 200209 | 463,755,295 | 0.20250 | 4,345 | 0.50735 | 130,263 |

APPENDIX D4
2007 MODIFICATIONS OF AVERAGE SCHEDULES
AVERAGE SCHEDULE ACCESS MINUTES OF USE ECONOMETRIC MODEL DATA

| Date | Sample TS MOU Actual | Real Price Index | Real Income (In Billions) | Real Cellular Price | Employment (In 1000s) |
|---|---|---|---|---|---|
| 200210 | 456,851,870 | 0.17769 | 4,345 | 0.51229 | 130,283 |
| 200211 | 448,323,588 | 0.18983 | 4,344 | 0.50976 | 130,279 |
| 200212 | 446,671,088 | 0.18623 | 4,349 | 0.50911 | 130,223 |
| 200301 | 460,000,325 | 0.18016 | 4,351 | 0.50383 | 130,158 |
| 200302 | 460,910,238 | 0.19280 | 4,356 | 0.49340 | 130,102 |
| 200303 | 438,002,976 | 0.19045 | 4,373 | 0.49379 | 130,019 |
| 200304 | 447,400,185 | 0.18746 | 4,392 | 0.49658 | 129,895 |
| 200305 | 435,746,933 | 0.19021 | 4,409 | 0.49643 | 129,812 |
| 200306 | 453,034,843 | 0.18890 | 4,435 | 0.49717 | 129,827 |
| 200307 | 451,490,146 | 0.18771 | 4,469 | 0.49692 | 129,849 |
| 200308 | 459,764,425 | 0.18931 | 4,494 | 0.49548 | 129,864 |
| 200309 | 465,811,321 | 0.18514 | 4,499 | 0.49783 | 129,956 |
| 200310 | 454,209,887 | 0.18168 | 4,495 | 0.49427 | 130,064 |
| 200311 | 451,790,655 | 0.17627 | 4,500 | 0.49391 | 130,157 |
| 200312 | 462,433,569 | 0.17092 | 4,513 | 0.49288 | 130,282 |
| 200401 | 468,112,232 | 0.17401 | 4,533 | 0.49046 | 130,371 |
| 200402 | 468,675,708 | 0.16969 | 4,546 | 0.48623 | 130,496 |
| 200403 | 465,024,104 | 0.17066 | 4,549 | 0.48340 | 130,757 |
| 200404 | 454,172,134 | 0.16784 | 4,545 | 0.48494 | 131,106 |
| 200405 | 446,552,014 | 0.16561 | 4,547 | 0.48002 | 131,367 |
| 200406 | 461,313,752 | 0.16598 | 4,557 | 0.47937 | 131,502 |
| 200407 | 457,858,023 | 0.16365 | 4,562 | 0.48039 | 131,577 |
| 200408 | 482,641,975 | 0.16419 | 4,571 | 0.47710 | 131,712 |
| 200409 | 477,551,530 | 0.16164 | 4,604 | 0.47044 | 131,903 |
| 200410 | 458,258,357 | 0.15936 | 4,658 | 0.46448 | 132,118 |
| 200411 | 460,901,127 | 0.15753 | 4,690 | 0.45999 | 132,308 |
| 200412 | 465,584,168 | 0.15525 | 4,676 | 0.45490 | 132,479 |
| 200501 | 477,494,354 | 0.15659 | 4,643 | 0.44550 | 132,632 |
| 200502 | 468,380,175 | 0.15117 | 4,629 | 0.43108 | 132,802 |
| 200503 | 465,268,928 | 0.15224 | 4,626 | 0.42080 | 133,007 |
| 200504 | 456,956,363 | 0.15301 | 4,630 | 0.41825 | 133,233 |
| 200505 | 458,922,982 | 0.15312 | 4,628 | 0.41168 | 133,439 |
| 200506 | 455,184,805 | 0.15401 | 4,619 | 0.40176 | 133,616 |
| 200507 | 455,733,503 | 0.15526 | 4,603 | 0.39988 | 133,807 |
| 200508 | 473,225,091 | 0.15499 | 4,595 | 0.39365 | 133,984 |
| 200509 | 455,705,052 | 0.15292 | 4,603 | 0.38678 | 134,092 |
| 200510 | 462,047,385 | 0.15304 | 4,611 | 0.37936 | 134,143 |
| 200511 | 451,342,759 | 0.15127 | 4,619 | 0.37460 | 134,251 |
| 200512 | 452,060,664 | 0.15090 | 4,646 | 0.37148 | 134,455 |
| 200601 | 457,900,059 | 0.14705 | 4,685 | 0.37010 | 134,714 |
| 200602 | 438,436,465 | 0.14616 | 4,713 | 0.36949 | 134,918 |
| 200603 | 431,973,799 | 0.14970 | 4,726 | 0.36580 | 135,056 |
| 200604 | 430,408,366 | 0.14703 | 4,736 | 0.38312 | 135,208 |
| 200605 | 424,248,885 | 0.14924 | 4,750 | 0.36346 | 135,346 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 351309 | 6,676 | 181,750 | 188,425 | 6,623 | 142,368 | 148,992 | -39,433 | 476 | -82.84 | -20.93% | 26,123 |
| 300588 | 14,204 | 104,133 | 118,337 | 14,054 | 56,175 | 70,228 | -48,108 | 1,154 | -41.69 | -40.65% | 34,400 |
| 351306 | 11,794 | 97,128 | 108,922 | 11,682 | 65,837 | 77,519 | -31,402 | 913 | -34.39 | -28.83% | 21,736 |
| 502283 | 38,361 | 231,497 | 269,859 | 38,075 | 161,390 | 199,464 | -70,395 | 2,590 | -27.18 | -26.09% | 48,143 |
| 351320 | 8,190 | 42,289 | 50,478 | 8,122 | 28,913 | 37,035 | -13,443 | 597 | -22.52 | -26.63% | 9,218 |
| 351232 | 6,893 | 57,132 | 64,024 | 6,838 | 46,154 | 52,992 | -11,032 | 493 | -22.38 | -17.23% | 7,052 |
| 320771 | 7,436 | 31,946 | 39,382 | 7,376 | 20,907 | 28,283 | -11,099 | 536 | -20.71 | -28.18% | 7,662 |
| 351112 | 15,825 | 62,137 | 77,962 | 15,707 | 41,391 | 57,098 | -20,864 | 1,107 | -18.85 | -26.76% | 14,315 |
| 391669 | 34,038 | 112,725 | 146,763 | 33,815 | 74,504 | 108,319 | -38,443 | 2,107 | -18.25 | -26.19% | 26,305 |
| 391674 | 31,122 | 107,249 | 138,372 | 30,921 | 78,446 | 109,366 | -29,005 | 1,964 | -14.77 | -20.96% | 19,220 |
| 351291 | 26,136 | 78,714 | 104,850 | 25,950 | 53,837 | 79,787 | -25,063 | 1,725 | -14.53 | -23.90% | 16,942 |
| 391682 | 6,060 | 28,436 | 34,496 | 6,018 | 23,171 | 29,188 | -5,307 | 412 | -12.88 | -15.39% | 3,309 |
| 361401 | 23,949 | 82,461 | 106,410 | 23,796 | 64,025 | 87,821 | -18,589 | 1,533 | -12.13 | -17.47% | 11,916 |
| 300589 | 12,606 | 34,233 | 46,839 | 12,482 | 22,916 | 35,398 | -11,440 | 991 | -11.54 | -24.43% | 7,757 |
| 351259 | 35,879 | 108,339 | 144,218 | 35,628 | 81,356 | 116,984 | -27,234 | 2,378 | -11.45 | -18.88% | 17,722 |
| 351301 | 10,835 | 59,821 | 70,656 | 10,759 | 51,437 | 62,197 | -8,460 | 742 | -11.40 | -11.97% | 4,919 |
| 361502 | 31,116 | 81,678 | 112,795 | 30,801 | 55,499 | 86,300 | -26,494 | 2,399 | -11.04 | -23.49% | 17,865 |
| 320751 | 30,011 | 72,382 | 102,394 | 29,682 | 45,721 | 75,403 | -26,990 | 2,483 | -10.87 | -26.36% | 18,483 |
| 320792 | 32,208 | 74,649 | 106,857 | 30,574 | 45,762 | 76,336 | -30,522 | 2,905 | -10.51 | -28.56% | 21,104 |
| 320839 | 13,150 | 35,817 | 48,967 | 13,018 | 25,039 | 38,057 | -10,910 | 1,045 | -10.44 | -22.28% | 7,300 |
| 351101 | 11,061 | 31,270 | 42,331 | 10,959 | 22,628 | 33,588 | -8,743 | 845 | -10.35 | -20.65% | 5,780 |
| 351405 | 35,080 | 98,496 | 133,576 | 34,850 | 76,017 | 110,867 | -22,709 | 2,202 | -10.31 | -17.00% | 14,476 |
| 351213 | 9,899 | 47,438 | 57,338 | 9,836 | 41,213 | 51,049 | -6,289 | 611 | -10.29 | -10.97% | 3,548 |
| 320756 | 14,992 | 34,508 | 49,500 | 14,850 | 24,040 | 38,890 | -10,610 | 1,105 | -9.60 | -21.43% | 7,056 |
| 391642 | 47,827 | 105,757 | 153,585 | 47,476 | 77,077 | 124,553 | -29,032 | 3,091 | -9.39 | -18.90% | 18,896 |
| 391640 | 24,008 | 61,145 | 85,153 | 23,834 | 46,577 | 70,410 | -14,743 | 1,572 | -9.38 | -17.31% | 9,433 |
| 351297 | 83,537 | 227,009 | 310,545 | 82,881 | 173,838 | 256,719 | -53,827 | 5,892 | -9.14 | -17.33% | 34,449 |
| 320826 | 13,446 | 31,698 | 45,144 | 13,309 | 22,192 | 35,501 | -9,643 | 1,075 | -8.97 | -21.36% | 6,409 |
| 320790 | 19,438 | 43,605 | 63,043 | 19,229 | 30,535 | 49,764 | -13,279 | 1,496 | -8.88 | -21.06% | 8,806 |
| 300614 | 10,985 | 29,913 | 40,897 | 10,884 | 22,706 | 33,590 | -7,307 | 838 | -8.72 | -17.87% | 4,705 |
| 320827 | 20,715 | 50,898 | 71,613 | 20,457 | 36,023 | 56,480 | -15,133 | 1,748 | -8.66 | -21.13% | 10,041 |
| 260408 | 70,229 | 175,032 | 245,261 | 68,487 | 124,965 | 193,452 | -51,809 | 6,553 | -7.91 | -21.12% | 34,374 |
| 391677 | 73,309 | 146,016 | 219,325 | 72,638 | 108,320 | 180,958 | -38,367 | 5,286 | -7.26 | -17.49% | 24,601 |
| 330944 | 102,271 | 203,915 | 306,186 | 94,449 | 147,979 | 242,429 | -63,757 | 8,919 | -7.15 | -20.82% | 42,203 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 351202 | 9,699 | 23,849 | 33,548 | 9,614 | 18,893 | 28,507 | -5,041 | 724 | -6.96 | -15.03% | 3,125 |
| 330850 | 35,452 | 64,369 | 99,821 | 33,247 | 43,703 | 76,950 | -22,871 | 3,294 | -6.94 | -22.91% | 15,366 |
| 351344 | 14,629 | 40,901 | 55,530 | 14,521 | 34,384 | 48,905 | -6,625 | 1,018 | -6.51 | -11.93% | 3,848 |
| 351252 | 56,597 | 117,404 | 174,001 | 51,538 | 88,368 | 139,906 | -34,095 | 5,244 | -6.50 | -19.59% | 22,336 |
| 381638 | 15,235 | 45,353 | 60,588 | 15,123 | 38,781 | 53,904 | -6,684 | 1,063 | -6.29 | -11.03% | 3,778 |
| 260419 | 99,179 | 177,434 | 276,613 | 98,135 | 130,344 | 228,479 | -48,134 | 7,784 | -6.18 | -17.40% | 30,830 |
| 371562 | 18,555 | 42,966 | 61,522 | 18,426 | 35,869 | 54,295 | -7,227 | 1,207 | -5.99 | -11.75% | 4,175 |
| 361512 | 2,573 | 16,576 | 19,149 | 2,556 | 15,591 | 18,147 | -1,002 | 174 | -5.76 | -5.23% | 338 |
| 472227 | 23,673 | 55,769 | 79,443 | 23,513 | 47,105 | 70,618 | -8,825 | 1,536 | -5.75 | -11.11% | 5,001 |
| 391684 | 24,982 | 44,388 | 69,370 | 24,770 | 34,847 | 59,617 | -9,753 | 1,745 | -5.59 | -14.06% | 5,945 |
| 351261 | 18,810 | 43,732 | 62,542 | 18,673 | 36,777 | 55,449 | -7,092 | 1,306 | -5.43 | -11.34% | 4,049 |
| 361495 | 15,683 | 44,405 | 60,088 | 15,600 | 40,310 | 55,909 | -4,179 | 783 | -5.34 | -6.95% | 1,859 |
| 190253 | 25,328 | 78,845 | 104,173 | 24,624 | 67,551 | 92,174 | -11,999 | 2,269 | -5.29 | -11.52% | 6,887 |
| 371532 | 48,097 | 154,242 | 202,339 | 47,798 | 138,995 | 186,793 | -15,546 | 2,957 | -5.26 | -7.68% | 7,395 |
| 371530 | 25,127 | 70,721 | 95,848 | 24,960 | 62,571 | 87,531 | -8,317 | 1,589 | -5.23 | -8.68% | 4,237 |
| 391405 | 7,890 | 26,920 | 34,811 | 7,838 | 24,261 | 32,099 | -2,712 | 521 | -5.20 | -7.79% | 1,301 |
| 351162 | 19,476 | 37,987 | 57,463 | 19,324 | 31,240 | 50,564 | -6,900 | 1,327 | -5.20 | -12.01% | 4,015 |
| 361450 | 64,803 | 107,043 | 171,846 | 64,276 | 84,287 | 148,563 | -23,283 | 4,479 | -5.20 | -13.55% | 14,050 |
| 300590 | 16,344 | 32,088 | 48,432 | 16,222 | 26,272 | 42,494 | -5,938 | 1,146 | -5.18 | -12.26% | 3,479 |
| 351332 | 43,198 | 114,892 | 158,090 | 42,597 | 95,362 | 137,959 | -20,131 | 3,910 | -5.15 | -12.73% | 11,933 |
| 351168 | 29,639 | 86,038 | 115,677 | 29,454 | 77,193 | 106,646 | -9,030 | 1,797 | -5.03 | -7.81% | 4,338 |
| 351328 | 73,721 | 141,744 | 215,465 | 73,235 | 119,803 | 193,038 | -22,427 | 4,666 | -4.81 | -10.41% | 12,401 |
| 421206 | 16,811 | 46,301 | 63,112 | 16,698 | 41,184 | 57,882 | -5,230 | 1,093 | -4.78 | -8.29% | 2,600 |
| 351217 | 14,407 | 38,329 | 52,736 | 14,306 | 33,817 | 48,122 | -4,614 | 968 | -4.77 | -8.75% | 2,360 |
| 260414 | 160,542 | 293,742 | 454,284 | 156,781 | 220,046 | 376,827 | -77,457 | 16,445 | -4.71 | -17.05% | 49,404 |
| 351220 | 23,737 | 42,307 | 66,043 | 23,511 | 33,994 | 57,505 | -8,539 | 1,840 | -4.64 | -12.93% | 5,084 |
| 351171 | 22,610 | 46,810 | 69,419 | 22,305 | 38,034 | 60,339 | -9,080 | 1,974 | -4.60 | -13.08% | 5,425 |
| 351274 | 20,597 | 45,656 | 66,253 | 20,333 | 37,910 | 58,243 | -8,010 | 1,779 | -4.50 | -12.09% | 4,672 |
| 361390 | 34,884 | 74,839 | 109,724 | 34,657 | 65,435 | 100,092 | -9,631 | 2,170 | -4.44 | -8.78% | 4,936 |
| 300586 | 15,416 | 28,187 | 43,603 | 15,244 | 22,697 | 37,940 | -5,663 | 1,288 | -4.40 | -12.99% | 3,376 |
| 351305 | 9,067 | 23,337 | 32,404 | 8,990 | 20,482 | 29,472 | -2,933 | 670 | -4.38 | -9.05% | 1,526 |
| 351407 | 4,899 | 24,671 | 29,569 | 4,863 | 23,222 | 28,085 | -1,484 | 341 | -4.35 | -5.02% | 474 |
| 330949 | 29,847 | 55,044 | 84,891 | 28,443 | 44,592 | 73,035 | -11,856 | 2,747 | -4.32 | -13.97% | 7,214 |
| 351133 | 11,536 | 43,527 | 55,063 | 11,457 | 40,231 | 51,688 | -3,374 | 783 | -4.31 | -6.13% | 1,352 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 421942 | 27,702 | 46,295 | 73,997 | 27,493 | 38,700 | 66,193 | -7,804 | 1,838 | -4.25 | -10.55% | 4,337 |
| 351098 | 4,953 | 17,524 | 22,477 | 4,916 | 16,100 | 21,016 | -1,461 | 345 | -4.23 | -6.50% | 616 |
| 361425 | 19,345 | 37,240 | 56,585 | 19,110 | 30,604 | 49,714 | -6,871 | 1,628 | -4.22 | -12.14% | 4,014 |
| 381625 | 85,760 | 183,595 | 269,355 | 85,177 | 160,871 | 246,048 | -23,306 | 5,522 | -4.22 | -8.65% | 11,857 |
| 351331 | 69,677 | 104,358 | 174,034 | 69,090 | 84,384 | 153,474 | -20,560 | 4,897 | -4.20 | -11.81% | 11,902 |
| 351173 | 35,863 | 58,384 | 94,246 | 35,578 | 48,335 | 83,913 | -10,334 | 2,496 | -4.14 | -10.96% | 5,828 |
| 250322 | 60,341 | 128,368 | 188,709 | 59,740 | 110,090 | 169,830 | -18,879 | 4,628 | -4.08 | -10.00% | 10,273 |
| 330866 | 18,970 | 36,263 | 55,233 | 18,817 | 31,187 | 50,003 | -5,230 | 1,330 | -3.93 | -9.47% | 2,779 |
| 442038 | 15,828 | 33,236 | 49,064 | 15,648 | 28,163 | 43,811 | -5,253 | 1,336 | -3.93 | -10.71% | 2,937 |
| 351271 | 22,295 | 49,129 | 71,424 | 21,989 | 41,657 | 63,646 | -7,779 | 1,979 | -3.93 | -10.89% | 4,376 |
| 351136 | 8,901 | 18,793 | 27,694 | 8,826 | 16,299 | 25,125 | -2,569 | 656 | -3.92 | -9.28% | 1,352 |
| 361654 | 24,876 | 45,174 | 70,049 | 24,693 | 39,162 | 63,854 | -6,195 | 1,638 | -3.78 | -8.84% | 3,187 |
| 340976 | 62,838 | 109,795 | 172,633 | 62,404 | 94,669 | 157,073 | -15,560 | 4,140 | -3.76 | -9.01% | 8,079 |
| 361440 | 29,546 | 48,469 | 78,015 | 29,325 | 41,166 | 70,491 | -7,524 | 2,003 | -3.76 | -9.64% | 4,031 |
| 381614 | 33,220 | 99,984 | 133,204 | 32,993 | 92,176 | 125,169 | -8,035 | 2,144 | -3.75 | -6.03% | 3,173 |
| 361505 | 95,176 | 149,384 | 244,560 | 94,506 | 126,819 | 221,325 | -23,235 | 6,331 | -3.67 | -9.50% | 12,364 |
| 351206 | 6,261 | 25,152 | 31,413 | 6,220 | 23,724 | 29,944 | -1,469 | 404 | -3.64 | -4.68% | 420 |
| 200258 | 18,140 | 37,117 | 55,257 | 17,941 | 32,146 | 50,087 | -5,170 | 1,441 | -3.59 | -9.36% | 2,732 |
| 351237 | 23,624 | 52,629 | 76,253 | 23,464 | 47,446 | 70,910 | -5,343 | 1,503 | -3.55 | -7.01% | 2,389 |
| 140064 | 52,633 | 96,745 | 149,378 | 52,223 | 84,430 | 136,654 | -12,724 | 3,612 | -3.52 | -8.52% | 6,421 |
| 330842 | 76,386 | 133,899 | 210,285 | 73,910 | 111,537 | 185,447 | -24,838 | 7,055 | -3.52 | -11.81% | 14,377 |
| 330967 | 42,968 | 85,761 | 128,729 | 39,898 | 75,581 | 115,479 | -13,250 | 3,885 | -3.41 | -10.29% | 7,294 |
| 190243 | 37,712 | 61,956 | 99,668 | 37,321 | 52,906 | 90,226 | -9,442 | 2,842 | -3.32 | -9.47% | 5,018 |
| 361362 | 92,897 | 178,688 | 271,585 | 85,723 | 158,024 | 243,747 | -27,838 | 8,476 | -3.28 | -10.25% | 15,299 |
| 330846 | 48,651 | 91,542 | 140,193 | 47,286 | 78,112 | 125,397 | -14,795 | 4,508 | -3.28 | -10.55% | 8,226 |
| 330902 | 31,572 | 52,506 | 84,078 | 31,247 | 44,787 | 76,033 | -8,045 | 2,461 | -3.27 | -9.57% | 4,294 |
| 351230 | 28,260 | 46,896 | 75,156 | 28,038 | 40,783 | 68,821 | -6,335 | 1,939 | -3.27 | -8.43% | 3,179 |
| 351225 | 28,449 | 44,786 | 73,235 | 28,244 | 38,899 | 67,143 | -6,091 | 1,875 | -3.25 | -8.32% | 3,035 |
| 351263 | 21,643 | 32,782 | 54,425 | 21,370 | 27,167 | 48,537 | -5,888 | 1,822 | -3.23 | -10.82% | 3,304 |
| 421759 | 36,533 | 61,152 | 97,685 | 36,259 | 53,252 | 89,511 | -8,174 | 2,541 | -3.22 | -8.37% | 4,086 |
| 330899 | 27,374 | 33,282 | 60,656 | 27,116 | 26,971 | 54,087 | -6,569 | 2,047 | -3.21 | -10.83% | 3,688 |
| 320777 | 30,698 | 40,673 | 71,371 | 29,300 | 33,297 | 62,597 | -8,774 | 2,743 | -3.20 | -12.29% | 5,145 |
| 431704 | 17,173 | 29,340 | 46,512 | 16,995 | 25,380 | 42,375 | -4,137 | 1,317 | -3.14 | -8.89% | 2,134 |
| 250301 | 28,167 | 45,746 | 73,913 | 27,898 | 39,350 | 67,247 | -6,666 | 2,123 | -3.14 | -9.02% | 3,462 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 391649 | 19,059 | 34,399 | 53,458 | 18,857 | 30,043 | 48,899 | -4,559 | 1,456 | -3.13 | -8.53% | 2,302 |
| 300625 | 20,703 | 27,456 | 48,159 | 20,485 | 22,851 | 43,336 | -4,823 | 1,541 | -3.13 | -10.02% | 2,626 |
| 310678 | 16,698 | 29,790 | 46,489 | 16,521 | 25,857 | 42,378 | -4,111 | 1,318 | -3.12 | -8.84% | 2,114 |
| 351152 | 22,424 | 39,411 | 61,836 | 22,250 | 35,012 | 57,262 | -4,574 | 1,483 | -3.08 | -7.40% | 2,124 |
| 361448 | 20,563 | 34,778 | 55,341 | 20,274 | 29,217 | 49,491 | -5,850 | 1,900 | -3.08 | -10.57% | 3,254 |
| 522430 | 50,620 | 89,860 | 140,479 | 50,008 | 77,056 | 127,064 | -13,415 | 4,393 | -3.05 | -9.55% | 7,155 |
| 502279 | 19,963 | 31,049 | 51,012 | 19,721 | 26,289 | 46,009 | -5,003 | 1,666 | -3.00 | -9.81% | 2,700 |
| 351172 | 34,587 | 50,041 | 84,629 | 34,338 | 43,642 | 77,979 | -6,649 | 2,231 | -2.98 | -7.86% | 3,206 |
| 391654 | 192,293 | 347,013 | 539,306 | 192,540 | 305,371 | 497,912 | -41,394 | 13,961 | -2.97 | -7.68% | 19,678 |
| 361431 | 39,577 | 59,736 | 99,313 | 39,252 | 51,806 | 91,058 | -8,255 | 2,795 | -2.95 | -8.31% | 4,111 |
| 351283 | 6,353 | 28,614 | 34,968 | 6,304 | 27,336 | 33,641 | -1,327 | 451 | -2.94 | -3.80% | 230 |
| 351251 | 34,207 | 56,136 | 90,343 | 33,931 | 49,565 | 83,496 | -6,847 | 2,328 | -2.94 | -7.58% | 3,229 |
| 361423 | 11,656 | 18,203 | 29,859 | 11,546 | 15,679 | 27,224 | -2,634 | 900 | -2.93 | -8.82% | 1,354 |
| 361472 | 106,702 | 155,686 | 262,388 | 105,816 | 134,869 | 240,685 | -21,703 | 7,519 | -2.89 | -8.27% | 10,779 |
| 190248 | 83,361 | 136,830 | 220,191 | 82,568 | 119,539 | 202,107 | -18,085 | 6,270 | -2.88 | -8.21% | 8,947 |
| 330946 | 16,923 | 32,190 | 49,112 | 16,788 | 28,934 | 45,722 | -3,390 | 1,186 | -2.86 | -6.90% | 1,499 |
| 361403 | 10,930 | 21,691 | 32,620 | 10,829 | 19,426 | 30,256 | -2,364 | 833 | -2.84 | -7.25% | 1,083 |
| 361353 | 16,549 | 27,919 | 44,468 | 16,371 | 24,363 | 40,734 | -3,735 | 1,321 | -2.83 | -8.40% | 1,870 |
| 371581 | 23,205 | 39,754 | 62,960 | 22,987 | 34,961 | 57,947 | -5,012 | 1,790 | -2.80 | -7.96% | 2,436 |
| 351262 | 21,308 | 36,267 | 57,575 | 21,157 | 32,591 | 53,748 | -3,827 | 1,378 | -2.78 | -6.65% | 1,644 |
| 351187 | 48,832 | 65,346 | 114,177 | 48,445 | 56,211 | 104,656 | -9,521 | 3,442 | -2.77 | -8.34% | 4,750 |
| 532399 | 82,301 | 153,469 | 235,770 | 73,936 | 141,352 | 215,288 | -20,482 | 7,502 | -2.73 | -8.69% | 10,442 |
| 351285 | 14,381 | 32,613 | 46,994 | 14,267 | 29,949 | 44,215 | -2,779 | 1,033 | -2.69 | -5.91% | 1,076 |
| 361389 | 18,863 | 36,625 | 55,488 | 18,747 | 33,745 | 52,492 | -2,996 | 1,116 | -2.68 | -5.40% | 1,051 |
| 351324 | 15,679 | 24,212 | 39,892 | 15,552 | 21,291 | 36,842 | -3,049 | 1,137 | -2.68 | -7.64% | 1,446 |
| 351139 | 23,264 | 39,341 | 62,605 | 23,104 | 35,475 | 58,580 | -4,026 | 1,502 | -2.68 | -6.43% | 1,683 |
| 361485 | 18,527 | 29,470 | 47,996 | 18,377 | 26,153 | 44,530 | -3,467 | 1,305 | -2.66 | -7.22% | 1,584 |
| 330951 | 32,382 | 54,581 | 86,962 | 30,607 | 48,399 | 79,006 | -7,957 | 3,000 | -2.65 | -9.15% | 4,161 |
| 351302 | 14,740 | 26,322 | 41,062 | 14,580 | 23,279 | 37,859 | -3,203 | 1,212 | -2.64 | -7.80% | 1,538 |
| 190238 | 24,210 | 44,213 | 68,423 | 24,033 | 39,966 | 63,999 | -4,424 | 1,684 | -2.63 | -6.47% | 1,859 |
| 330879 | 44,483 | 69,481 | 113,964 | 44,045 | 61,000 | 105,045 | -8,919 | 3,395 | -2.63 | -7.83% | 4,291 |
| 240516 | 180,787 | 286,298 | 467,085 | 163,960 | 259,092 | 423,052 | -44,033 | 16,858 | -2.61 | -9.43% | 23,350 |
| 351174 | 17,105 | 37,642 | 54,747 | 16,986 | 34,857 | 51,843 | -2,903 | 1,119 | -2.59 | -5.30% | 997 |
| 361413 | 28,982 | 29,976 | 58,958 | 28,764 | 25,119 | 53,883 | -5,075 | 1,982 | -2.56 | -8.61% | 2,575 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 230500 | 15,923 | 27,048 | 42,971 | 15,759 | 24,047 | 39,805 | -3,166 | 1,241 | -2.55 | -7.37% | 1,466 |
| 351282 | 19,719 | 27,717 | 47,436 | 19,588 | 24,680 | 44,268 | -3,168 | 1,249 | -2.54 | -6.68% | 1,366 |
| 421900 | 21,113 | 29,370 | 50,483 | 20,956 | 25,794 | 46,750 | -3,732 | 1,477 | -2.53 | -7.39% | 1,732 |
| 290553 | 342,248 | 463,909 | 806,157 | 339,507 | 379,649 | 719,156 | -87,001 | 34,754 | -2.50 | -10.79% | 48,781 |
| 351195 | 29,722 | 56,290 | 86,011 | 29,506 | 51,616 | 81,122 | -4,890 | 1,962 | -2.49 | -5.68% | 1,819 |
| 391688 | 16,860 | 28,637 | 45,496 | 16,742 | 26,014 | 42,756 | -2,740 | 1,104 | -2.48 | -6.02% | 1,080 |
| 330863 | 35,100 | 58,175 | 93,275 | 34,802 | 52,336 | 87,139 | -6,136 | 2,479 | -2.48 | -6.58% | 2,615 |
| 391671 | 27,032 | 73,988 | 101,019 | 26,035 | 68,936 | 94,970 | -6,049 | 2,469 | -2.45 | -5.99% | 2,372 |
| 230511 | 307,399 | 315,690 | 623,088 | 294,381 | 256,999 | 551,380 | -71,708 | 29,692 | -2.42 | -11.51% | 41,145 |
| 351118 | 25,528 | 42,109 | 67,636 | 25,309 | 38,030 | 63,340 | -4,297 | 1,791 | -2.40 | -6.35% | 1,778 |
| 381615 | 29,547 | 50,117 | 79,665 | 29,330 | 45,653 | 74,983 | -4,681 | 1,971 | -2.38 | -5.88% | 1,802 |
| 290570 | 73,531 | 105,101 | 178,632 | 72,783 | 92,259 | 165,042 | -13,590 | 5,761 | -2.36 | -7.61% | 6,424 |
| 351293 | 17,290 | 30,927 | 48,217 | 17,162 | 28,404 | 45,565 | -2,652 | 1,141 | -2.32 | -5.50% | 951 |
| 300619 | 14,157 | 16,971 | 31,128 | 14,008 | 14,451 | 28,458 | -2,670 | 1,149 | -2.32 | -8.58% | 1,352 |
| 290584 | 26,439 | 39,773 | 66,212 | 26,247 | 35,861 | 62,108 | -4,105 | 1,770 | -2.32 | -6.20% | 1,662 |
| 170200 | 24,507 | 36,173 | 60,681 | 23,834 | 31,640 | 55,474 | -5,207 | 2,248 | -2.32 | -8.58% | 2,638 |
| 351298 | 140,087 | 209,728 | 349,815 | 136,957 | 180,645 | 317,602 | -32,213 | 14,020 | -2.30 | -9.21% | 16,898 |
| 351160 | 16,692 | 26,855 | 43,548 | 16,567 | 24,428 | 40,995 | -2,553 | 1,115 | -2.29 | -5.86% | 980 |
| 190250 | 243,020 | 516,410 | 759,430 | 233,279 | 469,641 | 702,921 | -56,510 | 25,121 | -2.25 | -7.44% | 26,337 |
| 351121 | 2,097 | 11,636 | 13,733 | 2,083 | 11,335 | 13,418 | -315 | 141 | -2.24 | -2.30% | 0 |
| 320829 | 51,602 | 70,515 | 122,117 | 47,605 | 64,590 | 112,195 | -9,921 | 4,518 | -2.20 | -8.12% | 4,878 |
| 300634 | 33,759 | 49,500 | 83,259 | 31,743 | 44,611 | 76,354 | -6,905 | 3,165 | -2.18 | -8.29% | 3,435 |
| 320744 | 25,666 | 34,039 | 59,705 | 25,477 | 30,551 | 56,028 | -3,677 | 1,686 | -2.18 | -6.16% | 1,480 |
| 220324 | 45,680 | 57,803 | 103,483 | 42,114 | 52,195 | 94,309 | -9,174 | 4,224 | -2.17 | -8.87% | 4,725 |
| 240515 | 56,178 | 72,591 | 128,769 | 51,263 | 66,577 | 117,841 | -10,928 | 5,145 | -2.12 | -8.49% | 5,503 |
| 300591 | 8,378 | 24,476 | 32,854 | 8,302 | 22,874 | 31,177 | -1,677 | 796 | -2.11 | -5.10% | 548 |
| 300618 | 42,987 | 54,854 | 97,842 | 39,955 | 49,823 | 89,778 | -8,063 | 3,859 | -2.09 | -8.24% | 3,997 |
| 250312 | 78,016 | 94,743 | 172,760 | 70,038 | 87,650 | 157,688 | -15,072 | 7,238 | -2.08 | -8.72% | 7,700 |
| 170171 | 15,760 | 26,304 | 42,065 | 15,581 | 23,720 | 39,301 | -2,763 | 1,328 | -2.08 | -6.57% | 1,176 |
| 351266 | 3,747 | 13,825 | 17,572 | 3,720 | 13,318 | 17,038 | -534 | 257 | -2.08 | -3.04% | 13 |
| 381631 | 71,530 | 115,759 | 187,290 | 71,033 | 106,564 | 177,597 | -9,693 | 4,687 | -2.07 | -5.18% | 3,224 |
| 320834 | 31,093 | 51,936 | 83,028 | 28,809 | 46,790 | 75,599 | -7,430 | 3,597 | -2.07 | -8.95% | 3,844 |
| 351336 | 21,545 | 31,388 | 52,933 | 21,261 | 27,801 | 49,062 | -3,871 | 1,875 | -2.06 | -7.31% | 1,784 |
| 330889 | 26,644 | 35,841 | 62,486 | 26,396 | 31,993 | 58,389 | -4,097 | 1,986 | -2.06 | -6.56% | 1,741 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 502282 | 36,613 | 52,144 | 88,757 | 36,184 | 46,326 | 82,510 | -6,247 | 3,043 | -2.05 | -7.04% | 2,803 |
| 310735 | 13,345 | 67,413 | 80,759 | 13,220 | 65,376 | 78,595 | -2,163 | 1,063 | -2.04 | -2.68% | 0 |
| 310703 | 33,967 | 43,857 | 77,824 | 33,700 | 39,148 | 72,848 | -4,976 | 2,447 | -2.03 | -6.39% | 2,071 |
| 351147 | 12,089 | 26,477 | 38,567 | 11,973 | 24,680 | 36,653 | -1,913 | 941 | -2.03 | -4.96% | 600 |
| 170197 | 17,223 | 23,329 | 40,552 | 17,034 | 20,715 | 37,749 | -2,803 | 1,381 | -2.03 | -6.91% | 1,241 |
| 190225 | 86,786 | 160,767 | 247,553 | 85,759 | 146,851 | 232,610 | -14,943 | 7,366 | -2.03 | -6.04% | 5,904 |
| 310688 | 23,091 | 55,301 | 78,393 | 22,883 | 52,489 | 75,372 | -3,020 | 1,489 | -2.03 | -3.85% | 550 |
| 361499 | 27,003 | 27,915 | 54,918 | 25,950 | 23,897 | 49,847 | -5,071 | 2,507 | -2.02 | -9.23% | 2,664 |
| 300650 | 21,474 | 24,811 | 46,285 | 21,291 | 21,890 | 43,182 | -3,103 | 1,541 | -2.01 | -6.70% | 1,342 |
| 341050 | 37,393 | 53,214 | 90,607 | 34,894 | 48,682 | 83,576 | -7,031 | 3,495 | -2.01 | -7.76% | 3,365 |
| 330960 | 59,296 | 75,440 | 134,736 | 58,815 | 67,587 | 126,402 | -8,334 | 4,150 | -2.01 | -6.19% | 3,368 |
| 330868 | 33,831 | 43,347 | 77,178 | 33,540 | 38,777 | 72,317 | -4,860 | 2,431 | -2.00 | -6.30% | 1,996 |
| 340983 | 22,455 | 32,819 | 55,274 | 22,258 | 29,588 | 51,846 | -3,428 | 1,716 | -2.00 | -6.20% | 1,389 |
| 351329 | 17,135 | 30,130 | 47,265 | 16,959 | 27,701 | 44,660 | -2,605 | 1,311 | -1.99 | -5.51% | 936 |
| 361475 | 66,839 | 69,328 | 136,167 | 66,333 | 60,749 | 127,082 | -9,085 | 4,580 | -1.98 | -6.67% | 3,915 |
| 421932 | 18,323 | 27,253 | 45,577 | 18,119 | 24,568 | 42,688 | -2,889 | 1,465 | -1.97 | -6.34% | 1,193 |
| 300656 | 16,171 | 31,001 | 47,172 | 15,983 | 28,479 | 44,463 | -2,709 | 1,377 | -1.97 | -5.74% | 1,019 |
| 330865 | 19,432 | 31,154 | 50,585 | 19,194 | 28,155 | 47,349 | -3,236 | 1,645 | -1.97 | -6.40% | 1,348 |
| 351319 | 42,042 | 62,164 | 104,206 | 41,730 | 56,897 | 98,628 | -5,578 | 2,843 | -1.96 | -5.35% | 1,937 |
| 330856 | 42,032 | 61,553 | 103,584 | 41,500 | 55,089 | 96,588 | -6,996 | 3,575 | -1.96 | -6.75% | 3,044 |
| 351205 | 23,359 | 51,898 | 75,257 | 23,154 | 48,798 | 71,952 | -3,305 | 1,699 | -1.94 | -4.39% | 841 |
| 190237 | 21,006 | 35,205 | 56,211 | 20,855 | 32,658 | 53,513 | -2,699 | 1,389 | -1.94 | -4.80% | 806 |
| 351334 | 55,340 | 89,309 | 144,649 | 54,950 | 82,728 | 137,678 | -6,972 | 3,595 | -1.94 | -4.82% | 2,094 |
| 351337 | 96,457 | 152,236 | 248,693 | 95,776 | 140,638 | 236,414 | -12,278 | 6,350 | -1.93 | -4.94% | 3,825 |
| 401722 | 62,936 | 93,504 | 156,440 | 62,465 | 85,842 | 148,307 | -8,133 | 4,236 | -1.92 | -5.20% | 2,722 |
| 260412 | 17,457 | 28,218 | 45,675 | 17,270 | 25,788 | 43,059 | -2,616 | 1,369 | -1.91 | -5.73% | 981 |
| 361396 | 46,908 | 46,111 | 93,019 | 46,500 | 40,053 | 86,553 | -6,467 | 3,385 | -1.91 | -6.95% | 2,875 |
| 240541 | 24,361 | 45,819 | 70,180 | 23,707 | 42,215 | 65,922 | -4,258 | 2,235 | -1.91 | -6.07% | 1,691 |
| 220364 | 77,991 | 136,534 | 214,526 | 76,963 | 124,314 | 201,278 | -13,248 | 6,969 | -1.90 | -6.18% | 5,347 |
| 320809 | 25,506 | 35,488 | 60,994 | 25,306 | 32,339 | 57,645 | -3,349 | 1,768 | -1.89 | -5.49% | 1,198 |
| 391653 | 5,408 | 14,263 | 19,671 | 5,368 | 13,586 | 18,954 | -717 | 379 | -1.89 | -3.65% | 107 |
| 371555 | 86,675 | 143,967 | 230,642 | 85,997 | 133,557 | 219,554 | -11,088 | 5,897 | -1.88 | -4.81% | 3,316 |
| 351248 | 28,675 | 38,234 | 66,909 | 28,406 | 34,561 | 62,967 | -3,942 | 2,117 | -1.86 | -5.89% | 1,521 |
| 230495 | 47,679 | 47,132 | 94,811 | 43,799 | 42,827 | 86,626 | -8,185 | 4,438 | -1.84 | -8.63% | 4,159 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 500758 | 37,760 | 57,017 | 94,777 | 37,475 | 52,573 | 90,048 | -4,728 | 2,571 | -1.84 | -4.99% | 1,495 |
| 280451 | 21,745 | 26,904 | 48,649 | 21,454 | 23,760 | 45,214 | -3,435 | 1,910 | -1.80 | -7.06% | 1,545 |
| 190219 | 48,106 | 78,792 | 126,898 | 47,124 | 72,183 | 119,307 | -7,591 | 4,247 | -1.79 | -5.98% | 2,974 |
| 341029 | 20,838 | 27,816 | 48,654 | 20,664 | 25,348 | 46,011 | -2,643 | 1,482 | -1.78 | -5.43% | 934 |
| 230478 | 23,533 | 39,721 | 63,254 | 22,747 | 36,369 | 59,116 | -4,139 | 2,325 | -1.78 | -6.54% | 1,756 |
| 351115 | 37,384 | 44,700 | 82,085 | 37,055 | 39,741 | 76,796 | -5,289 | 2,986 | -1.77 | -6.44% | 2,215 |
| 330872 | 20,764 | 31,054 | 51,818 | 20,485 | 28,057 | 48,542 | -3,277 | 1,852 | -1.77 | -6.32% | 1,351 |
| 260396 | 85,975 | 104,946 | 190,922 | 85,216 | 94,689 | 179,905 | -11,017 | 6,229 | -1.77 | -5.77% | 4,163 |
| 260417 | 21,456 | 29,242 | 50,698 | 20,979 | 25,994 | 46,973 | -3,725 | 2,114 | -1.76 | -7.35% | 1,722 |
| 310669 | 58,465 | 59,948 | 118,413 | 53,837 | 55,858 | 109,695 | -8,718 | 4,949 | -1.76 | -7.36% | 4,035 |
| 361510 | 21,039 | 31,921 | 52,961 | 20,902 | 29,718 | 50,620 | -2,340 | 1,329 | -1.76 | -4.42% | 603 |
| 371563 | 16,983 | 26,853 | 43,836 | 16,855 | 24,985 | 41,840 | -1,996 | 1,135 | -1.76 | -4.55% | 544 |
| 351303 | 8,928 | 24,784 | 33,712 | 8,864 | 23,773 | 32,637 | -1,076 | 618 | -1.74 | -3.19% | 65 |
| 330892 | 19,536 | 26,876 | 46,412 | 19,294 | 24,224 | 43,518 | -2,894 | 1,668 | -1.74 | -6.24% | 1,179 |
| 341024 | 40,948 | 43,859 | 84,807 | 40,713 | 40,220 | 80,934 | -3,873 | 2,235 | -1.73 | -4.57% | 1,063 |
| 300654 | 10,294 | 29,726 | 40,020 | 10,202 | 28,476 | 38,677 | -1,343 | 776 | -1.73 | -3.36% | 128 |
| 361494 | 15,028 | 17,972 | 33,000 | 14,878 | 16,127 | 31,005 | -1,995 | 1,155 | -1.73 | -6.05% | 790 |
| 351246 | 11,571 | 27,785 | 39,356 | 11,483 | 26,470 | 37,953 | -1,403 | 815 | -1.72 | -3.56% | 189 |
| 532386 | 22,328 | 31,914 | 54,242 | 22,031 | 28,884 | 50,916 | -3,326 | 1,933 | -1.72 | -6.13% | 1,334 |
| 330930 | 54,036 | 58,919 | 112,955 | 53,596 | 52,977 | 106,573 | -6,382 | 3,738 | -1.71 | -5.65% | 2,358 |
| 300639 | 15,692 | 20,109 | 35,801 | 15,514 | 18,044 | 33,559 | -2,242 | 1,320 | -1.70 | -6.26% | 916 |
| 383303 | 431,605 | 853,643 | 1,285,248 | 430,510 | 791,985 | 1,222,495 | -62,753 | 37,571 | -1.67 | -4.88% | 19,225 |
| 170210 | 17,000 | 27,508 | 44,508 | 16,815 | 25,429 | 42,244 | -2,264 | 1,360 | -1.66 | -5.09% | 736 |
| 320830 | 49,180 | 64,410 | 113,589 | 48,784 | 59,337 | 108,121 | -5,468 | 3,295 | -1.66 | -4.81% | 1,639 |
| 270428 | 16,136 | 23,816 | 39,952 | 15,973 | 21,942 | 37,915 | -2,037 | 1,228 | -1.66 | -5.10% | 664 |
| 230505 | 44,001 | 56,523 | 100,524 | 43,569 | 51,407 | 94,976 | -5,548 | 3,351 | -1.66 | -5.52% | 1,997 |
| 230494 | 20,560 | 38,149 | 58,709 | 20,289 | 35,437 | 55,726 | -2,983 | 1,813 | -1.65 | -5.08% | 968 |
| 330925 | 25,462 | 27,498 | 52,960 | 24,636 | 24,473 | 49,110 | -3,850 | 2,352 | -1.64 | -7.27% | 1,767 |
| 330915 | 54,906 | 58,548 | 113,454 | 50,041 | 55,113 | 105,155 | -8,299 | 5,111 | -1.62 | -7.32% | 3,824 |
| 351153 | 10,044 | 20,541 | 30,585 | 9,955 | 19,415 | 29,370 | -1,215 | 754 | -1.61 | -3.97% | 243 |
| 330896 | 23,274 | 26,884 | 50,158 | 23,071 | 24,376 | 47,446 | -2,712 | 1,686 | -1.61 | -5.41% | 953 |
| 170161 | 2,919,584 | 2,807,853 | 5,727,436 | 2,736,319 | 2,510,510 | 5,246,829 | -480,607 | 299,777 | -1.60 | -8.39% | 240,582 |
| 220387 | 239,999 | 140,593 | 380,593 | 220,151 | 125,624 | 345,775 | -34,818 | 21,786 | -1.60 | -9.15% | 18,208 |
| 310692 | 10,180 | 17,550 | 27,730 | 10,090 | 16,422 | 26,512 | -1,218 | 766 | -1.59 | -4.39% | 310 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 351113 | 18,883 | 26,050 | 44,933 | 18,668 | 23,844 | 42,512 | -2,421 | 1,525 | -1.59 | -5.39% | 848 |
| 170204 | 35,236 | 77,168 | 112,404 | 34,841 | 73,032 | 107,873 | -4,531 | 2,856 | -1.59 | -4.03% | 943 |
| 300645 | 14,849 | 20,132 | 34,980 | 14,695 | 18,427 | 33,121 | -1,859 | 1,179 | -1.58 | -5.31% | 640 |
| 300609 | 40,214 | 33,108 | 73,322 | 37,354 | 30,073 | 67,427 | -5,895 | 3,741 | -1.58 | -8.04% | 2,881 |
| 150076 | 17,543 | 21,827 | 39,370 | 17,354 | 19,833 | 37,187 | -2,184 | 1,386 | -1.58 | -5.55% | 790 |
| 300659 | 102,995 | 104,640 | 207,635 | 94,210 | 98,573 | 192,783 | -14,852 | 9,577 | -1.55 | -7.15% | 6,740 |
| 170193 | 680,042 | 952,229 | 1,632,271 | 614,486 | 911,999 | 1,526,485 | -105,786 | 68,465 | -1.55 | -6.48% | 44,527 |
| 391650 | 123,590 | 175,286 | 298,877 | 118,721 | 160,860 | 279,581 | -19,295 | 12,492 | -1.54 | -6.46% | 8,095 |
| 320750 | 24,866 | 27,178 | 52,044 | 24,264 | 24,414 | 48,678 | -3,366 | 2,199 | -1.53 | -6.47% | 1,415 |
| 320778 | 22,840 | 28,682 | 51,522 | 22,392 | 25,947 | 48,340 | -3,183 | 2,094 | -1.52 | -6.18% | 1,285 |
| 330905 | 32,382 | 35,247 | 67,629 | 32,043 | 31,727 | 63,770 | -3,859 | 2,544 | -1.52 | -5.71% | 1,441 |
| 310725 | 14,232 | 22,808 | 37,040 | 14,081 | 21,206 | 35,287 | -1,752 | 1,157 | -1.51 | -4.73% | 511 |
| 351424 | 14,114 | 23,789 | 37,903 | 14,011 | 22,415 | 36,426 | -1,477 | 980 | -1.51 | -3.90% | 279 |
| 361408 | 28,447 | 33,594 | 62,041 | 28,219 | 30,866 | 59,085 | -2,956 | 1,981 | -1.49 | -4.77% | 872 |
| 351276 | 18,480 | 19,442 | 37,922 | 18,333 | 17,676 | 36,009 | -1,913 | 1,283 | -1.49 | -5.04% | 614 |
| 170145 | 32,207 | 32,451 | 64,658 | 30,479 | 29,798 | 60,277 | -4,381 | 2,968 | -1.48 | -6.78% | 1,911 |
| 170151 | 216,330 | 126,647 | 342,977 | 193,144 | 119,828 | 312,972 | -30,005 | 20,404 | -1.47 | -8.75% | 15,351 |
| 330968 | 82,694 | 70,691 | 153,385 | 74,187 | 68,033 | 142,220 | -11,165 | 7,599 | -1.47 | -7.28% | 5,128 |
| 361507 | 19,949 | 27,761 | 47,710 | 19,714 | 25,607 | 45,321 | -2,389 | 1,630 | -1.47 | -5.01% | 760 |
| 120043 | 20,704 | 33,717 | 54,421 | 20,448 | 31,455 | 51,902 | -2,519 | 1,738 | -1.45 | -4.63% | 707 |
| 330900 | 38,770 | 79,364 | 118,134 | 38,294 | 75,079 | 113,374 | -4,761 | 3,292 | -1.45 | -4.03% | 991 |
| 330849 | 18,330 | 22,381 | 40,711 | 18,131 | 20,510 | 38,642 | -2,070 | 1,436 | -1.44 | -5.08% | 672 |
| 431968 | 21,098 | 36,613 | 57,711 | 20,829 | 34,302 | 55,131 | -2,580 | 1,802 | -1.43 | -4.47% | 680 |
| 230501 | 340,256 | 413,452 | 753,708 | 324,605 | 378,452 | 703,057 | -50,650 | 35,654 | -1.42 | -6.72% | 21,950 |
| 330962 | 61,449 | 79,134 | 140,583 | 60,833 | 73,108 | 133,941 | -6,642 | 4,714 | -1.41 | -4.72% | 1,932 |
| 150088 | 52,574 | 63,316 | 115,890 | 51,212 | 58,348 | 109,560 | -6,331 | 4,506 | -1.40 | -5.46% | 2,252 |
| 361487 | 18,168 | 20,197 | 38,365 | 17,931 | 18,132 | 36,063 | -2,302 | 1,640 | -1.40 | -6.00% | 904 |
| 100022 | 100,454 | 133,934 | 234,388 | 95,111 | 126,625 | 221,736 | -12,653 | 9,014 | -1.40 | -5.40% | 4,438 |
| 442107 | 85,569 | 96,387 | 181,956 | 76,562 | 94,359 | 170,922 | -11,034 | 7,940 | -1.39 | -6.06% | 4,379 |
| 250285 | 12,432 | 24,962 | 37,394 | 12,311 | 23,734 | 36,045 | -1,350 | 974 | -1.39 | -3.61% | 192 |
| 462198 | 12,370 | 24,007 | 36,377 | 12,250 | 22,809 | 35,059 | -1,318 | 968 | -1.36 | -3.62% | 191 |
| 330875 | 15,951 | 20,261 | 36,212 | 15,795 | 18,799 | 34,595 | -1,617 | 1,189 | -1.36 | -4.47% | 425 |
| 330843 | 59,875 | 65,208 | 125,083 | 59,113 | 58,943 | 118,056 | -7,027 | 5,180 | -1.36 | -5.62% | 2,580 |
| 170165 | 532,106 | 412,901 | 945,007 | 478,319 | 391,972 | 870,290 | -74,717 | 55,095 | -1.36 | -7.91% | 36,164 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 220380 | 75,531 | 77,933 | 153,464 | 74,851 | 71,113 | 145,963 | -7,501 | 5,537 | -1.35 | -4.89% | 2,302 |
| 230497 | 37,562 | 34,424 | 71,986 | 37,105 | 30,576 | 67,681 | -4,305 | 3,192 | -1.35 | -5.98% | 1,686 |
| 381622 | 14,266 | 30,626 | 44,892 | 14,161 | 29,445 | 43,606 | -1,286 | 958 | -1.34 | -2.86% | 0 |
| 351264 | 10,349 | 22,835 | 33,184 | 10,272 | 21,944 | 32,216 | -968 | 723 | -1.34 | -2.92% | 0 |
| 250311 | 35,050 | 41,241 | 76,291 | 34,778 | 38,337 | 73,115 | -3,176 | 2,401 | -1.32 | -4.16% | 718 |
| 150112 | 51,166 | 54,222 | 105,387 | 49,721 | 49,643 | 99,363 | -6,024 | 4,563 | -1.32 | -5.72% | 2,254 |
| 351273 | 10,563 | 19,270 | 29,834 | 10,468 | 18,316 | 28,784 | -1,050 | 800 | -1.31 | -3.52% | 133 |
| 361508 | 14,731 | 19,458 | 34,189 | 14,584 | 18,118 | 32,702 | -1,487 | 1,134 | -1.31 | -4.35% | 371 |
| 401712 | 102,426 | 126,651 | 229,077 | 101,536 | 118,039 | 219,575 | -9,502 | 7,264 | -1.31 | -4.15% | 2,129 |
| 351137 | 8,805 | 24,076 | 32,881 | 8,742 | 23,347 | 32,089 | -792 | 609 | -1.30 | -2.41% | 0 |
| 280460 | 71,511 | 75,257 | 146,769 | 70,716 | 68,605 | 139,321 | -7,448 | 5,750 | -1.30 | -5.07% | 2,413 |
| 330880 | 78,823 | 87,143 | 165,966 | 77,931 | 79,958 | 157,889 | -8,077 | 6,268 | -1.29 | -4.87% | 2,462 |
| 100020 | 74,591 | 112,078 | 186,669 | 72,641 | 105,440 | 178,081 | -8,588 | 6,696 | -1.28 | -4.60% | 2,387 |
| 330943 | 42,067 | 53,835 | 95,902 | 41,533 | 49,785 | 91,318 | -4,584 | 3,582 | -1.28 | -4.78% | 1,359 |
| 361347 | 46,312 | 42,806 | 89,119 | 45,845 | 38,725 | 84,570 | -4,549 | 3,567 | -1.28 | -5.10% | 1,485 |
| 341053 | 43,592 | 52,116 | 95,708 | 42,921 | 47,734 | 90,654 | -5,054 | 4,034 | -1.25 | -5.28% | 1,725 |
| 330955 | 114,269 | 113,486 | 227,756 | 103,959 | 110,348 | 214,307 | -13,449 | 10,744 | -1.25 | -5.90% | 5,202 |
| 361422 | 21,195 | 23,562 | 44,757 | 20,908 | 21,489 | 42,397 | -2,359 | 1,889 | -1.25 | -5.27% | 804 |
| 391660 | 89,486 | 90,885 | 180,371 | 88,716 | 83,742 | 172,457 | -7,913 | 6,450 | -1.23 | -4.39% | 2,009 |
| 170179 | 61,058 | 63,606 | 124,664 | 57,764 | 59,801 | 117,565 | -7,099 | 5,826 | -1.22 | -5.69% | 2,645 |
| 351247 | 13,714 | 29,357 | 43,071 | 13,618 | 28,329 | 41,947 | -1,125 | 937 | -1.20 | -2.61% | 0 |
| 300604 | 21,178 | 21,351 | 42,530 | 20,920 | 19,543 | 40,464 | -2,066 | 1,746 | -1.18 | -4.86% | 628 |
| 361479 | 199,718 | 131,552 | 331,270 | 179,955 | 129,222 | 309,177 | -22,093 | 18,864 | -1.17 | -6.67% | 9,518 |
| 330945 | 33,867 | 37,710 | 71,578 | 33,505 | 34,958 | 68,462 | -3,115 | 2,677 | -1.16 | -4.35% | 778 |
| 351245 | 5,923 | 16,094 | 22,017 | 5,878 | 15,655 | 21,533 | -484 | 418 | -1.16 | -2.20% | 0 |
| 230496 | 122,735 | 127,937 | 250,672 | 121,371 | 117,839 | 239,210 | -11,461 | 9,903 | -1.16 | -4.57% | 3,150 |
| 361515 | 24,161 | 25,113 | 49,275 | 23,536 | 23,200 | 46,736 | -2,538 | 2,215 | -1.15 | -5.15% | 839 |
| 190226 | 341,751 | 0 | 341,751 | 304,012 | 0 | 304,012 | -37,739 | 32,931 | -1.15 | -11.04% | 21,340 |
| 341054 | 72,125 | 99,989 | 172,114 | 71,662 | 95,530 | 167,192 | -4,922 | 4,396 | -1.12 | -2.86% | 0 |
| 150125 | 86,715 | 105,295 | 192,010 | 80,110 | 102,913 | 183,024 | -8,986 | 8,087 | -1.11 | -4.68% | 2,572 |
| 250283 | 140,093 | 193,928 | 334,022 | 131,062 | 190,462 | 321,523 | -12,498 | 11,533 | -1.08 | -3.74% | 2,059 |
| 220389 | 72,188 | 90,229 | 162,417 | 70,239 | 84,988 | 155,227 | -7,190 | 6,695 | -1.07 | -4.43% | 1,859 |
| 361373 | 133,476 | 112,834 | 246,310 | 132,230 | 103,393 | 235,624 | -10,687 | 9,956 | -1.07 | -4.34% | 2,652 |
| 361424 | 12,373 | 24,921 | 37,294 | 12,290 | 24,172 | 36,462 | -832 | 778 | -1.07 | -2.23% | 0 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 220395 | 49,628 | 74,088 | 123,717 | 49,046 | 70,178 | 119,224 | -4,493 | 4,233 | -1.06 | -3.63% | 657 |
| 100019 | 81,703 | 93,367 | 175,070 | 80,917 | 87,707 | 168,625 | -6,446 | 6,220 | -1.04 | -3.68% | 998 |
| 330851 | 21,760 | 27,407 | 49,167 | 21,454 | 25,697 | 47,151 | -2,016 | 1,979 | -1.02 | -4.10% | 439 |
| 351125 | 64,966 | 109,434 | 174,400 | 64,132 | 104,662 | 168,795 | -5,605 | 5,534 | -1.01 | -3.21% | 365 |
| 170162 | 521,630 | 359,129 | 880,759 | 478,832 | 347,446 | 826,278 | -54,481 | 53,839 | -1.01 | -6.19% | 22,022 |
| 361439 | 13,583 | 26,862 | 40,445 | 13,485 | 26,014 | 39,499 | -946 | 941 | -1.01 | -2.34% | 0 |
| 300594 | 113,872 | 87,084 | 200,956 | 103,589 | 86,730 | 190,320 | -10,637 | 10,600 | -1.00 | -5.29% | 3,642 |
| 351130 | 10,032 | 20,739 | 30,772 | 9,944 | 20,082 | 30,026 | -746 | 753 | -0.99 | -2.42% | 0 |
| 170175 | 56,913 | 0 | 56,913 | 51,679 | 0 | 51,679 | -5,234 | 5,363 | -0.98 | -9.20% | 2,744 |
| 361356 | 65,776 | 56,210 | 121,986 | 65,179 | 52,117 | 117,296 | -4,690 | 4,807 | -0.98 | -3.84% | 849 |
| 290565 | 258,178 | 253,339 | 511,516 | 248,956 | 236,674 | 485,630 | -25,887 | 26,614 | -0.97 | -5.06% | 8,354 |
| 190239 | 11,974 | 17,731 | 29,705 | 11,859 | 16,945 | 28,804 | -901 | 930 | -0.97 | -3.03% | 21 |
| 361409 | 119,783 | 113,859 | 233,642 | 113,064 | 109,399 | 222,463 | -11,179 | 11,965 | -0.93 | -4.78% | 3,319 |
| 260398 | 256,137 | 261,252 | 517,389 | 242,536 | 250,302 | 492,839 | -24,550 | 26,337 | -0.93 | -4.74% | 7,191 |
| 300633 | 9,209 | 16,635 | 25,844 | 9,130 | 16,082 | 25,212 | -632 | 682 | -0.93 | -2.44% | 0 |
| 170156 | 52,244 | 0 | 52,244 | 47,784 | 0 | 47,784 | -4,459 | 4,834 | -0.92 | -8.54% | 2,253 |
| 351228 | 3,886 | 13,929 | 17,815 | 3,858 | 13,711 | 17,569 | -246 | 267 | -0.92 | -1.38% | 0 |
| 351326 | 9,814 | 22,735 | 32,549 | 9,728 | 22,170 | 31,899 | -651 | 734 | -0.89 | -2.00% | 0 |
| 330970 | 85,342 | 89,666 | 175,008 | 84,474 | 84,815 | 169,289 | -5,719 | 6,470 | -0.88 | -3.27% | 440 |
| 330914 | 80,416 | 73,266 | 153,682 | 79,603 | 68,707 | 148,310 | -5,371 | 6,147 | -0.87 | -3.50% | 655 |
| 300664 | 11,855 | 19,929 | 31,783 | 11,747 | 19,268 | 31,015 | -768 | 884 | -0.87 | -2.42% | 0 |
| 361443 | 137,219 | 156,098 | 293,317 | 136,930 | 145,608 | 282,538 | -10,778 | 12,428 | -0.87 | -3.67% | 1,657 |
| 361358 | 99,404 | 119,421 | 218,825 | 98,531 | 114,429 | 212,959 | -5,866 | 6,979 | -0.84 | -2.68% | 0 |
| 290559 | 192,060 | 329,410 | 521,470 | 200,130 | 303,755 | 503,885 | -17,585 | 21,614 | -0.81 | -3.37% | 1,729 |
| 330966 | 101,666 | 100,240 | 201,906 | 100,739 | 95,070 | 195,809 | -6,096 | 7,507 | -0.81 | -3.02% | 121 |
| 220375 | 82,287 | 113,137 | 195,424 | 79,292 | 110,358 | 189,649 | -5,775 | 7,410 | -0.78 | -2.95% | 20 |
| 351238 | 4,478 | 13,074 | 17,552 | 4,445 | 12,868 | 17,314 | -238 | 310 | -0.77 | -1.36% | 0 |
| 341016 | 79,893 | 0 | 79,893 | 74,138 | 0 | 74,138 | -5,755 | 7,507 | -0.77 | -7.20% | 2,624 |
| 330938 | 98,614 | 90,093 | 188,707 | 95,798 | 86,001 | 181,800 | -6,907 | 9,075 | -0.76 | -3.66% | 1,045 |
| 320796 | 13,140 | 15,760 | 28,900 | 13,008 | 15,108 | 28,117 | -784 | 1,044 | -0.75 | -2.71% | 0 |
| 361412 | 61,821 | 42,643 | 104,464 | 61,001 | 39,444 | 100,445 | -4,019 | 5,470 | -0.73 | -3.85% | 729 |
| 361430 | 122,286 | 114,934 | 237,220 | 122,061 | 107,376 | 229,437 | -7,784 | 10,695 | -0.73 | -3.28% | 620 |
| 310676 | 71,167 | 61,448 | 132,614 | 70,253 | 57,283 | 127,536 | -5,078 | 7,100 | -0.72 | -3.83% | 907 |
| 351304 | 13,511 | 24,641 | 38,151 | 13,392 | 24,075 | 37,467 | -684 | 958 | -0.71 | -1.79% | 0 |

APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 351343 | 8,614 | 19,995 | 28,609 | 8,542 | 19,623 | 28,165 | -444 | 632 | -0.70 | -1.55% | 0 |
| 351212 | 38,904 | 0 | 38,904 | 36,598 | 0 | 36,598 | -2,306 | 3,363 | -0.69 | -5.93% | 895 |
| 341017 | 16,953 | 23,093 | 40,046 | 16,793 | 22,469 | 39,262 | -784 | 1,214 | -0.65 | -1.96% | 0 |
| 401710 | 14,179 | 22,611 | 36,790 | 14,067 | 22,082 | 36,148 | -642 | 1,017 | -0.63 | -1.74% | 0 |
| 330881 | 295,749 | 485,875 | 781,624 | 309,050 | 452,730 | 761,780 | -19,844 | 31,866 | -0.62 | -2.54% | 0 |
| 170196 | 132,845 | 0 | 132,845 | 125,378 | 0 | 125,378 | -7,467 | 12,252 | -0.61 | -5.62% | 2,743 |
| 351241 | 10,260 | 18,796 | 29,055 | 10,168 | 18,424 | 28,592 | -463 | 773 | -0.60 | -1.59% | 0 |
| 351188 | 7,710 | 19,467 | 27,177 | 7,647 | 19,201 | 26,848 | -329 | 558 | -0.59 | -1.21% | 0 |
| 300663 | 4,259 | 11,666 | 15,926 | 4,228 | 11,497 | 15,726 | -200 | 341 | -0.59 | -1.26% | 0 |
| 280467 | 12,890 | 18,154 | 31,045 | 12,762 | 17,685 | 30,447 | -597 | 1,019 | -0.59 | -1.92% | 0 |
| 290554 | 143,329 | 154,633 | 297,962 | 138,116 | 152,663 | 290,780 | -7,182 | 12,500 | -0.57 | -2.41% | 0 |
| 442043 | 11,742 | 16,821 | 28,563 | 11,653 | 16,456 | 28,108 | -454 | 828 | -0.55 | -1.59% | 0 |
| 361474 | 7,920 | 18,486 | 26,406 | 7,855 | 18,236 | 26,091 | -315 | 575 | -0.55 | -1.19% | 0 |
| 100015 | 121,566 | 143,147 | 264,714 | 121,162 | 137,412 | 258,574 | -6,140 | 11,424 | -0.54 | -2.32% | 0 |
| 351203 | 11,971 | 20,393 | 32,365 | 11,872 | 20,069 | 31,942 | -423 | 826 | -0.51 | -1.31% | 0 |
| 351176 | 9,256 | 16,288 | 25,544 | 9,177 | 16,035 | 25,211 | -333 | 686 | -0.49 | -1.30% | 0 |
| 361404 | 13,849 | 26,395 | 40,244 | 13,740 | 26,035 | 39,775 | -469 | 991 | -0.47 | -1.17% | 0 |
| 351157 | 10,188 | 22,269 | 32,458 | 10,113 | 22,019 | 32,132 | -326 | 711 | -0.46 | -1.00% | 0 |
| 190236 | 13,368 | 16,155 | 29,522 | 13,232 | 15,814 | 29,046 | -477 | 1,067 | -0.45 | -1.61% | 0 |
| 351310 | 8,699 | 21,350 | 30,049 | 8,639 | 21,177 | 29,816 | -234 | 541 | -0.43 | -0.78% | 0 |
| 240536 | 136,823 | 171,813 | 308,636 | 133,385 | 169,337 | 302,722 | -5,914 | 14,269 | -0.41 | -1.92% | 0 |
| 230491 | 980,927 | 1,243,066 | 2,223,993 | 1,016,061 | 1,168,469 | 2,184,530 | -39,463 | 108,564 | -0.36 | -1.77% | 0 |
| 351169 | 7,373 | 17,231 | 24,604 | 7,314 | 17,102 | 24,416 | -187 | 531 | -0.35 | -0.76% | 0 |
| 351257 | 12,480 | 19,005 | 31,485 | 12,373 | 18,817 | 31,191 | -295 | 878 | -0.34 | -0.94% | 0 |
| 300585 | 9,941 | 17,549 | 27,490 | 9,853 | 17,405 | 27,258 | -231 | 745 | -0.31 | -0.84% | 0 |
| 351265 | 3,242 | 12,666 | 15,908 | 3,219 | 12,626 | 15,846 | -62 | 221 | -0.28 | -0.39% | 0 |
| 100005 | 11,279 | 16,045 | 27,325 | 11,174 | 15,915 | 27,090 | -235 | 865 | -0.27 | -0.86% | 0 |
| 351191 | 9,183 | 19,375 | 28,558 | 9,114 | 19,282 | 28,396 | -162 | 603 | -0.27 | -0.57% | 0 |
| 240546 | 159,068 | 201,711 | 360,779 | 155,469 | 202,660 | 358,129 | -2,650 | 16,314 | -0.16 | -0.73% | 0 |
| 351260 | 72,835 | 0 | 72,835 | 72,011 | 0 | 72,011 | -824 | 5,489 | -0.15 | -1.13% | 0 |
| 482252 | 42,164 | 0 | 42,164 | 41,637 | 0 | 41,637 | -527 | 3,547 | -0.15 | -1.25% | 0 |
| 391657 | 98,818 | 0 | 98,818 | 97,724 | 0 | 97,724 | -1,094 | 7,725 | -0.14 | -1.11% | 0 |
| 351278 | 16,146 | 0 | 16,146 | 15,959 | 0 | 15,959 | -188 | 1,374 | -0.14 | -1.16% | 0 |
| 310675 | 64,107 | 0 | 64,107 | 63,452 | 0 | 63,452 | -655 | 4,949 | -0.13 | -1.02% | 0 |

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 361375 | 128,434 | 0 | 128,434 | 127,362 | 0 | 127,362 | -1,072 | 8,956 | -0.12 | -0.83% | 0 |
| 351166 | 10,395 | 0 | 10,395 | 10,302 | 0 | 10,302 | -93 | 785 | -0.12 | -0.90% | 0 |
| 350739 | 8,469 | 0 | 8,469 | 8,398 | 0 | 8,398 | -71 | 620 | -0.11 | -0.83% | 0 |
| 351150 | 8,067 | 0 | 8,067 | 8,001 | 0 | 8,001 | -66 | 587 | -0.11 | -0.82% | 0 |
| 351292 | 7,121 | 0 | 7,121 | 7,065 | 0 | 7,065 | -57 | 511 | -0.11 | -0.79% | 0 |
| 351209 | 21,889 | 0 | 21,889 | 21,734 | 0 | 21,734 | -155 | 1,418 | -0.11 | -0.71% | 0 |
| 351189 | 14,093 | 28,611 | 42,705 | 13,993 | 28,611 | 42,604 | -101 | 921 | -0.11 | -0.24% | 0 |
| 351177 | 24,897 | 0 | 24,897 | 24,727 | 0 | 24,727 | -170 | 1,586 | -0.11 | -0.68% | 0 |
| 391664 | 60,931 | 0 | 60,931 | 60,529 | 0 | 60,529 | -401 | 3,876 | -0.10 | -0.66% | 0 |
| 351307 | 2,602 | 0 | 2,602 | 2,584 | 0 | 2,584 | -18 | 176 | -0.10 | -0.68% | 0 |
| 351141 | 10,406 | 21,000 | 31,407 | 10,313 | 21,050 | 31,363 | -44 | 786 | -0.06 | -0.14% | 0 |
| 132454 | 192,001 | 339,959 | 531,961 | 199,996 | 330,916 | 530,912 | -1,049 | 23,237 | -0.05 | -0.20% | 0 |
| 230503 | 142,587 | 113,285 | 255,872 | 138,626 | 116,697 | 255,324 | -548 | 14,693 | -0.04 | -0.21% | 0 |
| 300662 | 10,032 | 12,961 | 22,994 | 9,944 | 13,023 | 22,967 | -27 | 753 | -0.04 | -0.12% | 0 |
| 351269 | 7,121 | 23,133 | 30,254 | 7,065 | 23,174 | 30,238 | -15 | 511 | -0.03 | -0.05% | 0 |
| 170191 | 138,653 | 0 | 138,653 | 138,330 | 0 | 138,330 | -322 | 11,745 | -0.03 | -0.23% | 0 |
| 287449 | 11,127 | 16,131 | 27,257 | 11,024 | 16,217 | 27,241 | -16 | 851 | -0.02 | -0.06% | 0 |
| 532396 | 8,566 | 17,505 | 26,070 | 8,494 | 17,588 | 26,082 | 12 | 628 | 0.02 | 0.05% | 0 |
| 140053 | 11,645 | 20,358 | 32,004 | 11,535 | 20,547 | 32,082 | 79 | 899 | 0.09 | 0.25% | 0 |
| 351222 | 10,735 | 20,141 | 30,876 | 10,649 | 20,340 | 30,989 | 114 | 733 | 0.16 | 0.37% | 0 |
| 170215 | 11,474 | 21,755 | 33,229 | 11,366 | 22,038 | 33,405 | 176 | 883 | 0.20 | 0.53% | 0 |
| 351239 | 9,364 | 20,849 | 30,213 | 9,296 | 21,059 | 30,355 | 141 | 650 | 0.22 | 0.47% | 0 |
| 361337 | 11,308 | 26,578 | 37,887 | 11,231 | 26,838 | 38,069 | 182 | 767 | 0.24 | 0.48% | 0 |
| 340990 | 12,152 | 11,767 | 23,919 | 12,035 | 12,133 | 24,168 | 249 | 947 | 0.26 | 1.04% | 0 |
| 361372 | 3,016 | 11,863 | 14,878 | 2,995 | 11,940 | 14,935 | 57 | 205 | 0.28 | 0.38% | 0 |
| 330847 | 11,517 | 15,936 | 27,452 | 11,409 | 16,296 | 27,705 | 252 | 887 | 0.28 | 0.92% | 0 |
| 320837 | 10,260 | 18,204 | 28,463 | 10,168 | 18,527 | 28,695 | 232 | 773 | 0.30 | 0.81% | 0 |
| 351284 | 11,287 | 26,772 | 38,060 | 11,197 | 27,102 | 38,299 | 240 | 763 | 0.31 | 0.63% | 0 |
| 351175 | 5,461 | 14,617 | 20,079 | 5,421 | 14,780 | 20,200 | 121 | 383 | 0.32 | 0.60% | 0 |
| 361427 | 285,157 | 0 | 285,157 | 295,498 | 0 | 295,498 | 10,341 | 30,704 | 0.34 | 3.63% | 0 |
| 351308 | 5,382 | 14,888 | 20,270 | 5,341 | 15,074 | 20,416 | 146 | 377 | 0.39 | 0.72% | 0 |
| 351199 | 6,521 | 14,345 | 20,867 | 6,471 | 14,588 | 21,059 | 192 | 464 | 0.41 | 0.92% | 0 |
| 240535 | 10,775 | 14,100 | 24,875 | 10,677 | 14,599 | 25,276 | 401 | 819 | 0.49 | 1.61% | 0 |
| 341087 | 9,676 | 18,976 | 28,652 | 9,592 | 19,441 | 29,033 | 381 | 722 | 0.53 | 1.33% | 0 |

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 351277 | 6,880 | 14,372 | 21,252 | 6,826 | 14,791 | 21,617 | 365 | 492 | 0.74 | 1.72% | 0 |
| 341075 | 7,360 | 16,013 | 23,373 | 7,301 | 16,511 | 23,813 | 440 | 530 | 0.83 | 1.88% | 0 |
| 351342 | 3,298 | 10,661 | 13,959 | 3,275 | 10,872 | 14,148 | 188 | 225 | 0.84 | 1.35% | 0 |
| 351250 | 8,590 | 19,024 | 27,613 | 8,518 | 19,630 | 28,147 | 534 | 630 | 0.85 | 1.93% | 0 |
| 432141 | 10,833 | 29,078 | 39,911 | 10,758 | 29,921 | 40,680 | 769 | 723 | 1.06 | 1.93% | 0 |
| 320816 | 6,289 | 10,876 | 17,164 | 6,240 | 11,446 | 17,686 | 521 | 446 | 1.17 | 3.04% | 0 |
| 351242 | 9,420 | 17,180 | 26,600 | 9,339 | 18,099 | 27,437 | 837 | 700 | 1.20 | 3.15% | 0 |
| 351235 | 9,033 | 17,477 | 26,510 | 8,965 | 18,269 | 27,234 | 724 | 597 | 1.21 | 2.73% | 0 |
| 240532 | 8,722 | 7,819 | 16,540 | 8,648 | 8,737 | 17,385 | 845 | 641 | 1.32 | 5.11% | 0 |
| 381509 | 4,845 | 15,671 | 20,516 | 4,812 | 16,147 | 20,959 | 443 | 327 | 1.36 | 2.16% | 0 |
| 351107 | 4,641 | 14,083 | 18,725 | 4,608 | 14,555 | 19,162 | 438 | 322 | 1.36 | 2.34% | 0 |
| 351179 | 4,696 | 14,217 | 18,912 | 4,661 | 14,698 | 19,359 | 447 | 326 | 1.37 | 2.36% | 0 |
| 351146 | 5,114 | 13,288 | 18,402 | 5,076 | 13,824 | 18,900 | 498 | 357 | 1.39 | 2.71% | 0 |
| 351335 | 5,128 | 11,701 | 16,829 | 5,090 | 12,255 | 17,344 | 515 | 358 | 1.44 | 3.06% | 0 |
| 421893 | 8,055 | 16,453 | 24,508 | 7,989 | 17,416 | 25,405 | 897 | 586 | 1.53 | 3.66% | 0 |
| 351322 | 6,247 | 11,403 | 17,650 | 6,197 | 12,311 | 18,509 | 859 | 508 | 1.69 | 4.87% | 0 |
| 351294 | 7,298 | 17,401 | 24,698 | 7,239 | 18,397 | 25,636 | 938 | 525 | 1.79 | 3.80% | 0 |
| 120042 | 6,560 | 10,309 | 16,869 | 6,509 | 11,221 | 17,729 | 860 | 467 | 1.84 | 5.10% | 0 |
| 341062 | 8,104 | 15,705 | 23,809 | 8,037 | 16,863 | 24,901 | 1,091 | 590 | 1.85 | 4.58% | 0 |
| 351149 | 4,322 | 14,523 | 18,845 | 4,295 | 15,057 | 19,351 | 506 | 269 | 1.88 | 2.69% | 0 |
| 310694 | 9,303 | 15,231 | 24,534 | 9,223 | 16,611 | 25,834 | 1,300 | 690 | 1.88 | 5.30% | 0 |
| 351097 | 5,342 | 11,027 | 16,369 | 5,302 | 11,781 | 17,083 | 714 | 374 | 1.91 | 4.36% | 0 |
| 341086 | 7,448 | 14,864 | 22,312 | 7,388 | 15,955 | 23,343 | 1,031 | 537 | 1.92 | 4.62% | 0 |
| 351280 | 5,501 | 15,968 | 21,470 | 5,460 | 16,757 | 22,217 | 748 | 386 | 1.94 | 3.48% | 0 |
| 340998 | 7,981 | 14,513 | 22,495 | 7,916 | 15,724 | 23,640 | 1,146 | 580 | 1.98 | 5.09% | 0 |
| 361476 | 6,727 | 9,833 | 16,560 | 6,674 | 10,846 | 17,520 | 960 | 480 | 2.00 | 5.80% | 0 |
| 351114 | 5,989 | 15,611 | 21,600 | 5,943 | 16,521 | 22,465 | 865 | 423 | 2.04 | 4.00% | 0 |
| 351275 | 3,058 | 11,178 | 14,237 | 3,037 | 11,627 | 14,664 | 428 | 208 | 2.06 | 3.00% | 0 |
| 361426 | 8,668 | 14,751 | 23,419 | 8,606 | 16,070 | 24,676 | 1,257 | 599 | 2.10 | 5.37% | 0 |
| 371565 | 9,541 | 21,076 | 30,617 | 9,471 | 22,617 | 32,088 | 1,471 | 663 | 2.22 | 4.80% | 0 |
| 351119 | 6,328 | 15,964 | 22,292 | 6,279 | 17,046 | 23,325 | 1,033 | 449 | 2.30 | 4.63% | 0 |
| 170195 | 7,033 | 17,073 | 24,105 | 6,977 | 18,356 | 25,333 | 1,228 | 504 | 2.44 | 5.09% | 0 |
| 340993 | 8,067 | 16,719 | 24,786 | 8,001 | 18,225 | 26,227 | 1,440 | 587 | 2.45 | 5.81% | 0 |
| 361405 | 10,235 | 24,806 | 35,041 | 10,173 | 26,466 | 36,639 | 1,598 | 605 | 2.64 | 4.56% | 0 |

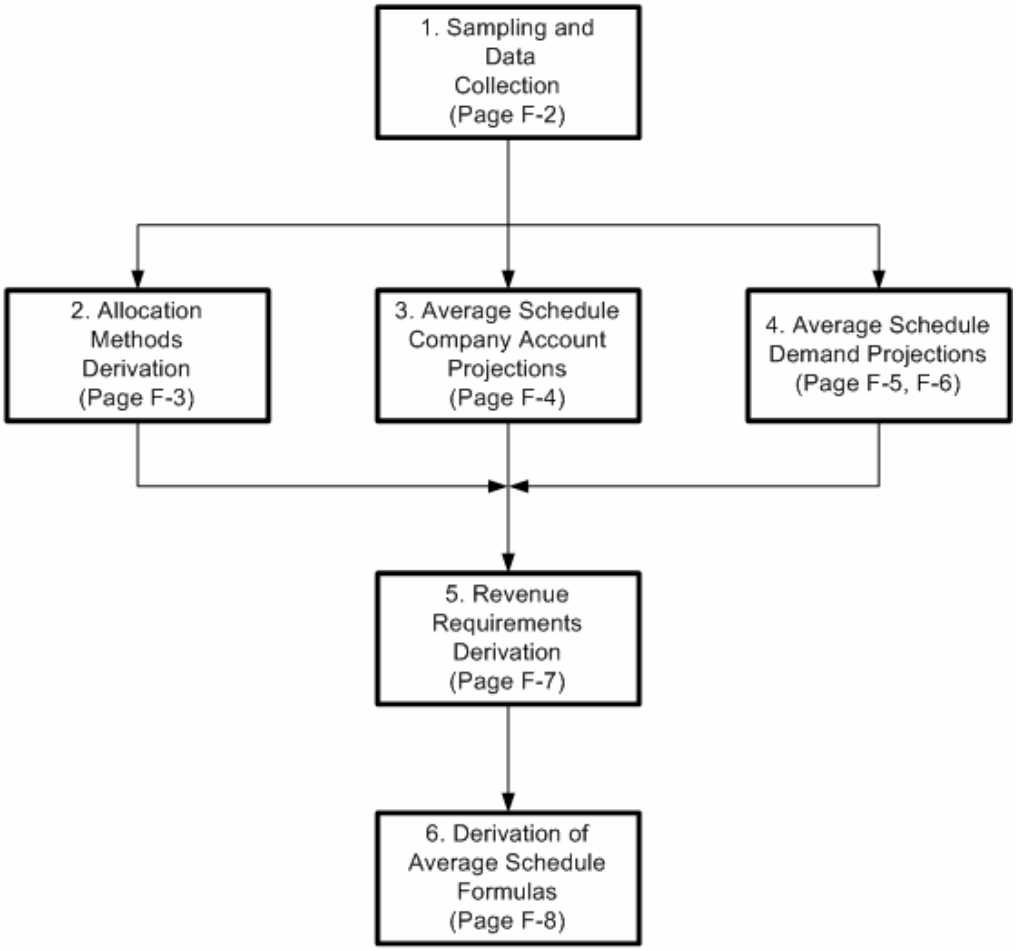
APPENDIX E

2007 MODIFICATION OF AVERAGE SCHEDULES
IMPACTS OF PROPOSED FORMULAS FOR JULY 2007 USING 9/06 VIEW OF 7/06 SETTLEMENTS DATA

| Study Area Code | Current Common Line Settlement | Current Traffic Sensitive Settlement | Current Total Settlement | Proposed Common Line Settlement | Proposed Traffic Sensitive Settlement | Proposed Total Settlement | Total Settlement Difference | Access Lines | Total Settlement Difference Per Line | Total Settlement Percent Difference | Monthly First Year Average Settlement Transition Amount |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 361380 | 4,409 | 9,203 | 13,612 | 4,378 | 10,108 | 14,485 | 873 | 305 | 2.86 | 6.41% | 0 |
| 421876 | 2,859 | 10,114 | 12,973 | 2,840 | 10,721 | 13,561 | 588 | 194 | 3.03 | 4.53% | 0 |
| 351270 | 4,148 | 13,287 | 17,436 | 4,119 | 14,185 | 18,303 | 867 | 286 | 3.03 | 4.98% | 0 |
| 361384 | 4,259 | 7,683 | 11,941 | 4,228 | 8,640 | 12,868 | 927 | 294 | 3.15 | 7.76% | 0 |
| 613026 | 2,688 | 8,223 | 10,911 | 2,670 | 8,851 | 11,520 | 609 | 182 | 3.35 | 5.58% | 0 |
| 341046 | 2,401 | 6,628 | 9,029 | 2,384 | 7,258 | 9,643 | 614 | 162 | 3.79 | 6.80% | 0 |
| 361419 | 4,696 | 8,868 | 13,563 | 4,661 | 10,164 | 14,825 | 1,262 | 326 | 3.87 | 9.30% | 0 |
| 421936 | 7,083 | 12,805 | 19,888 | 7,027 | 14,878 | 21,905 | 2,017 | 508 | 3.97 | 10.14% | 0 |
| 341041 | 1,380 | 8,966 | 10,346 | 1,371 | 9,435 | 10,806 | 460 | 92 | 5.00 | 4.45% | 0 |
| 300651 | 5,871 | 12,020 | 17,891 | 5,826 | 14,225 | 20,051 | 2,160 | 414 | 5.22 | 12.08% | 0 |
| 361365 | 4,259 | 9,776 | 14,034 | 4,228 | 11,359 | 15,587 | 1,553 | 294 | 5.28 | 11.07% | 0 |
| 361381 | 3,439 | 12,700 | 16,139 | 3,415 | 14,250 | 17,665 | 1,526 | 235 | 6.49 | 9.46% | 0 |
| 351108 | 2,401 | 5,957 | 8,357 | 2,384 | 7,046 | 9,431 | 1,073 | 162 | 6.63 | 12.84% | 0 |
| 341092 | 1,483 | 5,958 | 7,440 | 1,473 | 6,811 | 8,285 | 844 | 99 | 8.53 | 11.34% | 0 |
| 371590 | 1,321 | 6,347 | 7,668 | 1,312 | 7,109 | 8,421 | 753 | 88 | 8.56 | 9.83% | 0 |
| 351243 | 1,453 | 6,753 | 8,207 | 1,444 | 7,606 | 9,049 | 843 | 97 | 8.69 | 10.27% | 0 |
| 341021 | 1,498 | 5,690 | 7,187 | 1,488 | 6,593 | 8,081 | 894 | 100 | 8.94 | 12.43% | 0 |
| 361348 | 1,128 | 5,499 | 6,627 | 1,121 | 6,232 | 7,353 | 725 | 75 | 9.67 | 10.94% | 0 |
| 190220 | 2,372 | 7,166 | 9,538 | 2,356 | 8,750 | 11,106 | 1,568 | 160 | 9.80 | 16.44% | 0 |
| 330848 | 3,157 | 11,335 | 14,492 | 3,136 | 13,923 | 17,059 | 2,567 | 211 | 12.17 | 17.71% | 0 |
| 351126 | 2,818 | 7,937 | 10,755 | 2,800 | 10,244 | 13,044 | 2,288 | 188 | 12.17 | 21.28% | 0 |
| 462206 | 1,128 | 6,152 | 7,280 | 1,121 | 7,089 | 8,210 | 930 | 75 | 12.40 | 12.77% | 0 |
| 381601 | 725 | 7,144 | 7,870 | 721 | 7,770 | 8,490 | 621 | 48 | 12.93 | 7.89% | 0 |
| 462210 | 964 | 6,184 | 7,148 | 958 | 7,086 | 8,044 | 895 | 64 | 13.99 | 12.53% | 0 |
| 613005 | 605 | 4,912 | 5,517 | 601 | 5,569 | 6,170 | 653 | 40 | 16.32 | 11.83% | 0 |
| 361500 | 620 | 5,538 | 6,158 | 616 | 6,442 | 7,058 | 900 | 41 | 21.95 | 14.61% | 0 |
| 170277 | 575 | 5,382 | 5,957 | 571 | 6,256 | 6,827 | 870 | 38 | 22.88 | 14.60% | 0 |
| TOTAL | 24,511,982 | 32,562,422 | 57,074,417 | 23,726,115 | 29,200,156 | 52,926,271 | -4,148,140 | 2,189,288 | -$1.89 | -7.27% | 2,074,024 |

Total Transition Amount Over 24 Months Period: 33,632,589

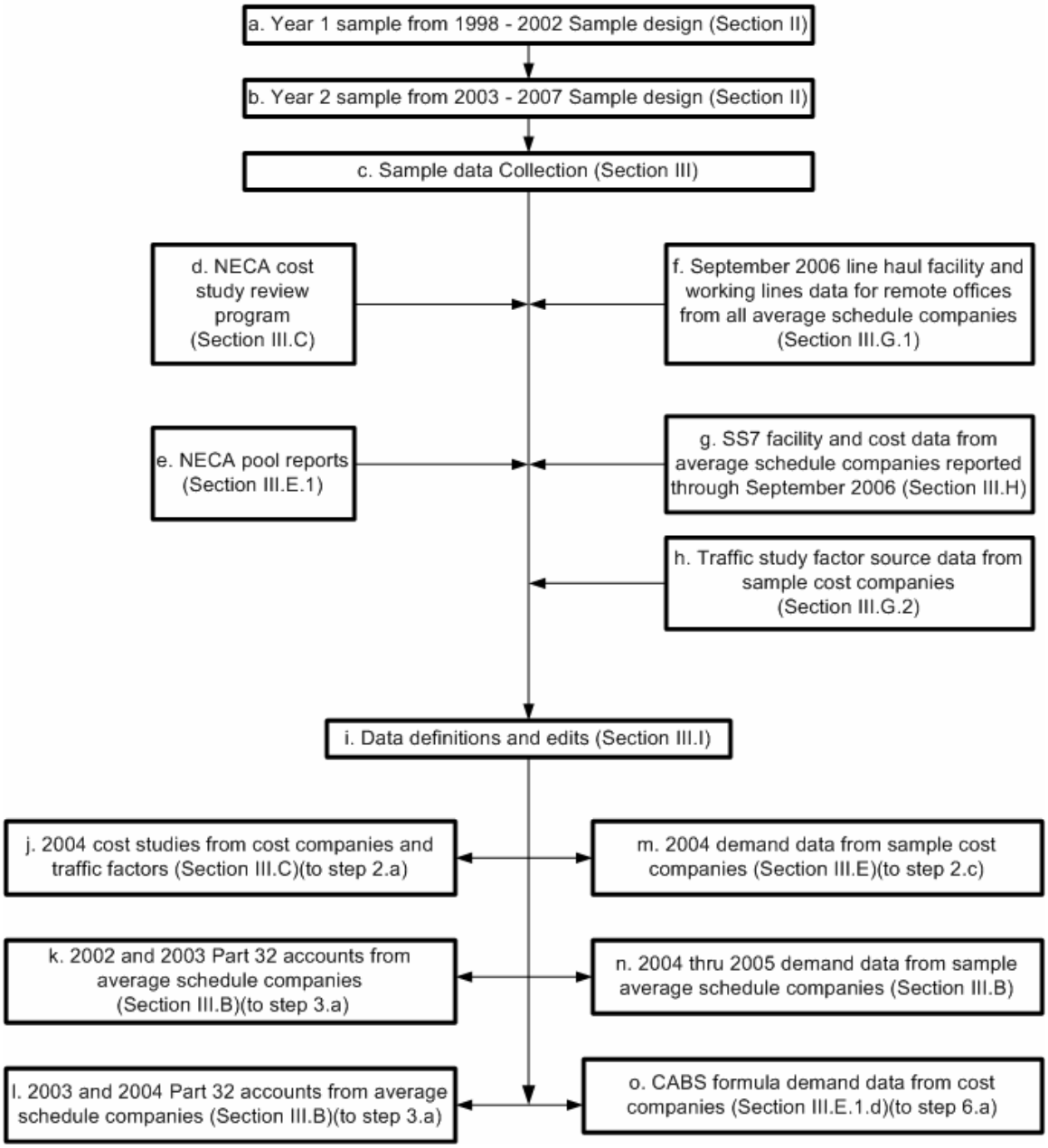
## APPENDIX F
## 2007 MODIFICATIONS OF AVERAGE SCHEDULES
## FLOW CHARTS OF SETTLEMENT FORMULA DEVELOPMENT STEPS




The numbered step references, used in this Appendix, refer to other steps within this Appendix

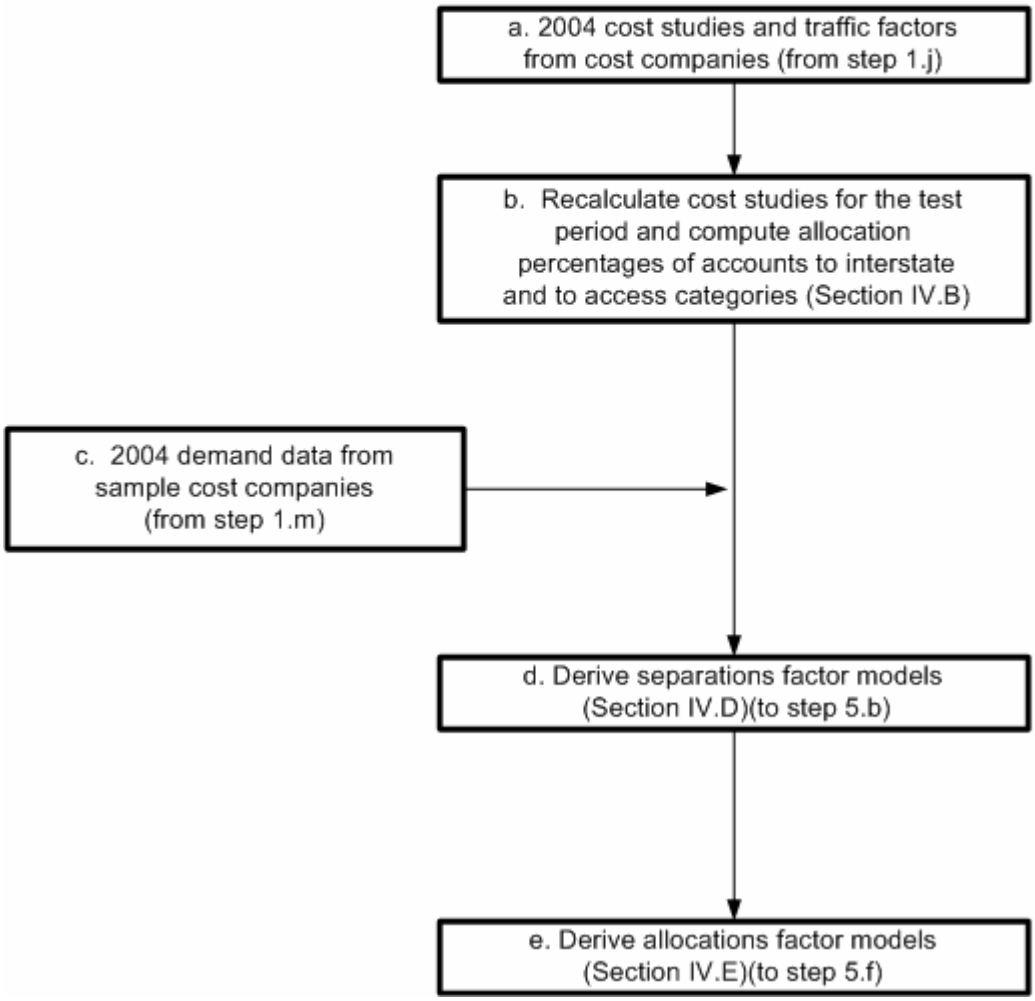
**APPENDIX F**
**2006 MODIFICATIONS OF AVERAGE SCHEDULES**
**FLOW CHARTS OF SETTLEMENT FORMULA DEVELOPMENT STEPS**

## 1. Sampling and Data Collection



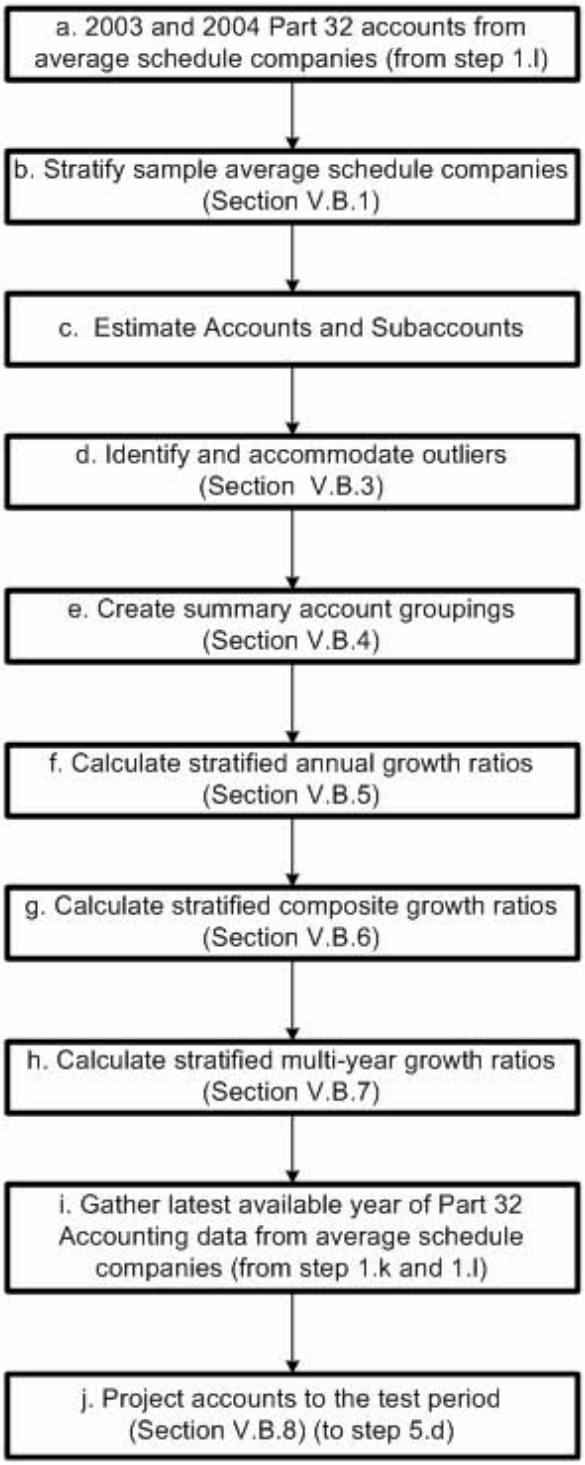
## APPENDIX F
## 2007 MODIFICATIONS OF AVERAGE SCHEDULES
## FLOW CHARTS OF SETTLEMENT FORMULA DEVELOPMENT STEPS

### 2. Allocation Methods Derivation



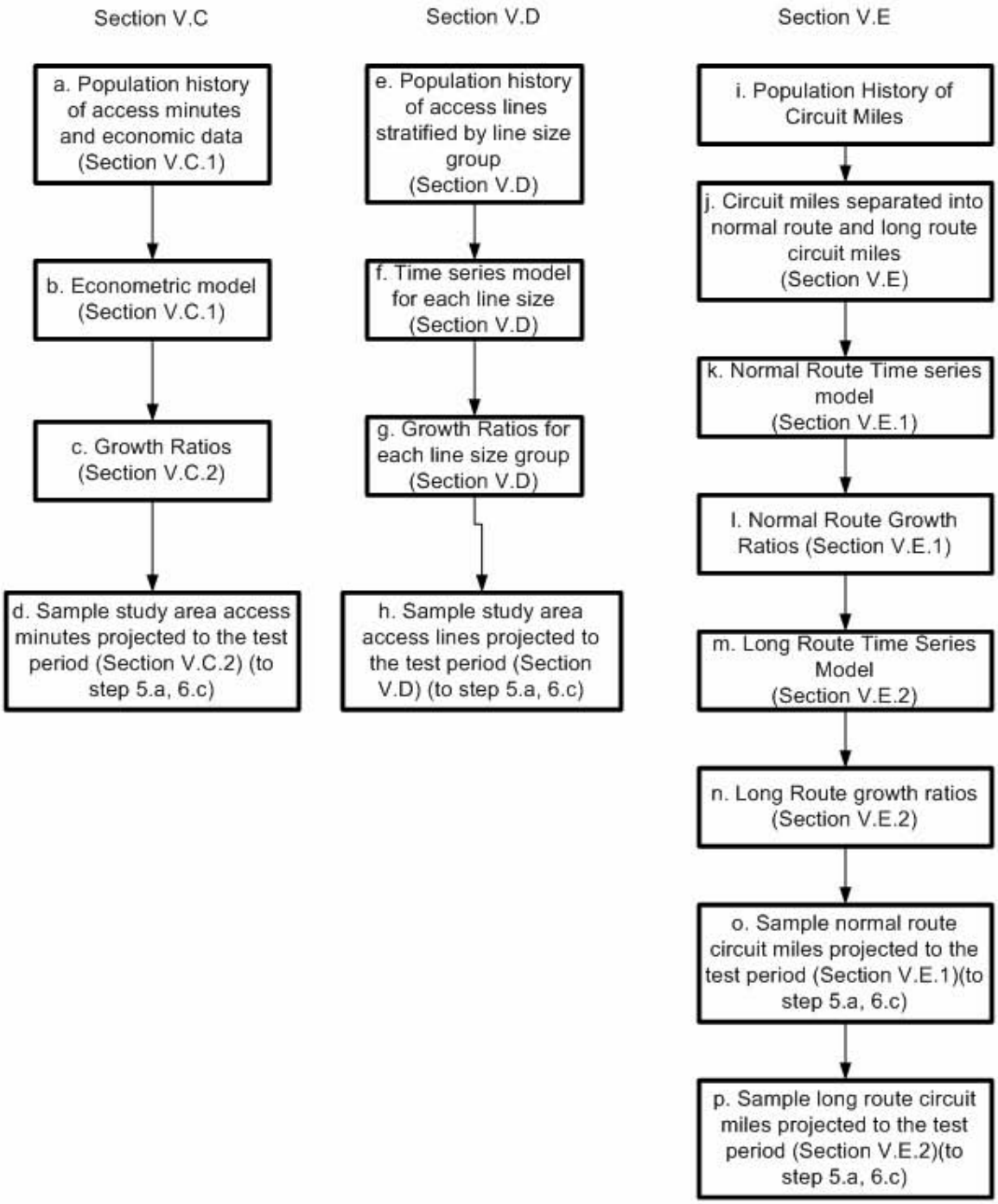
## APPENDIX F
## 2007 MODIFICATIONS OF AVERAGE SCHEDULES
## FLOW CHARTS OF SETTLEMENT FORMULA DEVELOPMENT STEPS

### 3. Average Schedule Company Account Projections



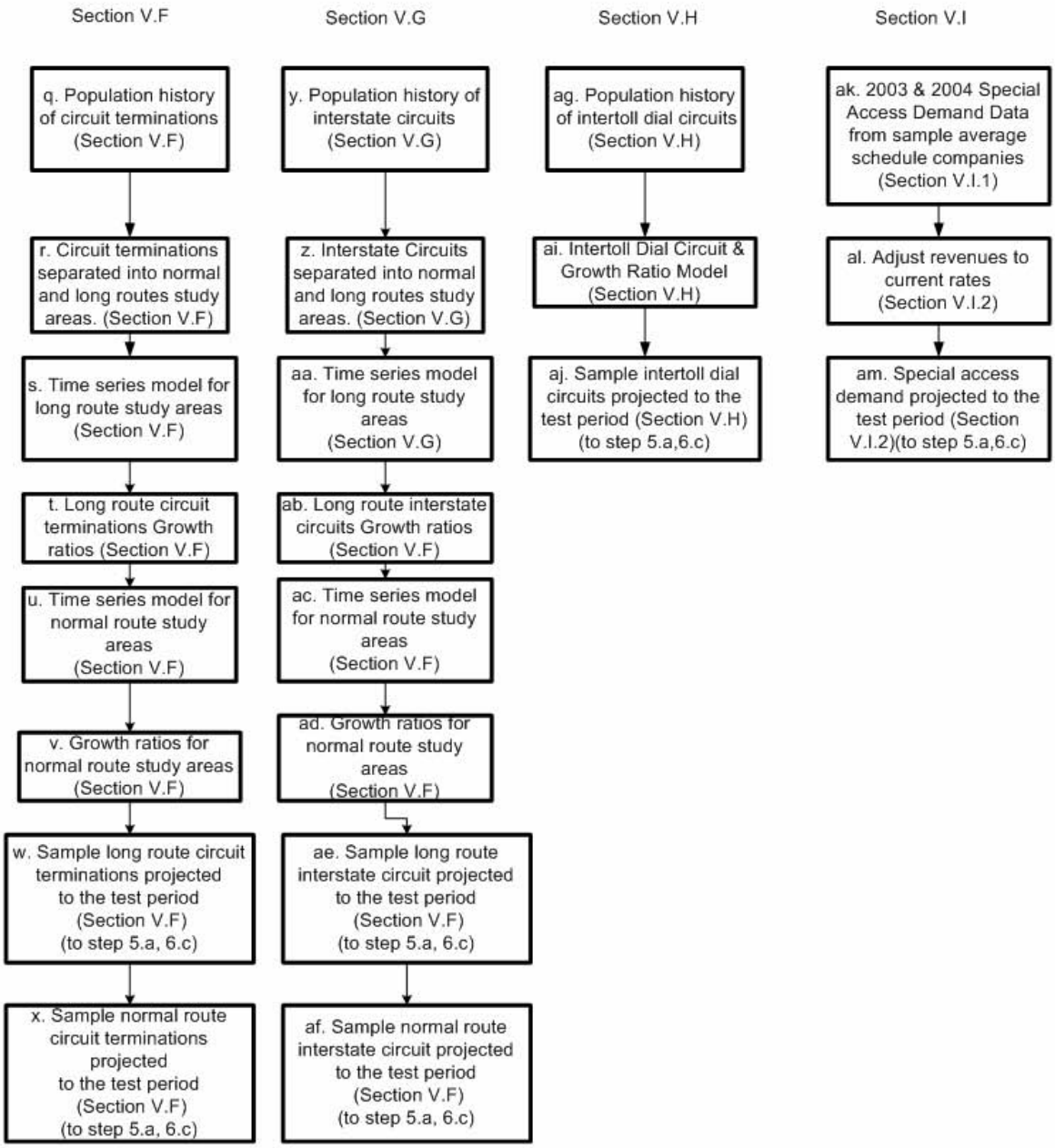
**APPENDIX F**
**2007 MODIFICATIONS OF AVERAGE SCHEDULES**
**FLOW CHARTS OF SETTLEMENT FORMULA**
**DEVELOPMENT STEPS**

## 4. Average Schedule Demand Projections



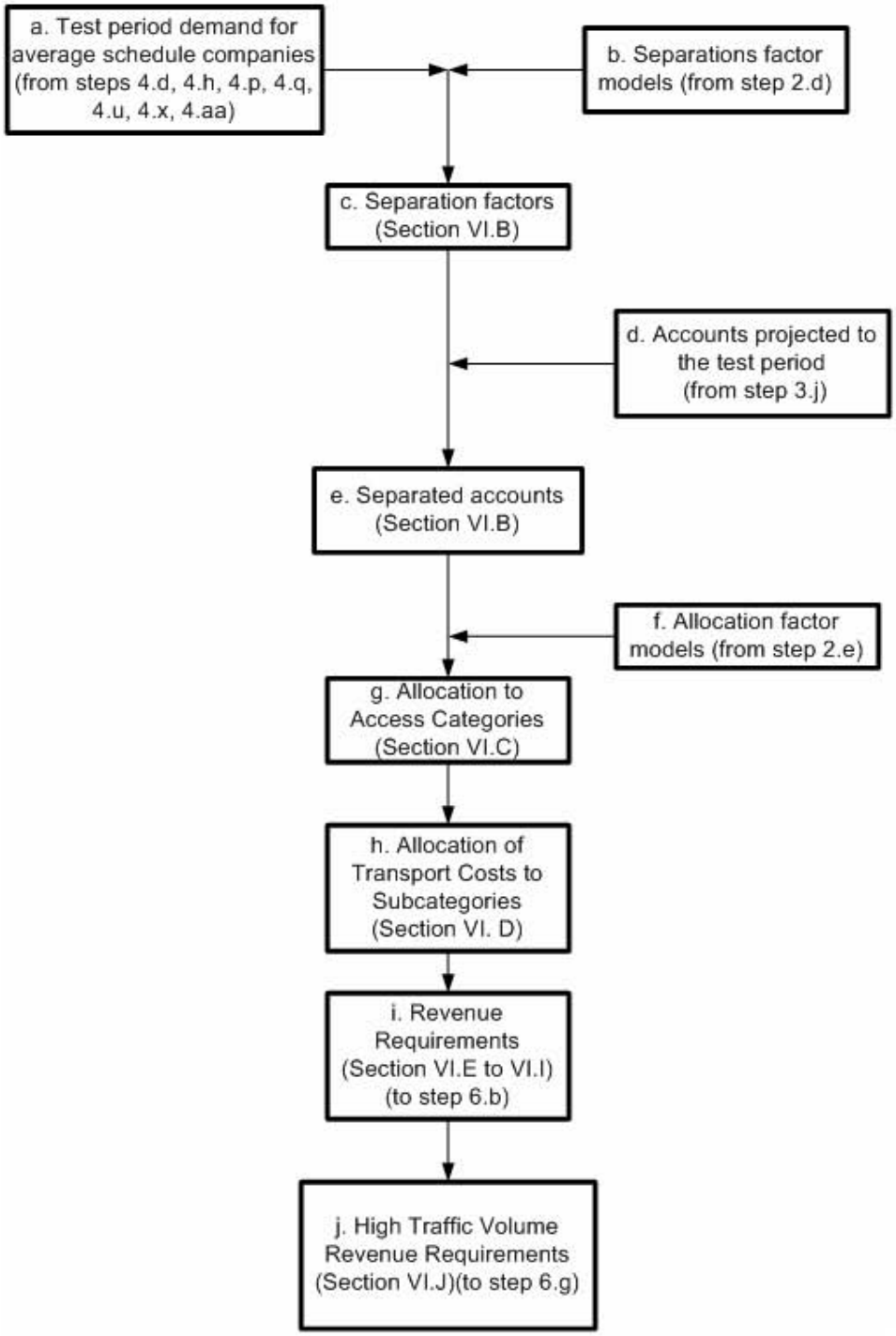
**APPENDIX F**
**2007 MODIFICATIONS OF AVERAGE SCHEDULES**
**FLOW CHARTS OF SETTLEMENT FORMULA**
**DEVELOPMENT STEPS**

## 4. Average Schedule Demand Projections



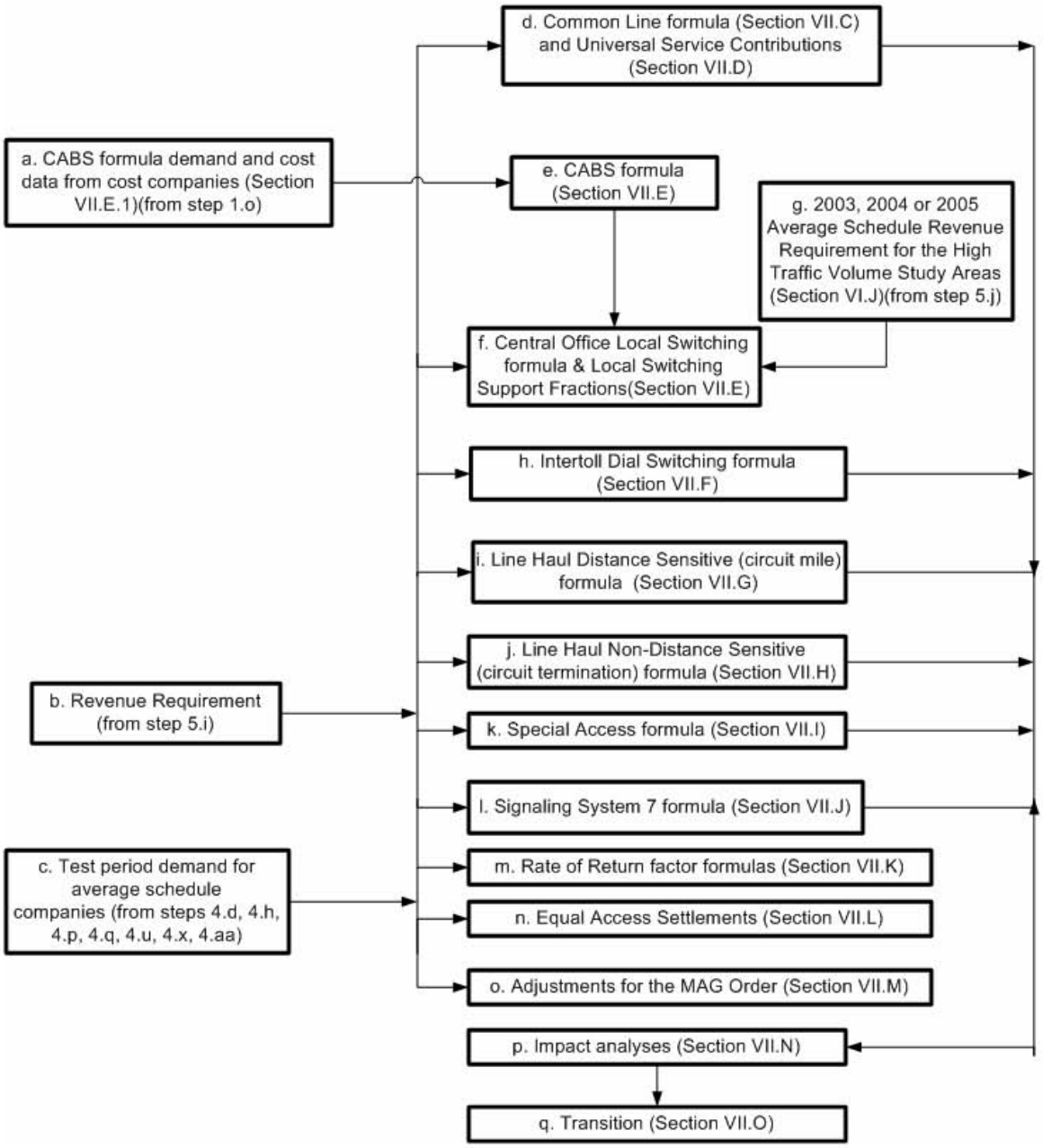
**APPENDIX F**
**2007 MODIFICATIONS OF AVERAGE SCHEDULES**
**FLOW CHARTS OF SETTLEMENT FORMULA DEVELOPMENT STEPS**

## 5. Revenue Requirements Derivation



**APPENDIX F**
**2007 MODIFICATIONS OF AVERAGE SCHEDULES**
**FLOW CHARTS OF SETTLEMENT FORMULA**
**DEVELOPMENT STEPS**

**6. Derivation of Average Schedule Formulas**



APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 100015 | 2 | 101,786 | 1,594 | 2 | 1,419 | 2,838 | 0 | 0 | 4,432 |
| 100019 | 2 | 71,002 | 1,112 | 2 | 1,419 | 2,838 | 0 | 0 | 3,950 |
| 100020 | 3 | 152,679 | 2,391 | 3 | 1,419 | 4,257 | 0 | 0 | 6,648 |
| 120043 | 1 | 50,893 | 797 | 1 | 1,419 | 1,419 | 0 | 0 | 2,216 |
| 140053 | 1 | 22,770 | 357 | 1 | 1,419 | 1,419 | 0 | 0 | 1,775 |
| 140064 | 1 | 26,096 | 409 | 1 | 1,419 | 1,419 | 0 | 0 | 1,828 |
| 150088 | 1 | 94,624 | 1,482 | 1 | 1,631 | 1,631 | 0 | 0 | 3,113 |
| 150112 | 1 | 26,096 | 409 | 1 | 989 | 989 | 0 | 0 | 1,398 |
| 150125 | 2 | 28,858 | 452 | 1 | 989 | 989 | 2 | 288 | 1,729 |
| 170145 | 1 | 26,096 | 409 | 1 | 1,419 | 1,419 | 0 | 0 | 1,828 |
| 170171 | 1 | 16,222 | 254 | 1 | 1,419 | 1,419 | 0 | 0 | 1,673 |
| 170179 | 2 | 101,786 | 1,594 | 2 | 1,419 | 2,838 | 0 | 0 | 4,432 |
| 170195 | 1 | 14,429 | 226 | 1 | 1,419 | 1,419 | 0 | 0 | 1,645 |
| 170197 | 1 | 26,096 | 409 | 1 | 1,419 | 1,419 | 0 | 0 | 1,828 |
| 170204 | 2 | 101,786 | 1,594 | 2 | 1,419 | 2,838 | 0 | 0 | 4,432 |
| 190237 | 1 | 14,429 | 226 | 1 | 890 | 890 | 0 | 0 | 1,116 |
| 190238 | 1 | 50,893 | 797 | 1 | 890 | 890 | 0 | 0 | 1,687 |
| 190239 | 1 | 14,429 | 226 | 1 | 890 | 890 | 0 | 0 | 1,116 |
| 190243 | 1 | 14,429 | 226 | 1 | 890 | 890 | 0 | 0 | 1,116 |
| 190248 | 1 | 14,429 | 226 | 1 | 890 | 890 | 0 | 0 | 1,116 |
| 190250 | 1 | 26,096 | 409 | 1 | 1,631 | 1,631 | 0 | 0 | 2,040 |
| 200258 | 1 | 37,946 | 594 | 1 | 1,631 | 1,631 | 0 | 0 | 2,226 |
| 220375 | 1 | 14,429 | 226 | 1 | 883 | 883 | 0 | 0 | 1,109 |
| 230478 | 1 | 50,893 | 797 | 1 | 883 | 883 | 0 | 0 | 1,680 |
| 230494 | 1 | 50,893 | 797 | 1 | 883 | 883 | 0 | 0 | 1,680 |
| 230495 | 1 | 50,893 | 797 | 1 | 883 | 883 | 0 | 0 | 1,680 |
| 230496 | 2 | 101,786 | 1,594 | 1 | 1,029 | 1,029 | 2 | 288 | 2,911 |
| 230497 | 1 | 50,893 | 797 | 1 | 883 | 883 | 0 | 0 | 1,680 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 230501 | 11 | 559,823 | 8,767 | 1 | 867 | 867 | 20 | 2883 | 12,516 |
| 230511 | 1 | 50,893 | 797 | 1 | 883 | 883 | 0 | 0 | 1,680 |
| 240536 | 1 | 26,096 | 409 | 1 | 883 | 883 | 0 | 0 | 1,291 |
| 250285 | 1 | 16,222 | 254 | 1 | 883 | 883 | 0 | 0 | 1,137 |
| 250301 | 1 | 26,096 | 409 | 1 | 883 | 883 | 0 | 0 | 1,291 |
| 250311 | 2 | 28,858 | 452 | 2 | 883 | 1,765 | 0 | 0 | 2,217 |
| 250322 | 1 | 14,429 | 226 | 1 | 883 | 883 | 0 | 0 | 1,109 |
| 260396 | 1 | 4,700 | 74 | 0 | 883 | 0 | 2 | 288 | 362 |
| 260408 | 3 | 152,679 | 2,391 | 3 | 883 | 2,648 | 0 | 0 | 5,039 |
| 260412 | 1 | 26,096 | 409 | 1 | 883 | 883 | 0 | 0 | 1,291 |
| 260417 | 1 | 26,096 | 409 | 1 | 883 | 883 | 0 | 0 | 1,291 |
| 260419 | 1 | 26,096 | 409 | 1 | 883 | 883 | 0 | 0 | 1,291 |
| 280451 | 1 | 50,893 | 797 | 1 | 883 | 883 | 0 | 0 | 1,680 |
| 280460 | 4 | 104,383 | 1,635 | 4 | 883 | 3,530 | 0 | 0 | 5,165 |
| 280467 | 1 | 50,893 | 797 | 1 | 883 | 883 | 0 | 0 | 1,680 |
| 287449 | 1 | 14,429 | 226 | 1 | 883 | 883 | 0 | 0 | 1,109 |
| 290554 | 5 | 254,465 | 3,985 | 2 | 883 | 1,765 | 6 | 865 | 6,615 |
| 290570 | 1 | 14,429 | 226 | 1 | 883 | 883 | 0 | 0 | 1,109 |
| 300585 | 1 | 26,096 | 409 | 1 | 1,029 | 1,029 | 0 | 0 | 1,437 |
| 300586 | 1 | 14,429 | 226 | 1 | 1,029 | 1,029 | 0 | 0 | 1,254 |
| 300589 | 1 | 16,222 | 254 | 1 | 791 | 791 | 0 | 0 | 1,045 |
| 300590 | 2 | 71,260 | 1,116 | 2 | 1,029 | 2,057 | 0 | 0 | 3,173 |
| 300591 | 1 | 50,893 | 797 | 1 | 908 | 908 | 0 | 0 | 1,705 |
| 300604 | 1 | 14,429 | 226 | 1 | 908 | 908 | 0 | 0 | 1,134 |
| 300614 | 1 | 14,429 | 226 | 1 | 1,029 | 1,029 | 0 | 0 | 1,254 |
| 300619 | 1 | 50,893 | 797 | 1 | 908 | 908 | 0 | 0 | 1,705 |
| 300625 | 1 | 14,429 | 226 | 1 | 908 | 908 | 0 | 0 | 1,134 |
| 300633 | 1 | 14,429 | 226 | 1 | 1,029 | 1,029 | 0 | 0 | 1,254 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 300634 | 1 | 26,096 | 409 | 1 | 658 | 658 | 0 | 0 | 1,067 |
| 300639 | 1 | 14,429 | 226 | 1 | 908 | 908 | 0 | 0 | 1,134 |
| 300650 | 1 | 50,893 | 797 | 1 | 908 | 908 | 0 | 0 | 1,705 |
| 300651 | 1 | 26,096 | 409 | 1 | 908 | 908 | 0 | 0 | 1,317 |
| 300654 | 1 | 16,222 | 254 | 1 | 908 | 908 | 0 | 0 | 1,163 |
| 300656 | 1 | 14,429 | 226 | 1 | 908 | 908 | 0 | 0 | 1,134 |
| 300664 | 1 | 14,429 | 226 | 1 | 908 | 908 | 0 | 0 | 1,134 |
| 310676 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 310678 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 310688 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 310692 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 310694 | 1 | 16,222 | 254 | 1 | 791 | 791 | 0 | 0 | 1,045 |
| 310703 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 310725 | 1 | 26,096 | 409 | 1 | 791 | 791 | 0 | 0 | 1,200 |
| 310735 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 320750 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 320751 | 2 | 52,191 | 817 | 2 | 791 | 1,583 | 0 | 0 | 2,400 |
| 320756 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 320771 | 1 | 26,096 | 409 | 1 | 791 | 791 | 0 | 0 | 1,200 |
| 320778 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 320790 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 320792 | 1 | 26,096 | 409 | 1 | 791 | 791 | 0 | 0 | 1,200 |
| 320796 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 320816 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 320827 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 320829 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 320830 | 4 | 203,572 | 3,188 | 1 | 791 | 791 | 6 | 865 | 4,844 |
| 320834 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 320837 | 1 | 50,893 | 797 | 0 | 791 | 0 | 2 | 288 | 1,085 |
| 320839 | 1 | 14,429 | 226 | 1 | 908 | 908 | 0 | 0 | 1,134 |
| 330843 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 330846 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 330849 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 330863 | 2 | 101,786 | 1,594 | 1 | 791 | 791 | 2 | 288 | 2,674 |
| 330868 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 330872 | 1 | 26,096 | 409 | 1 | 791 | 791 | 0 | 0 | 1,200 |
| 330879 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 330880 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 330892 | 1 | 26,096 | 409 | 0 | 791 | 0 | 2 | 288 | 697 |
| 330896 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 330900 | 2 | 19,129 | 300 | 2 | 791 | 1,583 | 0 | 0 | 1,882 |
| 330905 | 1 | 26,096 | 409 | 1 | 791 | 791 | 0 | 0 | 1,200 |
| 330915 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 330925 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 330938 | 3 | 152,679 | 2,391 | 1 | 791 | 791 | 4 | 577 | 3,759 |
| 330949 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 330951 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 330960 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 330962 | 4 | 33,558 | 526 | 2 | 791 | 1,583 | 4 | 577 | 2,685 |
| 330966 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 330967 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 340983 | 2 | 101,786 | 1,594 | 0 | 1,631 | 0 | 4 | 577 | 2,170 |
| 340993 | 1 | 26,096 | 409 | 0 | 1,631 | 0 | 2 | 288 | 697 |
| 340998 | 1 | 27,720 | 434 | 1 | 1,029 | 1,029 | 0 | 0 | 1,463 |
| 341017 | 1 | 50,893 | 797 | 1 | 791 | 791 | 0 | 0 | 1,588 |
| 341024 | 1 | 14,429 | 226 | 1 | 1,631 | 1,631 | 0 | 0 | 1,857 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 341029 | 2 | 101,786 | 1,594 | 1 | 1,631 | 1,631 | 2 | 288 | 3,514 |
| 341041 | 1 | 20,344 | 319 | 1 | 1,631 | 1,631 | 0 | 0 | 1,950 |
| 341050 | 1 | 50,893 | 797 | 1 | 771 | 771 | 0 | 0 | 1,568 |
| 341053 | 2 | 101,786 | 1,594 | 2 | 771 | 1,542 | 0 | 0 | 3,136 |
| 341054 | 2 | 101,786 | 1,594 | 2 | 791 | 1,583 | 0 | 0 | 3,177 |
| 341062 | 1 | 50,893 | 797 | 0 | 791 | 0 | 2 | 288 | 1,085 |
| 341075 | 1 | 50,893 | 797 | 1 | 886 | 886 | 0 | 0 | 1,683 |
| 341086 | 1 | 14,429 | 226 | 1 | 791 | 791 | 0 | 0 | 1,017 |
| 341087 | 1 | 50,893 | 797 | 1 | 886 | 886 | 0 | 0 | 1,683 |
| 351098 | 1 | 22,770 | 357 | 1 | 975 | 975 | 0 | 0 | 1,331 |
| 351101 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351107 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351113 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351114 | 1 | 16,222 | 254 | 0 | 975 | 0 | 2 | 288 | 542 |
| 351115 | 3 | 152,679 | 2,391 | 1 | 975 | 975 | 4 | 577 | 3,942 |
| 351118 | 2 | 101,786 | 1,594 | 2 | 975 | 1,949 | 0 | 0 | 3,543 |
| 351119 | 1 | 16,222 | 254 | 0 | 975 | 0 | 2 | 288 | 542 |
| 351121 | 1 | 16,222 | 254 | 0 | 975 | 0 | 2 | 288 | 542 |
| 351125 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351130 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351133 | 4 | 104,383 | 1,635 | 4 | 975 | 3,899 | 0 | 0 | 5,533 |
| 351136 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351137 | 2 | 32,444 | 508 | 2 | 975 | 1,949 | 0 | 0 | 2,457 |
| 351139 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351149 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351152 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351153 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351157 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 351160 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351162 | 2 | 32,444 | 508 | 2 | 975 | 1,949 | 0 | 0 | 2,457 |
| 351168 | 7 | 53,391 | 836 | 7 | 975 | 6,823 | 0 | 0 | 7,659 |
| 351169 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351171 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351172 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351173 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351174 | 2 | 32,444 | 508 | 1 | 975 | 975 | 2 | 288 | 1,771 |
| 351175 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351176 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351179 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351195 | 4 | 64,888 | 1,016 | 1 | 975 | 975 | 6 | 865 | 2,856 |
| 351199 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351202 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351205 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351206 | 2 | 101,786 | 1,594 | 1 | 975 | 975 | 2 | 288 | 2,857 |
| 351217 | 3 | 152,679 | 2,391 | 1 | 975 | 975 | 4 | 577 | 3,942 |
| 351220 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351222 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351225 | 1 | 53,283 | 834 | 1 | 975 | 975 | 0 | 0 | 1,809 |
| 351228 | 1 | 26,096 | 409 | 0 | 975 | 0 | 2 | 288 | 697 |
| 351230 | 2 | 101,786 | 1,594 | 1 | 975 | 975 | 2 | 288 | 2,857 |
| 351232 | 1 | 16,222 | 254 | 0 | 975 | 0 | 2 | 288 | 542 |
| 351235 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351237 | 4 | 203,572 | 3,188 | 2 | 975 | 1,949 | 4 | 577 | 5,714 |
| 351239 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351241 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351242 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 351243 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351246 | 2 | 32,444 | 508 | 2 | 975 | 1,949 | 0 | 0 | 2,457 |
| 351247 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351248 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351251 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351252 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351257 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351259 | 6 | 97,332 | 1,524 | 1 | 975 | 975 | 10 | 1441 | 3,940 |
| 351261 | 4 | 64,888 | 1,016 | 4 | 975 | 3,899 | 0 | 0 | 4,915 |
| 351263 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 351264 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351265 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351266 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351269 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351270 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351283 | 1 | 33,336 | 522 | 1 | 975 | 975 | 0 | 0 | 1,497 |
| 351284 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351285 | 2 | 32,444 | 508 | 2 | 975 | 1,949 | 0 | 0 | 2,457 |
| 351291 | 2 | 52,191 | 817 | 2 | 975 | 1,949 | 0 | 0 | 2,767 |
| 351293 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351294 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351301 | 3 | 48,666 | 762 | 1 | 975 | 975 | 4 | 577 | 2,313 |
| 351302 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351303 | 2 | 32,444 | 508 | 2 | 975 | 1,949 | 0 | 0 | 2,457 |
| 351305 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351306 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351309 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351310 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 351319 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351320 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351324 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351326 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351328 | 6 | 305,358 | 4,782 | 1 | 975 | 975 | 10 | 1441 | 7,198 |
| 351328 | 8 | 407,144 | 6,376 | 1 | 886 | 886 | 14 | 2018 | 9,280 |
| 351329 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351331 | 2 | 28,858 | 452 | 1 | 975 | 975 | 2 | 288 | 1,715 |
| 351332 | 2 | 101,786 | 1,594 | 1 | 975 | 975 | 2 | 288 | 2,857 |
| 351334 | 8 | 407,144 | 6,376 | 1 | 975 | 975 | 14 | 2018 | 9,368 |
| 351336 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 351337 | 2 | 101,786 | 1,594 | 1 | 975 | 975 | 2 | 288 | 2,857 |
| 351342 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 351343 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 351405 | 1 | 14,429 | 226 | 0 | 975 | 0 | 2 | 288 | 514 |
| 361347 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 361353 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 361356 | 1 | 50,893 | 797 | 1 | 886 | 886 | 0 | 0 | 1,683 |
| 361358 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 361372 | 1 | 50,893 | 797 | 0 | 975 | 0 | 2 | 288 | 1,085 |
| 361381 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 361389 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 361390 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 361396 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 361401 | 2 | 52,191 | 817 | 1 | 975 | 975 | 2 | 288 | 2,080 |
| 361404 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 361408 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 361422 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 361425 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 361426 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 361439 | 1 | 74,249 | 1,163 | 1 | 975 | 975 | 0 | 0 | 2,137 |
| 361440 | 2 | 52,191 | 817 | 2 | 975 | 1,949 | 0 | 0 | 2,767 |
| 361443 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 361450 | 1 | 14,429 | 226 | 1 | 975 | 975 | 0 | 0 | 1,201 |
| 361472 | 9 | 458,037 | 7,173 | 2 | 886 | 1,772 | 14 | 2018 | 10,962 |
| 361485 | 1 | 50,893 | 797 | 1 | 886 | 886 | 0 | 0 | 1,683 |
| 361505 | 4 | 203,572 | 3,188 | 2 | 975 | 1,949 | 4 | 577 | 5,714 |
| 361508 | 1 | 52,848 | 828 | 0 | 975 | 0 | 2 | 288 | 1,116 |
| 361654 | 2 | 101,786 | 1,594 | 0 | 975 | 0 | 4 | 577 | 2,170 |
| 371530 | 5 | 81,110 | 1,270 | 1 | 886 | 886 | 8 | 1153 | 3,309 |
| 371532 | 15 | 243,330 | 3,811 | 1 | 886 | 886 | 28 | 4036 | 8,732 |
| 371562 | 3 | 34,896 | 546 | 3 | 886 | 2,658 | 0 | 0 | 3,204 |
| 371565 | 1 | 26,096 | 409 | 1 | 886 | 886 | 0 | 0 | 1,295 |
| 381601 | 1 | 26,770 | 419 | 0 | 975 | 0 | 2 | 288 | 707 |
| 381615 | 2 | 30,651 | 480 | 1 | 886 | 886 | 2 | 288 | 1,654 |
| 381622 | 2 | 32,444 | 508 | 0 | 886 | 0 | 4 | 577 | 1,085 |
| 381625 | 1 | 14,429 | 226 | 1 | 886 | 886 | 0 | 0 | 1,112 |
| 381631 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 381638 | 2 | 32,444 | 508 | 2 | 886 | 1,772 | 0 | 0 | 2,280 |
| 391640 | 3 | 48,666 | 762 | 3 | 975 | 2,924 | 0 | 0 | 3,686 |
| 391642 | 4 | 116,716 | 1,828 | 2 | 975 | 1,949 | 4 | 577 | 4,354 |
| 391649 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 391650 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 391654 | 6 | 305,358 | 4,782 | 1 | 975 | 975 | 10 | 1441 | 7,198 |
| 391669 | 4 | 203,572 | 3,188 | 1 | 886 | 886 | 6 | 865 | 4,939 |
| 391674 | 2 | 101,786 | 1,594 | 1 | 975 | 975 | 2 | 288 | 2,857 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITH FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) | (G) = (E) X (F) | (H) | (I) = (H) x $144.13 | (J) = (D) + (G) + (I) |
|---|---|---|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | A-Link Pairs | Interstate A-Link Rate | Monthly A-Link Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 391677 | 2 | 59,184 | 927 | 1 | 975 | 975 | 2 | 288 | 2,190 |
| 391684 | 1 | 16,222 | 254 | 1 | 975 | 975 | 0 | 0 | 1,229 |
| 391684 | 1 | 16,222 | 254 | 1 | 886 | 886 | 0 | 0 | 1,140 |
| 401712 | 5 | 254,465 | 3,985 | 5 | 1,024 | 5,122 | 0 | 0 | 9,107 |
| 401722 | 1 | 26,096 | 409 | 1 | 1,024 | 1,024 | 0 | 0 | 1,433 |
| 421206 | 3 | 152,679 | 2,391 | 1 | 975 | 975 | 4 | 577 | 3,942 |
| 421876 | 1 | 16,222 | 254 | 1 | 1,024 | 1,024 | 0 | 0 | 1,278 |
| 421893 | 1 | 16,222 | 254 | 1 | 1,024 | 1,024 | 0 | 0 | 1,278 |
| 421932 | 1 | 26,096 | 409 | 1 | 975 | 975 | 0 | 0 | 1,383 |
| 421936 | 1 | 60,112 | 941 | 1 | 771 | 771 | 0 | 0 | 1,713 |
| 421942 | 1 | 50,893 | 797 | 1 | 975 | 975 | 0 | 0 | 1,772 |
| 431704 | 1 | 50,893 | 797 | 1 | 1,024 | 1,024 | 0 | 0 | 1,821 |
| 431968 | 1 | 14,429 | 226 | 1 | 1,631 | 1,631 | 0 | 0 | 1,857 |
| 442107 | 1 | 14,429 | 226 | 1 | 1,024 | 1,024 | 0 | 0 | 1,250 |
| 462198 | 1 | 50,893 | 797 | 1 | 886 | 886 | 0 | 0 | 1,683 |
| 502282 | 1 | 26,096 | 409 | 1 | 886 | 886 | 0 | 0 | 1,295 |
| 522430 | 1 | 50,893 | 797 | 1 | 771 | 771 | 0 | 0 | 1,568 |
| 532386 | 1 | 50,893 | 797 | 1 | 1,348 | 1,348 | 0 | 0 | 2,145 |
| | 433 | | 225,383 | | | 295,182 | | 36,897 | 557,461 |

APPENDIX G

2007 MODIFICATIONS OF AVERAGE SCHEDULES FOR 7/1/06
SS7 COSTS WITHOUT FULL CONNECTIVITY

| (A) | (B) | (C) | (D) = (C) x 0.015659 | (E) | (F) = (E) x $144.13 | (G) = (D) + (F) |
|---|---|---|---|---|---|---|
| Study Area Code | SSPs | Capital Investment Cost | Monthly Investment Cost | CP Data Links | Monthly CP Data Link Cost | Total Monthly Cost |
| 230505 | 1 | 14,429 | 226 | 0 | 0 | 226 |
| 320826 | 1 | 16,222 | 254 | 0 | 0 | 254 |
| 371590 | 1 | 16,222 | 254 | 0 | 0 | 254 |
| 421759 | 1 | 14,429 | 226 | 0 | 0 | 226 |
| | 4 | | | | | 960 |

APPENDIX H

2007 MODIFICATION OF AVERAGE SCHEDULES
AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

| Study Area Code | Study Area Name |
|---|---|
| 100005 | COBBOSSEECONTEE TEL. CO. |
| 100015 | COMMUNITY SERVICE TEL. CO. |
| 100019 | OXFORD COUNTY TEL. & TELE. CO. |
| 100020 | PINE TREE TEL. & TELE. CO. |
| 100022 | SACO RIVER TEL. & TELE. CO. |
| 120042 | DIXVILLE TEL. CO. |
| 120043 | DUNBARTON TEL. CO. |
| 132454 | THE WOODBURY TEL. CO. |
| 140053 | FRANKLIN TEL. CO.-VT |
| 140064 | SHOREHAM TEL. CO., INC. |
| 150076 | CASSADAGA TEL. CORP. |
| 150088 | DELHI TELEPHONE COMPANY |
| 150112 | ONTARIO TELEPHONE COMPANY, INC. |
| 150125 | STATE TEL. CO. |
| 170145 | BENTLEYVILLE COMM CORP dba THE BENTLEYVILLE |
| 170151 | BUFFALO VALLEY TEL. CO. |
| 170156 | CITIZENS TEL. CO. OF KECKSBURG |
| 170161 | COMMONWEALTH TELEPHONE COMPANY |
| 170162 | THE CONESTOGA TEL. AND TEL. CO. |
| 170165 | DENVER AND EPHRATA TEL. & TEL. CO. |
| 170171 | HICKORY TEL. CO. |
| 170175 | IRONTON TEL. CO. |
| 170179 | LAUREL HIGHLAND TEL. CO. |
| 170191 | THE NORTH EASTERN PA. TEL. CO. |
| 170193 | NORTH PITTSBURGH TEL. CO. |
| 170195 | ARMSTRONG TEL. CO. NORTH |
| 170196 | PALMERTON TEL. CO. |
| 170197 | PENNSYLVANIA TEL. CO. |
| 170200 | PYMATUNING IND. TEL. CO. |
| 170204 | SOUTH CANAAN TEL. CO. |
| 170210 | VENUS TEL. CORP. |
| 170215 | YUKON-WALTZ TEL. CO. |
| 170277 | WEST SIDE TEL. CO.-PA |
| 190219 | BUGGS ISLAND TEL. COOP. |
| 190220 | BURKE'S GARDEN TEL. CO., INC. |
| 190225 | CITIZENS TEL. COOP.-VA |
| 190226 | NTELOS, INC. |
| 190236 | NORTH RIVER TEL. COOP. |
| 190237 | HIGHLAND TEL. COOP.-VA |
| 190238 | MGW TELEPHONE COMPANY, INC. |
| 190239 | NEW HOPE TELEPHONE COOPERATIVE |

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| Study Area Code | Study Area Name |
|---|---|
| 190243 | PEMBROKE TEL. COOP. |
| 190248 | SCOTT COUNTY TEL. COOP. INC. |
| 190250 | SHENANDOAH TEL. CO. |
| 190253 | VIRGINIA TEL. CO. |
| 200258 | WAR ACQUISITION CORP. DBA WAR TELEPHONE CO. |
| 220324 | VALLEY TELEPHONE CO., LLC |
| 220364 | WINDSTREAM GEORGIA TELEPHONE, INC. |
| 220375 | NELSON-BALL GROUND TEL. CO. |
| 220380 | PROGRESSIVE RURAL TEL. COOP., INC. |
| 220387 | FRONTIER COMMUNICATIONS OF GEORGIA, LLC |
| 220389 | TRENTON TEL. CO. |
| 220395 | WINDSTREAM ACCUCOMM TELECOMMUNICATIONS, INC. |
| 230478 | ELLERBE TEL. CO. |
| 230491 | NORTH STATE TEL. CO.-NC dba NORTH STATE COMM. |
| 230494 | PINEVILLE TEL. CO. |
| 230495 | RANDOLPH TEL. CO. |
| 230496 | RANDOLPH TEL. MEMB. CORP. |
| 230497 | PIEDMONT TEL. MEMB. CORP. |
| 230500 | SERVICE TEL. CO. |
| 230501 | SKYLINE TEL. MEMB. CORP. |
| 230503 | SURRY TEL. MEMB. CORP. |
| 230505 | TRI-COUNTY TEL. MEMB. CORP.-NC |
| 230511 | YADKIN VALLEY TEL. MEMB. CORP. |
| 240515 | CHESNEE TEL. CO. |
| 240516 | CHESTER TEL. CO.-SC |
| 240532 | LOCKHART TEL. CO., INC. |
| 240535 | NORWAY TEL. CO., INC. |
| 240536 | PALMETTO RURAL TEL. COOP., INC. |
| 240541 | RIDGEWAY TEL. CO., INC. |
| 240546 | SANDHILL TEL. COOP., INC. |
| 250283 | BRINDLEE MOUNTAIN TEL. CO. |
| 250285 | CASTLEBERRY TEL. CO., INC. |
| 250301 | FRONTIER COMMUNICATIONS OF LAMAR COUNTY, LLC |
| 250311 | OAKMAN TEL. CO., INC. |
| 250312 | OTELCO TELEPHONE LLC |
| 250322 | UNION SPRINGS TEL. CO. |
| 260396 | BALLARD RURAL TEL. COOP. CORP., INC. |
| 260398 | BRANDENBURG TEL. CO., INC. |
| 260408 | GEARHEART COMM. DBA COALFIELDS TEL. CO. |
| 260412 | LEWISPORT TEL. CO., INC. |
| 260414 | MOUNTAIN RURAL TEL. COOP. CORP., INC. |

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| Study Area Code | Study Area Name |
|---|---|
| 260417 | SALEM TEL. CO. |
| 260419 | THACKER/GRIGSBY TEL. CO., INC. |
| 270428 | DELCAMBRE TEL. CO. |
| 280451 | DECATUR TEL. CO., INC.-MS |
| 280460 | FRONTIER COMM. OF MISSISSIPPI, INC. |
| 280467 | SMITHVILLE TEL. CO. |
| 287449 | MYRTLE TEL. CO., INC. |
| 290553 | BEN LOMAND RURAL TEL. COOP., INC. |
| 290554 | BLEDSOE TEL. COOP. |
| 290559 | CONCORD TEL. EXCHANGE, INC. |
| 290565 | HIGHLAND TEL. COOP., INC.-TN |
| 290570 | LORETTO TEL. CO., INC. |
| 290584 | YORKVILLE TEL. COOP., INC. |
| 300585 | ARCADIA TEL. CO. |
| 300586 | THE ARTHUR MUTUAL TEL. CO. |
| 300588 | AYERSVILLE TEL. CO. |
| 300589 | BASCOM MUTUAL TEL. CO. |
| 300590 | BENTON RIDGE TEL. CO. |
| 300591 | BUCKLAND TELEPHONE COMPANY |
| 300594 | THE CHAMPAIGN TEL. CO. |
| 300604 | COLUMBUS GROVE TEL. CO. |
| 300609 | DOYLESTOWN TEL. CO. |
| 300614 | FORT JENNINGS TEL. CO. |
| 300618 | GERMANTOWN INDEPENDENT TEL. CO. |
| 300619 | GLANDORF TEL. CO., INC. |
| 300625 | KALIDA TEL. CO., INC. |
| 300633 | MIDDLE POINT HOME TEL. CO. |
| 300634 | MINFORD TEL. CO., INC. |
| 300639 | THE NEW KNOXVILLE TEL. CO. |
| 300645 | OAKWOOD TEL. CO. |
| 300650 | THE OTTOVILLE MUTUAL TEL. CO. |
| 300651 | PATTERSONVILLE TEL. CO.-OH |
| 300654 | RIDGEVILLE TEL. CO. |
| 300656 | SHERWOOD MUTUAL TEL. ASSOC. |
| 300659 | TELEPHONE SERVICE CO. |
| 300662 | VANLUE TEL. CO. |
| 300663 | VAUGHNSVILLE TEL. CO., INC. |
| 300664 | WABASH MUTUAL TEL. CO. |
| 310669 | ALLENDALE TEL. CO. |
| 310675 | BARAGA TEL. CO. |
| 310676 | BARRY COUNTY TEL. CO. |

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| Study Area Code | Study Area Name |
|---|---|
| 310678 | BLANCHARD TEL. ASSOC., INC. |
| 310688 | CLIMAX TEL. CO. |
| 310692 | DRENTHE TEL. CO. |
| 310694 | FARMERS MUT. OF CHAPIN DBA CHAPIN TEL. CO. |
| 310703 | KALEVA TEL. CO. |
| 310725 | SAND CREEK TEL. CO. |
| 310735 | WESTPHALIA TEL. CO. |
| 320744 | CAMDEN TEL. CO., INC.-IN |
| 320750 | FRONTIER COMM. OF INDIANA, INC. |
| 320751 | CITIZENS TEL. CORP.-WARREN |
| 320756 | CRAIGVILLE TEL. CO., INC. |
| 320771 | GEETINGSVILLE TEL. CO., INC. |
| 320777 | HOME TEL. CO. OF PITTSBORO, INC. |
| 320778 | HOME TEL. CO., INC. |
| 320790 | MONON TEL. CO., INC. |
| 320792 | MULBERRY COOP. TEL. CO., INC. |
| 320796 | NEW LISBON TEL. CO., INC. |
| 320809 | COMM. CORP. OF SOUTHERN INDIANA |
| 320816 | S & W TEL. CO., INC. |
| 320826 | SWAYZEE TEL. CO., INC. |
| 320827 | SWEETSER RURAL TEL. CO., INC. |
| 320829 | TIPTON TEL. CO., INC. |
| 320830 | TRI-COUNTY TEL. CO., INC.-IN |
| 320834 | WASH. CTY. RURAL TEL. COOP., INC. |
| 320837 | WEST POINT TEL. CO., INC. |
| 320839 | YEOMAN TEL. CO., INC. |
| 330842 | AMERY TELCOM, INC. |
| 330843 | AMHERST TEL. CO. |
| 330846 | BALDWIN TELCOM., INC. |
| 330847 | BELMONT TEL. CO. |
| 330848 | BERGEN TEL. CO. |
| 330849 | BLACK EARTH TEL. CO. |
| 330850 | BLOOMER TEL. CO. |
| 330851 | BONDUEL TEL. CO. |
| 330856 | BURLINGTON BRIGHTON & WHEATLAND TEL. |
| 330863 | CITIZENS TEL. COOP., INC.-WI |
| 330865 | CLEAR LAKE TEL. CO., INC.-WI |
| 330866 | COCHRANE COOP. TEL. CO. |
| 330868 | COON VALLEY FARMERS TEL. CO., INC. |
| 330872 | CUBA CITY TEL. EXCH. CO. |
| 330875 | DICKEYVILLE TEL. CO. |

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| Study Area Code | Study Area Name |
|---|---|
| 330879 | FARMERS IND. TEL. CO.-WI |
| 330880 | FARMERS TEL. CO.-WI |
| 330881 | MID-PLAINS TEL., INC. |
| 330889 | HAGER TELECOM, INC. |
| 330892 | HILLSBORO TEL. CO., INC. |
| 330896 | LAKEFIELD TEL. CO. |
| 330899 | LA VALLE TEL. COOP. |
| 330900 | LEMONWEIR VALLEY TEL. CO. |
| 330902 | LUCK TEL. CO. |
| 330905 | MANAWA TEL. CO. |
| 330914 | EASTCOAST TELECOM, INC. |
| 330915 | MOSINEE TEL. CO. |
| 330925 | BAYLAND TEL, INC. |
| 330930 | GRANTLAND TELECOM, INC. |
| 330938 | NORTHEAST TEL. CO. |
| 330943 | RIVERSIDE TELECOM, INC. |
| 330944 | FRONTIER COMM.-ST. CROIX LLC |
| 330945 | SCANDINAVIA TEL. CO. |
| 330946 | SHARON TEL. CO. |
| 330949 | SIREN TEL. CO., INC. |
| 330951 | SOMERSET TEL. CO., INC. |
| 330955 | STATE LONG DISTANCE TEL. CO. |
| 330960 | TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC. |
| 330962 | UNION TEL. CO. |
| 330966 | VERNON TEL. COOP. |
| 330967 | FRONTIER COMM. OF VIROQUA LLC |
| 330968 | WAUNAKEE TEL. CO. |
| 330970 | CENTURYTEL OF THE MIDWEST-WI/WAYSIDE |
| 330971 | WEST WISCONSIN TELCOM COOP., INC. |
| 340976 | ADAMS TEL. COOP. |
| 340983 | CAMBRIDGE TEL. CO.-IL |
| 340990 | CLARKSVILLE MUTUAL TEL. CO. |
| 340993 | CROSSVILLE TEL. CO. |
| 340998 | FRONTIER COMM. OF DEPUE, INC. |
| 341016 | GENESEO TEL. CO. |
| 341017 | GLASFORD TEL. CO. |
| 341021 | THE GRANDVIEW MUTUAL TEL. CO. |
| 341024 | HAMILTON COUNTY TELEPHONE CO-OP |
| 341029 | HENRY COUNTY TEL. CO. |
| 341041 | KINSMAN MUTUAL TEL. CO. |
| 341046 | LEONORE MUTUAL TEL. CO. |

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| Study Area Code | Study Area Name |
|---|---|
| 341050 | MARSEILLES TEL. CO. OF MARS. |
| 341053 | METAMORA TEL. CO. |
| 341054 | MID CENTURY TEL. COOP., INC. |
| 341062 | NEW WINDSOR TEL. CO. |
| 341075 | REYNOLDS TEL. CO. |
| 341086 | TONICA TEL. CO. |
| 341087 | VIOLA HOME TEL. CO. |
| 341092 | STELLE TEL. CO. |
| 350739 | REASNOR TELEPHONE COMPANY, LLC |
| 351097 | ANDREW TEL. CO., INC. |
| 351098 | ARCADIA TEL. COOP. |
| 351101 | ATKINS TEL. CO. |
| 351107 | BALDWIN-NASHVILLE TEL. CO., INC. |
| 351108 | BARNES CITY COOP. TEL. CO. |
| 351112 | BREDA TEL. CORPORATION |
| 351113 | BROOKLYN MUTUAL TEL. CO. |
| 351114 | THE BURT TEL. CO. |
| 351115 | BUTLER-BREMER MUT. TEL. CO. |
| 351118 | CASCADE COMMUNICATIONS COMPANY |
| 351119 | CASEY MUTUAL TEL. CO. |
| 351121 | CENTER JUNCTION TEL. CO., INC. |
| 351125 | CENTRAL SCOTT TEL. |
| 351126 | CenturyTel of Chester, Inc. |
| 351130 | CLARENCE TEL. CO., INC. |
| 351133 | C-M-L TEL. COOP. ASSN. |
| 351136 | COON CREEK TEL. CO. |
| 351137 | COON VALLEY COOP. TEL. ASSN., INC. |
| 351139 | COOP. TEL. CO. |
| 351141 | CORN BELT TEL. CO. |
| 351146 | CUMBERLAND TEL. CO. |
| 351147 | DANVILLE MUT. TEL. CO. |
| 351149 | FARMERS MUTUAL COOPERATIVE TEL CO (DEFIANCE) |
| 351150 | DIXON TEL. CO. |
| 351152 | DUMONT TEL. CO. |
| 351153 | DUNKERTON TEL. COOP., INC. |
| 351157 | ELLSWORTH COOP. TEL. ASSN. |
| 351160 | FARMERS' AND BUSINESS MENS' TELEPHONE COMPANY |
| 351162 | FARMERS COOP. TEL. CO.-DYSART |
| 351166 | FARMERS & MERCHANTS MUTUAL TEL. CO. |
| 351168 | FARMERS MUTUAL COOP TEL CO- HARLAN |
| 351169 | FARMERS MUTUAL COOP. TEL. CO.-MOULTON |

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| Study Area Code | Study Area Name |
|---|---|
| 351171 | FARMERS MUTUAL TEL. CO.-JESUP |
| 351172 | FARMERS MUTUAL TEL. CO.-NORA SPRINGS |
| 351173 | FARMERS MUTUAL TEL. COOP.-SHELLSBURG |
| 351174 | FARMERS MUTUAL TEL. CO.-STANTON |
| 351175 | FARMERS TEL. CO.-BATAVIA |
| 351176 | FARMERS TEL. CO.-ESSEX |
| 351177 | FARMERS TEL. CO.-RICEVILLE |
| 351179 | FENTON COOP. TEL. CO. |
| 351187 | PARTNER COMMUNICATIONS COOPERATIVE |
| 351188 | GOLDFIELD TEL. CO. |
| 351189 | RIVER VALLEY TELECOMMUNICATIONS COOP. |
| 351191 | GRAND MOUND COOP. TEL. ASSN. |
| 351195 | GRISWOLD COOP. TEL. CO. |
| 351199 | HAWKEYE TEL. CO. |
| 351202 | HOSPERS TEL. EXCHANGE, INC. |
| 351203 | HUBBARD COOP. TEL. ASSN. |
| 351205 | HUXLEY COMMUNICATIONS COOPERATIVE |
| 351206 | IAMO TEL. CO.-IA |
| 351209 | INTERSTATE 35 TEL. CO. DBA INTERSTATE COMM. |
| 351212 | JEFFERSON TEL. CO.-IA |
| 351213 | JORDAN SOLDIER VALLEY TELEPHONE COMPANY |
| 351217 | KEYSTONE FRMS. COOP. TEL. CO. |
| 351220 | LA PORTE CITY TEL. CO. |
| 351222 | LA MOTTE TEL. CO. |
| 351225 | LEHIGH VALLEY COOP. TEL. ASSN. |
| 351228 | LONE ROCK COOP. TEL. CO. |
| 351230 | NORTHEAST IOWA TEL. CO. |
| 351232 | LYNNVILLE TELEPHONE COMPANY |
| 351235 | FARMERS MUTUAL COOPERATIVE TEL CO (MANILLA) |
| 351237 | MARNE & ELK HORN TEL. CO. |
| 351238 | MARTELLE COOP. TEL. ASSN. |
| 351239 | MASSENA TEL. CO. |
| 351241 | MECHANICSVILLE TEL. CO. |
| 351242 | MILES COOP. TEL. ASSN. |
| 351243 | MILLER TEL. CO.-IA |
| 351245 | MINBURN TEL. CO. |
| 351246 | MINERVA VALLEY TEL. CO., INC. |
| 351247 | MODERN COOP. TEL. CO. |
| 351248 | MONTEZUMA MUTUAL TEL. CO. |
| 351250 | MUTUAL TEL. CO. OF MORNING SUN |
| 351251 | MEDIAPOLIS TEL. CO. |

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| Study Area Code | Study Area Name |
|---|---|
| 351252 | MUTUAL TEL. CO. |
| 351257 | NORTH ENGLISH COOP. TEL. CO. |
| 351259 | NORTHERN IOWA TEL. CO. |
| 351260 | NORTHWEST IOWA TEL. CO., INC. |
| 351261 | NORTHWEST TEL. COOP. |
| 351262 | COMMUNICATIONS 1 NETWORK, INC. |
| 351263 | OGDEN TEL. CO.-IA |
| 351264 | OLIN TEL. CO., INC. |
| 351265 | ONSLOW COOP. TEL. ASSN. |
| 351266 | ORAN MUTUAL TEL. CO. |
| 351269 | PALO COOP. TEL. ASSN. |
| 351270 | PALMER MUTUAL TEL. CO. |
| 351271 | PANORA COMMUNICATIONS COOPERATIVE |
| 351273 | PEOPLES TEL. CO.-IA |
| 351274 | CENTURYTEL OF POSTVILLE, INC. |
| 351275 | PRAIRIEBURG TEL. CO., INC. |
| 351276 | PRESTON TEL. CO. |
| 351277 | RADCLIFFE TEL. CO., INC. |
| 351278 | READLYN TEL. CO. |
| 351280 | RINGSTED TEL. CO. |
| 351282 | ROCKWELL COOP. TEL. ASSN. |
| 351283 | ROYAL TEL. CO. |
| 351284 | RUTHVEN TEL. EXCH. CO. |
| 351285 | SAC COUNTY MUTUAL TEL. CO. |
| 351291 | SCHALLER TEL. CO. |
| 351292 | SEARSBORO TEL. CO. |
| 351293 | SHARON TEL. CO. |
| 351294 | SCRANTON TEL. CO. |
| 351297 | HEART OF IOWA COMMUNICATIONS COOP. |
| 351298 | SOUTH SLOPE COOP. TEL. CO. |
| 351301 | SOUTHWEST TEL. EXCH., INC. |
| 351302 | SPRINGVILLE COOP. TEL. ASSN. |
| 351303 | COOPERATIVE TEL. EXCHANGE |
| 351304 | SWISHER TEL. CO. |
| 351305 | STRATFORD MUTUAL TEL. CO. |
| 351306 | SULLY TEL. ASSOC. |
| 351307 | SUPERIOR TEL. COOP. |
| 351308 | TEMPLETON TEL. CO. |
| 351309 | TERRIL TELEPHONE COOPERATIVE |
| 351310 | TITONKA TEL. CO. |
| 351319 | VAN BUREN TEL. CO., INC. |

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| Study Area Code | Study Area Name |
|---|---|
| 351320 | VAN HORNE COOP. TEL. CO. |
| 351322 | VENTURA TEL. CO., INC. |
| 351324 | VILLISCA FARMERS TEL. CO. |
| 351326 | WALNUT TEL. CO. |
| 351328 | WEBSTER-CALHOUN COOP. TEL. ASSN. |
| 351329 | WELLMAN COOP. TEL. ASSN. |
| 351331 | WEST IOWA TEL. CO. |
| 351332 | WEST LIBERTY TEL. CO. |
| 351334 | WESTERN IOWA TEL. ASSN. |
| 351335 | WESTSIDE INDP. TEL. CO. |
| 351336 | WILTON TEL. CO. |
| 351337 | WINNEBAGO COOP. TEL. ASSN.-IA |
| 351342 | WOOLSTOCK MUT. TEL. ASSN. |
| 351343 | WYOMING MUTUAL TEL. CO. |
| 351344 | PRAIRIE TEL. CO., INC. |
| 351405 | HILLS TEL. CO., INC.-IA |
| 351407 | KILLDUFF TELEPHONE COMPANY |
| 351424 | MABEL COOP. TEL. CO.-IA |
| 361337 | WINNEBAGO COOP. TEL. ASSN.-MN |
| 361347 | ALBANY MUTUAL TEL. ASSN., INC. |
| 361348 | WILDERNESS VALLEY TELEPHONE COMPANY, INC. |
| 361353 | CITY OF BARNESVILLE TEL. CO. |
| 361356 | BENTON COOP. TEL. CO. |
| 361358 | BLUE EARTH VALLEY TEL. CO. |
| 361362 | BRIDGEWATER TEL. CO. |
| 361365 | CALLAWAY TEL. CO. |
| 361372 | CLEMENTS TEL. CO. |
| 361373 | CONSOLIDATED TEL. CO.-MN |
| 361375 | MID-COMMUNICATIONS, INC. dba HICKORYTECH |
| 361380 | DELAVAN TEL. CO. |
| 361381 | DUNNELL TEL. CO., INC. |
| 361384 | EASTON TEL. CO. |
| 361389 | FARMERS MUTUAL TEL. CO.-BELLINGHAM |
| 361390 | FEDERATED TEL. COOP. |
| 361396 | GARDONVILLE COOP. TEL. ASSN. |
| 361401 | HALSTAD TEL. CO. |
| 361403 | FEDERATED UTILITIES, INC. DBA HANCOCK TEL. CO |
| 361404 | HARMONY TEL. CO. |
| 361405 | HILLS TEL. CO., INC.-MN |
| 361408 | HOME TEL. CO.-MN |
| 361409 | HUTCHINSON TELEPHONE COMPANY |

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| Study Area Code | Study Area Name |
|---|---|
| 361412 | KASSON & MANTORVILLE TEL. CO. |
| 361413 | MID STATE TEL. CO. DBA KMP TEL. CO. |
| 361419 | LISMORE COOPERATIVE TELEPHONE CO. |
| 361422 | LONSDALE TELEPHONE COMPANY |
| 361423 | LOWRY TELEPHONE COMPANY, LLC |
| 361424 | MABEL COOPERATIVE TELEPHONE CO.- MN |
| 361425 | CHRISTENSEN COMMUNICATIONS COMPANY |
| 361426 | MANCHESTER-HARTLAND TELEPHONE CO. |
| 361427 | MANKATO CITIZENS TELEPHONE CO dba HICKORYTECH |
| 361430 | MELROSE TELEPHONE COMPANY |
| 361431 | MIDWEST TEL. CO. |
| 361439 | MINNESOTA VALLEY TEL. CO. INC. |
| 361440 | CANNON VALLEY TELECOM, INC. |
| 361443 | LORETEL SYSTEMS, INC. |
| 361448 | OSAKIS TELEPHONE COMPANY |
| 361450 | PARK REGION MUTUAL TEL. CO. |
| 361472 | REDWOOD COUNTY TEL. CO. |
| 361474 | ROTHSAY TELEPHONE COMPANY INC. |
| 361475 | RUNESTONE TEL. ASSN. |
| 361476 | SACRED HEART TEL. CO. |
| 361479 | SCOTT RICE TEL. CO. dba INTEGRA TELECOM |
| 361482 | SHERBURNE COUNTY RURAL TEL. CO. |
| 361485 | SPRING GROVE COOP TEL CO |
| 361487 | STARBUCK TEL. CO. |
| 361494 | UPSALA COOPERATIVE TELEPHONE ASSN. |
| 361495 | VALLEY TEL. CO.-MN |
| 361499 | CROSSLAKE TELEPHONE COMPANY |
| 361500 | NORTHERN TELEPHONE COMPANY OF MN |
| 361502 | WESTERN TELEPHONE COMPANY |
| 361505 | WIKSTROM TELEPHONE COMPANY INC. |
| 361507 | WINSTED TELEPHONE COMPANY |
| 361508 | WINTHROP TEL. CO. |
| 361510 | WOODSTOCK TELEPHONE COMPANY |
| 361512 | WOLVERTON TELEPHONE COMPANY |
| 361515 | ZUMBROTA TELEPHONE COMPANY |
| 361654 | INTERSTATE TELECOMMUNICATIONS COOP., INC.-MN |
| 371530 | CONSOLIDATED TELCO, INC. |
| 371532 | CONSOLIDATED TELEPHONE COMPANY- NE |
| 371555 | HAMILTON TELEPHONE COMPANY |
| 371556 | HARTINGTON TEL. CO. |
| 371556 | HARTINGTON TEL. CO. |

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| Study Area Code | Study Area Name |
|---|---|
| 371562 | CONSOLIDATED TELECOM, INC. |
| 371563 | HOOPER TELEPHONE COMPANY |
| 371565 | K & M TELEPHONE COMPANY INC. |
| 371581 | PIERCE TELEPHONE COMPANY |
| 371590 | SODTOWN TEL. CO. |
| 381509 | WOLVERTON TEL. CO. |
| 381601 | ABSARAKA COOP TELEPHONE CO. |
| 381614 | POLAR TELECOMMUNICATIONS, INC. |
| 381615 | GRIGGS COUNTY TELEPHONE COMPANY |
| 381622 | MOORE & LIBERTY TELEPHONE COMPANY |
| 381623 | NOONAN FARMERS TELEPHONE COMPANY |
| 381625 | NORTHWEST COMMUNICATIONS COOPERATIVE |
| 381631 | RED RIVER RURAL TEL. ASSN. |
| 381638 | MIDSTATE COMMUNICATIONS INC. |
| 383303 | SRT COMMUNICATIONS, INC. |
| 391405 | HILLS TELEPHONE COMPANY, INC.-SD |
| 391640 | ARMOUR INDEPENDENT TELEPHONE CO. |
| 391642 | ALLIANCE COMMUNICATIONS COOP., INC. (BALTIC) |
| 391649 | BERESFORD MUNICIPAL TEL. CO. |
| 391650 | CITY OF BROOKINGS MUNICIPAL TEL. DEPT. |
| 391653 | CITY OF FAITH MUNICIPAL TEL CO |
| 391654 | INTERSTATE TELECOMMUNICATIONS COOP., INC. |
| 391657 | ALLIANCE COMMUNICATIONS COOP. INC (SPLITROCK) |
| 391660 | FORT RANDALL TEL. CO. DBA MT. RUSHMORE TEL CO |
| 391664 | JAMES VALLEY COOPERATIVE TEL CO |
| 391669 | MCCOOK COOPERATIVE TELEPHONE CO. |
| 391671 | WEST RIVER TELECOMMUNICATIONS COOP.(MOBRIDGE) |
| 391674 | ROBERTS COUNTY TEL. COOP. ASSN. |
| 391677 | SIOUX VALLEY TELEPHONE COMPANY |
| 391682 | TRI-COUNTY TELCOM, INC. |
| 391684 | UNION TELEPHONE COMPANY |
| 391688 | WESTERN TELEPHONE COMPANY |
| 401710 | MAGAZINE TELEPHONE COMPANY |
| 401712 | MOUNTAIN VIEW TELEPHONE COMPANY |
| 401722 | E. RITTER TELEPHONE COMPANY |
| 421206 | IAMO TELEPHONE COMPANY - MO |
| 421759 | CRAW-KAN TELEPHONE COOP INC - MO |
| 421860 | ALMA COMMUNICATIONS COMPANY DBA ALMA TEL. CO. |
| 421876 | FARBER TELEPHONE COMPANY |
| 421893 | CHOCTAW TELEPHONE COMPANY |
| 421900 | KLM TEL. CO. |

APPENDIX H

2007 MODIFICATION OF AVERAGE SCHEDULES
AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

| Study Area Code | Study Area Name |
|---|---|
| 421932 | LATHROP TELEPHONE COMPANY |
| 421936 | PEACE VALLEY TELEPHONE CO. |
| 421942 | ROCK PORT TEL. CO. |
| 431704 | LAVACA TELEPHONE CO.- OK |
| 431968 | BEGGS TELEPHONE COMPANY |
| 432141 | SANTA ROSA TELEPHONE COOP. INC. |
| 442038 | BLOSSOM TELEPHONE COMPANY |
| 442043 | NORTH TEXAS TELEPHONE COMPANY |
| 442107 | LIVINGSTON TELEPHONE COMPANY |
| 462198 | PINE DRIVE TEL. CO. |
| 462206 | STONEHAM COOPERATIVE TEL. CO. |
| 462210 | WILLARD TEL. CO. |
| 472227 | MUD LAKE TELEPHONE COOPERATIVE ASSN. INC. |
| 482252 | RONAN TEL. CO. |
| 500758 | DIRECT COMMUNICATIONS CEDAR VALLEY, LLC |
| 502279 | GUNNISON TEL. CO. |
| 502282 | MANTI TELEPHONE COMPANY |
| 502283 | SKYLINE TELECOM |
| 522430 | MCDANIEL TELEPHONE COMPANY |
| 532386 | MT. ANGEL TELEPHONE COMPANY |
| 532396 | ST. PAUL COOP. TEL. ASSN. |
| 532399 | STAYTON COOP. TEL CO |
| 613005 | CIRCLE UTILITIES |
| 613026 | NORTH COUNTRY TELEPHONE COMPANY |

APPENDIX I

2007 MODIFICATION OF AVERAGE SCHEDULES
STUDY AREAS WITH LOW COST FACILITIES

| Study Area Code | Circuit Miles for Long Route Facilities | Monthly Cost of Long Route Facilities |
|---|---|---|
| 240535 | 36,072 | $1,205.64 |
| 351098 | 13,626 | $563.04 |
| 351101 | 14,168 | $877.26 |
| 351107 | 19,643 | $1,000.00 |
| 351112 | 6,737 | $400.00 |
| 351112 | 87,448 | $1,509.60 |
| 351113 | 24,048 | $620.16 |
| 351115 | 19,500 | $1,000.00 |
| 351115 | 66,960 | $3,893.25 |
| 351118 | 39,286 | $2,000.00 |
| 351129 | 57,946 | $1,403.52 |
| 351130 | 202,810 | $967.68 |
| 351133 | 18,551 | $440.64 |
| 351134 | 10,542 | $214.20 |
| 351136 | 18,036 | $642.60 |
| 351136 | 12,987 | $877.26 |
| 351141 | 13,626 | $263.16 |
| 351146 | 10,105 | $600.00 |
| 351146 | 32,952 | $350.88 |
| 351147 | 50,702 | $856.80 |
| 351152 | 109,200 | $1,800.00 |
| 351153 | 7,224 | $2,683.65 |
| 351157 | 27,082 | $241.92 |
| 351160 | 43,459 | $1,591.20 |
| 351162 | 28,336 | $1,754.51 |
| 351166 | 21,730 | $391.68 |
| 351168 | 49,962 | $964.92 |
| 351169 | 21,730 | $708.00 |
| 351171 | 12,040 | $3,893.25 |
| 351173 | 30,060 | $1,071.00 |
| 351173 | 56,672 | $3,509.03 |
| 351174 | 20,210 | $1,200.00 |
| 351174 | 32,952 | $391.68 |
| 351175 | 28,973 | $701.76 |
| 351176 | 24,714 | $361.08 |
| 351187 | 10,542 | $316.20 |
| 351188 | 60,120 | $1,774.80 |
| 351195 | 32,952 | $350.88 |
| 351199 | 11,700 | $600.00 |
| 351202 | 18,551 | $440.64 |
| 351203 | 27,082 | $241.92 |
| 351205 | 16,867 | $342.72 |
| 351206 | 41,190 | $673.20 |
| 351209 | 29,568 | $326.40 |
| 351217 | 18,036 | $642.60 |
| 351217 | 28,336 | $1,754.51 |
| 351220 | 41,313 | $2,480.43 |
| 351225 | 54,163 | $483.84 |
| 351230 | 109,200 | $1,800.00 |
| 351237 | 13,626 | $263.16 |
| 351238 | 15,714 | $800.00 |
| 351239 | 41,190 | $438.60 |
| 351241 | 31,428 | $1,600.00 |
| 351246 | 47,393 | $423.36 |
| 351248 | 36,072 | $599.76 |
| 351250 | 28,973 | $350.88 |
| 351251 | 79,675 | $964.92 |
| 351252 | 68,020 | $1,615.68 |
| 351259 | 61,836 | $1,468.80 |
| 351260 | 470,131 | $725.76 |
| 351261 | 23,218 | $399.84 |

APPENDIX I

2007 MODIFICATION OF AVERAGE SCHEDULES
STUDY AREAS WITH LOW COST FACILITIES

| Study Area Code | Circuit Miles for Long Route Facilities | Monthly Cost of Long Route Facilities |
|---|---|---|
| 351263 | 30,060 | $306.00 |
| 351266 | 13,392 | $778.65 |
| 351271 | 156,710 | $1,179.36 |
| 351275 | 11,786 | $600.00 |
| 351277 | 13,541 | $120.96 |
| 351278 | 40,176 | $2,335.95 |
| 351282 | 11,700 | $600.00 |
| 351285 | 33,581 | $991.44 |
| 351291 | 72,758 | $1,511.64 |
| 351292 | 132,264 | $1,481.76 |
| 351294 | 22,710 | $438.60 |
| 351297 | 420,840 | $4,354.56 |
| 351298 | 168,336 | $3,175.20 |
| 351301 | 172,998 | $2,056.32 |
| 351302 | 31,428 | $1,800.00 |
| 351303 | 27,082 | $241.92 |
| 351305 | 27,082 | $241.92 |
| 351306 | 202,406 | $3,214.08 |
| 351308 | 13,626 | $263.16 |
| 351319 | 43,459 | $1,346.40 |
| 351320 | 28,336 | $1,754.51 |
| 351324 | 10,105 | $600.00 |
| 351324 | 24,714 | $293.76 |
| 351326 | 24,714 | $250.92 |
| 351328 | 72,144 | $1,421.28 |
| 351331 | 55,652 | $1,321.92 |
| 351334 | 132,264 | $514.08 |
| 351335 | 9,084 | $175.44 |
| 351337 | 96,192 | $3,326.40 |
| 351342 | 12,024 | $228.48 |
| 351344 | 24,714 | $403.92 |
| 351405 | 55,652 | $1,321.92 |
| 361389 | 25,920 | $628.35 |
| 361390 | 220,320 | $2,643.00 |
| 361396 | 25,920 | $672.00 |
| 361403 | 12,960 | $370.40 |
| 361430 | 47,000 | $6,701.50 |
| 361448 | 25,308 | $2,135.83 |
| 361475 | 59,184 | $1,033.20 |
| 361499 | 63,822 | $1,871.83 |
| 361505 | 137,760 | $6,435.00 |
| 381625 | 59,755 | $6,693.12 |
| 381638 | 25,609 | $1,621.92 |
| 391649 | 47,576 | $4,611.00 |
| 391650 | 108,065 | $27,473.83 |
| 391653 | 17,045 | $3,074.00 |
| 391654 | 150,090 | $39,822.00 |
| 391669 | 66,040 | $15,200.67 |
| 391671 | 51,134 | $9,363.00 |
| 391674 | 42,025 | $10,900.00 |
| 391688 | 18,011 | $4,611.00 |
| 472227 | 367,871 | $1,178.63 |
| | --- | --- |
| Total: | 6,449,925 | $248,519.11 |
| Average: | | $0.03853 |