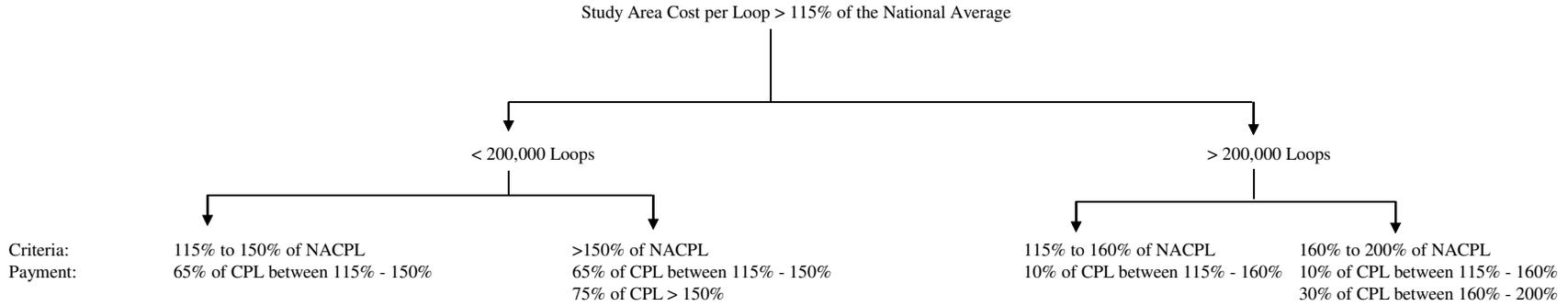


**RURAL/RATE OF RETURN USF ANALYSIS**

**RURAL STUDY AREA HIGH COST LOOP USF ELIGIBILITY REQUIREMENTS**

Eligibility Based on 2009 NACPL = \$458.36  
 Receipts based on Revenue Requirement Not Based on Lines Served  
**CURRENT ALGORITHM**



**RATE OF RETURN STUDY AREA INTERSTATE COMMON LINE USF ELIGIBILITY REQUIREMENTS**

25% Common Line (Loop) Revenue Requirement Recovered from SLC and ICLS  
 Receipts based on Revenue Requirement Not Based on Lines Served

**EXAMPLE RURAL/RATE OF RETURN STUDY AREA USF RECEIPTS CALCULATION - assume < 200,000 Loops**

NACPL = \$ 458.36

	Study Area A		Study Area B		Study Area C		Study Area D		
	Formula	Support	Formula	Support	Formula	Support	Formula	Support	
	Thresholds	Calculation	Thresholds	Calculation	Thresholds	Calculation	Thresholds	Calculation	
	A	B	A	B	A	B	A	B	
1	Study Area Cost per Loop	\$ 400.00		\$ 500.00		\$ 618.80		\$ 1,000.00	
2	<b>Interstate Common Line Support</b>								
3	-25% Interstate Assignment (B1*.25)	\$ 100.00		\$ 125.00		\$ 154.70		\$ 250.00	
4	-Less: SLC recovery (\$6.50 x 12)	\$ 78.00		\$ 78.00		\$ 78.00		\$ 78.00	
5	-Residual ICLS (B1-B4)	\$ 22.00		\$ 47.00		\$ 76.70		\$ 172.00	
6	<b>High Cost Loop Support</b>								
7	-115% Threshold (NACPL \$458.36*1.15)	\$ 527.11		\$ 527.11		\$ 527.11		\$ 527.11	
8	-Amount >115% but <150% ((B1 or A10)-A7)	\$ -		\$ -		\$ 91.69		\$ 91.70	
9	-Payment at 65% (A8*.65)	65% \$ -		\$ -		\$ 59.60		\$ 59.60	
10	-150% Threshold (NACL \$458.36*1.50)	\$ 687.54		\$ 618.81		\$ 618.81		\$ 618.81	
11	-Amount >150% (B1-A10)	\$ -		\$ -		\$ -		\$ 381.19	
12	-Payment at 75% (A11*.75)	75% \$ -		\$ -		\$ -		\$ 285.89	
13	-Total High Cost Loop (B9+B12)	\$ -		\$ -		\$ 59.60		\$ 345.49	
14	<b>Loop Cost Not Recovered from SLC, ICLS and HCL (B1-B4-B5-B13)</b>								
14		\$ 300.00		\$ 375.00		\$ 404.50		\$ 404.51	
15	Per Month State Loop Revenue Reqmt (B14/12)	\$ 25.00		\$ 31.25		\$ 33.71		\$ 33.71	