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December 21, 2007

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

Re: National Exchange Carrier Association, Inc.  
2008 Modification of Average Schedules, WC Docket No. 07-290

Dear Ms. Dortch:

Attached is NECA's *2008 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, 2008.

In accordance with the Commission's rules, this *2008 Modification of Average Schedules* has been filed electronically in the above-referenced docket.

Also, NECA is simultaneously delivering to the Commission a PC compact disk that includes the Appendices to the *2008 Modification of Average Schedules* in Microsoft-Excel format. This information is identical to that electronically filed with the Commission in Portable Document Format (PDF) in the above-captioned matter. In addition, to further support evaluation of changes proposed in this filing, by Commission staff and the public, NECA has also included on the compact disk supporting "revenue requirements" data files. Together, these files provide all of the data used by NECA to compute the proposed formulas.

If you have questions regarding the content of these files, please contact Mr. Steve Quinnan, Director, Average Schedules, at 973-884-8099.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Quinnan", is written over a light blue horizontal line.

Attachment: 2008 Modification of Average Schedules

Cc: Douglas Slotten, WCB  
Pamela Arluk, WCB (w/o enclosure)  
Best Copy

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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, 2008 to June 30, 2009.

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 stabilized account growth, and significant reductions in some access demand elements. In addition, NECA proposes in this filing to limit access minute volumes and line haul circuit counts that would be eligible for average schedule settlements to levels analyzed in this study.

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 small settlement increases.

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)<sup>1</sup> 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, 2008 to June 30, 2009.

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.<sup>2</sup> 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."<sup>3</sup>

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<sup>1</sup> 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).

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

<sup>3</sup> 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.<sup>4</sup>

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.<sup>5</sup> 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.<sup>6</sup> 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 process 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

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

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

<sup>5</sup> 47 C.F.R. § 69.606(b). The current formulas have been in effect since July 1, 2007.

<sup>6</sup> 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.

units (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 its 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.<sup>7</sup> 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. Section VIII lists the current and proposed average schedule formulas. Finally, the attached appendices contain all of the data used in NECA's study.

The 2007 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 were included.<sup>8</sup> The design entails defining stratification attributes, determining sample size,

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<sup>7</sup> The instant filing is referred to herein as the "2007 Filing" and the data collection and analyses upon which this filing is based are referred to as the "2007 Study." The settlement formulas proposed herein are referred to as the "2008 Schedules." References made herein with respect to previous years' filings, studies and settlement formulas use similar nomenclature.

<sup>8</sup> "Small" study areas are defined as those with fewer than 200 access lines per exchange. This study enhancement 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).

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

Overall, NECA proposes formula changes that would increase settlement rates by about 2.7 per cent, at constant demand.

This filing proposes limits on access minutes (Section VII.E.2.e) and interstate circuit counts (Section VII.G.1) that would be eligible for average schedule settlements. Because none of the companies participating in NECA's traffic sensitive pools experience demand exceeding these levels, NECA does not anticipate any impact on settlements to pooling companies. These limits merely establish a range within which the formulas accurately reflect costs as observed in this study. NECA cannot say with certainty whether formulas limited in this manner would simulate cost disbursements for companies with minutes or circuit counts exceeding these levels.

#### 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 modest increases in settlements. Eighty-four of the total 455 average schedule

study areas will experience reductions, while only two study areas will experience reductions greater than 10%.

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, as well as 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 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<sup>1</sup> 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.<sup>2</sup> 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.<sup>3</sup> Because of their size and

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<sup>1</sup> 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.

<sup>2</sup> See, e.g. National Exchange Carrier Association, Inc., Tariff F.C.C. No. 5, Transmittal No. 1172, filed June 15, 2007 at Vol. 2, pp. 3 - 4 (2007 Annual Access Tariff Filing).

<sup>3</sup> Group B companies include: CenturyTel, 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.<sup>4</sup> ‘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

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<sup>4</sup> 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*).

average schedule population into 34 classes and the cost company population into 49 classes. A 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<sup>5</sup> 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.

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<sup>5</sup> The Neyman Allocation is the special case of the optimum allocation.

Section G explains random sampling of study areas from each stratum using probabilities of 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 2007 Study are from the annual and supplemental samples of study areas collected in 2005 and 2006. 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 2007 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.<sup>6</sup> 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.<sup>7</sup>

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 areas will be

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<sup>6</sup> 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.

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

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**

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

<b>Class</b>	<b>Exchanges</b>	<b>Size</b>	<b>LH</b>	<b>H/R</b>	<b>SA</b>	<b>IT</b>	<b>MPL</b>	<b>Density</b>	<b>TS</b>	<b>Count</b>
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
<b>Total</b>										<b>504</b>

**EXHIBIT 2.2B**  
**CLASSES OF COST COMPANY STUDY AREAS**

<b>Class</b>	<b>Exchanges</b>	<b>LH</b>	<b>H/R</b>	<b>SA</b>	<b>IT</b>	<b>MPL</b>	<b>Density</b>	<b>TS</b>	<b>Count</b>
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**

<b>Class</b>	<b>Exchanges</b>	<b>LH</b>	<b>H/R</b>	<b>SA</b>	<b>IT</b>	<b>MPL</b>	<b>Density</b>	<b>TS</b>	<b>Count</b>
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
<b>Total</b>									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**

<b>Prelim. Stratum</b>	<b>Classes</b>	<b>Exch</b>	<b>Size</b>	<b>LH</b>	<b>H/R</b>	<b>SA</b>	<b>IT</b>	<b>MPL</b>	<b>Density</b>	<b>TS</b>	<b>Total</b>
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**

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

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.

**EXHIBIT 2.4A**

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

<b>Preliminary Stratum</b>	<b>Final Stratum</b>	<b>Interstate Access Revenue Criterion</b>
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**

<b>Preliminary Stratum</b>	<b>Final Stratum</b>	<b>Interstate Access Revenue Criterion</b>
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

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 2.5A**

**DISTRIBUTION OF ACCESS REVENUES BY FINAL STRATA**  
**AVERAGE SCHEDULE STUDY AREAS**

<b>Stratum</b>	<b>Count</b>	<b>Average Interstate Access Revenues</b>
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**

<b>Stratum</b>	<b>Count</b>	<b>Average Interstate Access Revenues</b>
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.<sup>8</sup> 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

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<sup>8</sup> *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).

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

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

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

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

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

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

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

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. <sup>9</sup>	(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

<sup>9</sup> M. O. S. is "Measure of Size." It is the square root of interstate access revenues.

**EXHIBIT 2.6B**

**FINAL STRATA – COST STUDY AREAS**

<b>(A) Stratum No.</b>	<b>(B) Standard Deviation of M. O. S.</b>	<b>(C) No. of Study Areas</b>	<b>(D) Sample Allocation Weight</b>	<b>(E) Five Year Sample Size</b>	<b>(F) Sampling Term</b>	<b>(G) Final Annual Sample Size</b>	<b>(H) Final Five Year Sample Size</b>
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 <sup>10</sup>		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

<sup>10</sup> 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<sup>11</sup> 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,<sup>12</sup> 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:

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<sup>11</sup> 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.

<sup>12</sup> 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:<sup>13</sup>

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

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  $h$ .
- $\bar{X}_h$  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 2.7 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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<sup>13</sup> *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) $\frac{\Sigma(\text{Col. B})}{\Sigma(\text{Col. C})}$	(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:<sup>14</sup>

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

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.

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<sup>14</sup> *Id.* at p. 90. Formula 5.3 found in *Sampling Techniques* 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	Var( $\hat{R}_h$ )	(B) <sup>2</sup> 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:

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

NECA then developed a 95% confidence interval to determine the relative precision of the estimator, using the formula below:<sup>15</sup>

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

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. Selection of Sample

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

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<sup>15</sup> *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<sup>16</sup> 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:

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

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<sup>16</sup> Specifically, cost strata C2 and C3B and average schedule strata A3, A4B and A5C.

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.<sup>17</sup>

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.

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<sup>17</sup> 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**

<b>Stratum</b>	<b>Random Start</b>
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 =*

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

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

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

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:

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

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

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

#### H. Sample Weights

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:

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



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:

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

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, nine supplemental study areas were selected for the 2006 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**

<b>Stratum</b>	<b>No. of Study Areas</b>	<b>Random numbers</b>	<b>Sampling Term</b>	<b>Final Annual Sample Size</b>	<b>Final Six Year Sample Size</b>
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
<b>TOTAL</b>	<b>52</b>			<b>[8, 9]</b>	<b>52</b>

### **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 2008 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 A-Link 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<sup>1</sup> 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

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<sup>1</sup> 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 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 2008 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 2005 and 2006, 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 2005 sample provided accounting data from calendar years 2003 and 2004 and demand data from 2005. The 2006 sample provided accounting data from calendar years 2004 and 2005 and demand data from 2006. 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 cost study data collection also used a two-year sample design. The 2005 annual data collection sampled 110 cost study areas from NECA's traffic sensitive pool. Five study areas were excluded from the sample for various reasons.<sup>2</sup> As a result, a total of 105 study areas were used, 61 of which had host-remote network configurations.

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<sup>2</sup> One study area was excluded because it serves a Pacific Island, and has no Average Schedule counterpart. Four study areas did not complete the supplementary Host-Remote Data Request portion of their submission due to lack of resources.

The 2006 annual data collection sampled 99 cost study areas from NECA's traffic sensitive pool. Four study areas were excluded from the sample for various reasons.<sup>3</sup> This resulted in a total of 95 study areas, 55 of which have host remote network configurations. As a result, the two years of data collection yielded valid data from 200 cost study areas, 116 of which have host remote network configurations.

The average schedule data collection also used a two-year sample design. The 2005 annual data collection sampled data from 104 average schedule study areas from NECA's traffic sensitive pool. Nineteen study areas were excluded from the sample for various reasons.<sup>4</sup> 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, resulting in 86 total observations. The 2006 annual data collection sampled data from 104 average schedule study areas from NECA's traffic sensitive pool. Thirteen study areas were excluded from the sample for various reasons.<sup>5</sup> 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

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<sup>3</sup> Two study areas were excluded because of their service territories in the Caribbean and Pacific Islands, and do not have Average Schedule counterparts. One study area was excluded because of an acquisition by another company. One study area did not complete the supplementary Host-Remote Data Request portion of their data submission due to lack of resources.

<sup>4</sup> Nine study areas did not participate due to lack of resources. Five study areas were excluded because they provided insufficient level of detail in their response. Five were excluded because they converted to Cost settlement basis.

<sup>5</sup> Four study areas did not participate. One study area was excluded because their data did not have complete Part 32 Class B accounting detail. Four were excluded because they provided insufficient level of detail in their response. One was excluded because it converted to Cost settlement basis. Two additional study areas were excluded because of mergers. One study area only provided data for 2005, but not 2004, because the owner did not have accounting records prior to purchasing the study area in Jan 2005.



92 total observations. As a result, the two years of data collection yielded valid data from 178 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 2006, all cost companies participating in the NECA pools were asked to provide a copy of their 2005 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.<sup>6</sup> 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.

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<sup>6</sup> 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.

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 2004 and 2005 were requested from each average schedule study area in the 2006 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 2004 and 2005 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 2004 and 2005 accounting data from the 2006 sample are displayed in Appendices C1 and C2, respectively.

Similar accounting data from calendar years 2003 and 2004 were obtained from average schedule study areas in the 2005 sample. Source documents for these data were also obtained for verification purposes. Average schedule company accounting data obtained from the 2005 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 2006 through June 2007, including all adjustments through September 2007 for the following data elements<sup>7</sup>:

- 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 2004 through December 2005, including all adjustments through September

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<sup>7</sup> 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".

2006 for the analyses underlying the forecast of Interstate Special Access Revenues<sup>8</sup>, described in Section V.H.1.

c. SS7 facility reported to NECA's SS7 database

- Location and number of fully connected or partially connected SSPs
- A-link providers

d. For cost companies, NECA used the average month of the period from January 2005 through December 2005<sup>9</sup>, including all adjustments through June 2007 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 2005 view of the year 2003's Access Lines and Common Line Minutes of Use.

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<sup>8</sup> 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."

<sup>9</sup> Cost company demand data from 2004 correspond to 2004 cost studies used in this Average schedule Filing, the latest available for this analysis.

2. Cost company documents and schematics, describing exchange locations at remote offices reported in response to the 2005 and 2006 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 2005 Cost Study database derived from:

- Interstate Message Circuit Miles
- Joint Message Total Circuit Miles
- 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 2005 and 2006 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. Reflecting the normal cycle of new investment occurring in response to demand stimulation, NECA selected 2003 demand for study areas in the 2005 data collection (2004 accounts) and 2004 demand for study areas in the 2006 data collection (2005 accounts). Accounting data used in this study are displayed in Appendix C3. Demand data from the NECA settlement system 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 2005 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)<sup>10</sup> 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 2005 Cost Study Interstate Conversation Minute-Mile Factor*

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<sup>10</sup> 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.

The traffic engineering method uses route mile data and access line counts at each remote office to develop circuit miles. NECA determined that 116 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 for Service Switching Points (SSPs) installed by average schedule companies that receive SS7 settlements.

Information on STP providers and A-links connected to each SSP was collected. NECA collects data on the connection charges of these access service providers. NECA used these data to update the SS7 settlement formula.

#### 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 2005.<sup>1</sup> 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, 2008 through June 30, 2009). 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.

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

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.

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<sup>1</sup> Data from 2006 cost studies do not begin to become available until the second half of 2007, 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:

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

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 2005 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.<sup>2</sup> The

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<sup>2</sup> 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 would come first. However, on May 16, 2006, the Commission released an Order<sup>3</sup> 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 2005.<sup>4</sup>

## 2. Summary of Cost Allocation Methods

Using the 2005 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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<sup>3</sup> 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).

<sup>4</sup> 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:

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

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.

<b>EXHIBIT 4.1</b>		
<b><u>COST SEPARATION AND ALLOCATION METHODS</u></b>		
<b>Account or Category</b>	<b>Part 36 Separations Basis</b>	<b>Part 69 Allocation Basis</b>
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)**

**COST SEPARATION AND ALLOCATION METHODS**

<b>Account or Category</b>	<b>Part 36 Separations Basis</b>	<b>Part 69 Allocation Basis</b>
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)**

**COST SEPARATION AND ALLOCATION METHODS**

<b>Account or Category</b>	<b>Part 36 Separations Basis</b>	<b>Part 69 Allocation Basis</b>
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 <sup>5</sup>	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

<sup>5</sup> Due to liquidation of Rural Telephone Bank in 2006, RTB Stock values were reset to zero for the 2005 cost studies.

**EXHIBIT 4.1 (Continued)****COST SEPARATION AND ALLOCATION METHODS**

<b>Account or Category</b>	<b>Part 36 Separations Basis</b>	<b>Part 69 Allocation Basis</b>
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)****COST SEPARATION AND ALLOCATION METHODS**

<b>Account or Category</b>	<b>Part 36 Separations Basis</b>	<b>Part 69 Allocation Basis</b>
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*<sup>6</sup> 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<sup>7</sup> to identify influential data points in linear regression models. NECA adopts the DFFITS

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

<sup>7</sup> 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.<sup>8</sup> 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.<sup>9</sup> 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.<sup>10</sup>

The cutoff point suggested by Chatterjee<sup>11</sup> 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. Accommodation of Outliers in Regression Models

Outlier accommodation methods have the purpose of diminishing the variance of

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

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

<sup>10</sup> 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.

<sup>11</sup> Chatterjee, S., and Hadi, A.S., Sensitivity Analysis in Linear Regression, 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.<sup>12</sup>

NECA uses variance weights as follows:

$$\begin{aligned} & \text{If } DFFITS_i \leq C, \text{ Then Variance Weight}_i = 1 \\ & \text{Else Variance Weight}_i = \left( \frac{C / 2}{DFFITS_i} \right)^2 \end{aligned}$$

where C is the cutoff point.

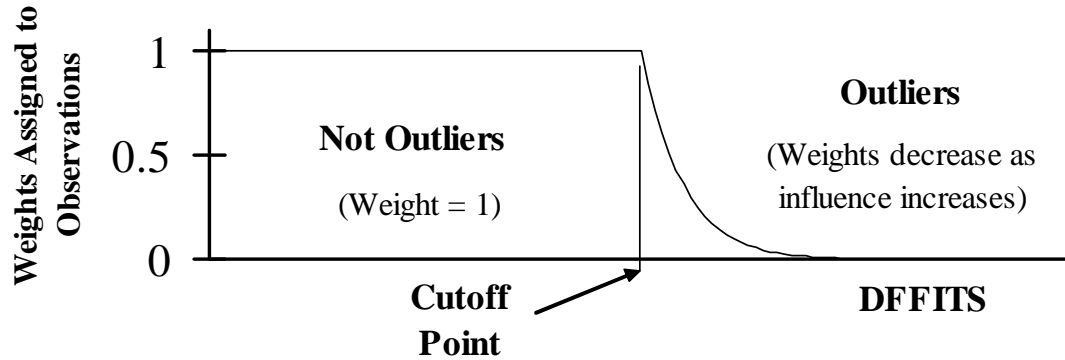
The numerator of the variance weight is the median DFFITS value of points which are not influential. Thus, this variance weight compares a point which is influential to points which are not influential. Exhibit 4.2 is a graph that illustrates these variance weights. Using weights obtained by this method,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

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<sup>12</sup> 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.

$$\text{Ratio} = \frac{\sum (\text{Sample Weight}_i \times Y_i)}{\sum (\text{Sample Weight}_i \times X_i)}$$

$$\text{Influence}_j = \text{Ratio} - \frac{\sum (\text{Sample Weight}_i \times Y_i) - \text{Sample Weight}_j \times Y_j}{\sum (\text{Sample Weight}_i \times X_i) - \text{Sample Weight}_j \times X_j}$$



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.

$$C = 2.33 \times \text{Std Deviation} (\text{Influence}_i)$$

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:

$$\begin{aligned} & \text{If } \text{Influence}_i \leq C, \text{ Then } \text{Variance Weight}_i = 1 \\ & \text{Else } \text{Variance Weight}_i = \left( \frac{C / 2}{\text{Influence}_i} \right)^2 \end{aligned}$$

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 2005 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:

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

$$= \frac{\text{Categorized Interstate Account}}{\text{Uncategorized Account}}$$

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

*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:

$$P = \frac{\text{Interstate Cat.1 COE}}{\text{Total COE}}$$
$$= 0.000653$$

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.

$$P = \frac{\text{Interstate Cat. 1.2 C \& WF}}{\text{Total C \& WF}}$$
$$= 0.002566 + 0.000496 \times \text{Adj. Special Access Revenue Per Line}$$

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).

$$\begin{aligned}
 P &= \frac{\text{Interstate Cat. 4.11 + 4.12 COE}}{\text{Total COE}} \\
 &= -0.017503 + 0.000058 \times \text{Adj. SA Rev. per Exchange, if ASARE} \leq 1,500 \\
 &= 0.069058 + 0.000000531 \times \text{Adj. SA Rev. per Exchange, if ASARE} > 1,500
 \end{aligned}$$

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:

$$\begin{aligned}
 P &= \frac{\text{Interstate GSF}}{\text{Total GSF}} \\
 &= 1.000530 \times \% \text{ Interstate of } [COE + C\&WF + IOT] \\
 R^2 &= 1.00 \quad F = 44,430,398.77 \quad t = 6,665.61
 \end{aligned}$$

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.

$$\text{Cost Company Intertoll Dial Circuits} = 0.264939 \times \text{Total Cost Company Interstate Circuit Terminations}$$

While most demand variables used in these models were from the year 2005, corresponding to the cost study year, NECA found that for the COE Category 3 Local Switching separation model, year 2003 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 300 minutes per line as the breakpoint, as follows:

$$\begin{aligned} &\text{Normal Volume Minutes Per Line} \\ &= \text{Minimum (Total Minutes Per Line, 300)} \end{aligned}$$

$$\begin{aligned} &\text{High Volume Minutes Per Line} \\ &= \text{Total Minutes Per Line} - \text{Normal Volume Minutes Per Line} \end{aligned}$$

The breakpoint of 300 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 1,500 and over 1,500 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 0.06 and over 0.06 terminations per line.

For the C&WF Category 1.3 separation model, circuit miles per circuit were grouped into categories of either normal route or long route using 100 circuit miles per circuit as the breakpoint. A study area was designated as long route study area if its ratio of circuit miles per circuit exceeded 100. Then for each long route study area, the first 60 circuit miles per circuit 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 circuit.

For the C&WF Category 3 separation model, interstate toll circuit miles per line were included separately for companies with fewer than 0.8 and over 0.8 interstate toll circuit miles per line.

In this study, NECA determined that year-to-year's changes in certain separation models were caused by sampling variance. In addition, NECA determined that data used to develop these particular models were available from all Group C cost companies. Consequently for these models (COE Category 2, C&WF Category 1.2 and Category 3), data from the full Group C population was used. Group C population data supporting these models is reported in Appendix B2 and D5.

NECA determined minimum and maximum values of separation factors from cost company modeling results as shown in Exhibit 4.3. These values were 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:

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 1 COE}}{\text{Total COE}} \\ &= 0.000653 \end{aligned}$$

#### COE Category 2 - Tandem Switching

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 2 COE}}{\text{Total COE}} \\ &= 0.016793 + 0.00000049 \times \text{Interstate Toll Circuit Miles per Line} \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.016793 \\ \text{Maximum} &= 0.035661 \end{aligned}$$

$$R^2 = 0.02 \quad F = 1.69 \quad t = 1.30$$

#### COE Category 3 - Local Switching

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 3 COE}}{\text{Total COE}} \\ &= 0.111185 + 0.000252 \times \text{DEM Weight} \times \text{Year 2005 Normal Volume Minutes per Line} \\ &\quad + 0.000160 \times \text{Year 2003 High Volume Minutes per Line} \\ &\quad - 0.00000363 \times \text{Adjusted Special Access Revenues per Exchange,} \\ &\quad \text{if Adjusted Special Access Revenues per Exchange} \leq 20,000 \\ &= 0.038685 + 0.000252 \times \text{DEM Weight} \times \text{Year 2005 Normal Volume Minutes per Line} \\ &\quad + 0.000160 \times \text{Year 2003 High Volume Minutes per Line} \\ &\quad \text{if Adjusted Special Access Revenues per Exchange} > 20,000 \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.095220 \\ \text{Maximum} &= 0.468567 \end{aligned}$$

$$R^2 = 0.21 \quad F = 17.36 \quad t_1 = 4.81 \quad t_2 = 0.90 \quad t_3 = -2.52$$

## 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:

$$\begin{aligned} P &= \frac{\text{Interstate COE Cat. 4.11 + Cat. 4.12}}{\text{Total COE}} \\ &= -0.017503 + 0.000058 \times \text{Adjusted Special Access Revenues per Exchange (ASARE)}, \\ &\quad \text{if ASARE} \leq 1,500 \\ &= 0.069058 + 0.000001 \times \text{Adjusted Special Access Revenues per Exchange (ASARE)}, \\ &\quad \text{if ASARE} > 1,500 \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.007947 \\ \text{Maximum} &= 0.177021 \end{aligned}$$

$$R^2 = 0.04 \quad F = 3.81 \quad t_1 = 2.22 \quad t_2 = 1.22$$

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 4.13 COE}}{\text{Total COE}} \\ &= 0.098329 - 0.130043 \times \text{Terminations per Line} \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.001605 \\ \text{Maximum} &= 0.098329 \end{aligned}$$

$$R^2 = 0.04 \quad F = 9.11 \quad t_1 = -3.02$$

#### COE Category 4.2 - Interexchange Circuit

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 4.2 COE}}{\text{Total COE}} \\ &= 0.003553 + 0.647030 \times \text{Terminations per Line (TL)} \\ &\quad + 0.003350 \times \text{Adjusted Special Access Revenues per Line with Wideband} \\ &\quad + 0.009449 \times \text{Adjusted Special Access Revenues per Line without Wideband}, \\ &\quad \text{if TL} \leq 0.06 \\ &= 0.035851 + 0.108728 \times \text{Terminations per Line (TL)} \\ &\quad + 0.003350 \times \text{Adjusted Special Access Revenues per Line with Wideband} \\ &\quad + 0.009449 \times \text{Adjusted Special Access Revenues per Line without Wideband}, \\ &\quad \text{if TL} > 0.06 \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.012906 \\ \text{Maximum} &= 0.201566 \end{aligned}$$

$$R^2 = 0.14 \quad F = 7.61 \quad t_1 = 1.61 \quad t_2 = 1.78 \quad t_3 = 3.03 \quad t_4 = 3.54$$

## 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:

$$P = \frac{\text{Interstate Cat. 4.3 COE}}{\text{Total COE}}$$
$$= 0.001001 + 0.713083 \times \text{Host Remote Circuit per Line}$$

$$\text{Minimum} = 0.001001$$
$$\text{Maximum} = 0.051004$$

$$R^2 = 0.29 \quad F = 46.59 \quad t = 6.83$$

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

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

$$P = \frac{\text{Interstate Cat. 1.2 C\&WF}}{\text{Total C\&WF}}$$
$$= 0.002566 + 0.000496 \times \text{Adjusted Special Access Revenues per Line}$$

$$\text{Minimum} = 0.002604$$
$$\text{Maximum} = 0.017841$$

$$R^2 = 0.11 \quad F = 55.41 \quad t = 7.44$$

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

$$P = \frac{\text{Interstate Cat. 1.3 C\&WF}}{\text{Total C\&WF}}$$
$$= 0.226416 - 0.003168 \times \text{Circuit Miles per Line}$$
$$+ 0.002739 \times \text{Long Route Circuit Miles per Line}$$

$$\text{Minimum} = 0.100836$$
$$\text{Maximum} = 0.226416$$

$$R^2 = 0.12 \quad F = 13.77 \quad t_1 = -4.93 \quad t_2 = 2.54$$

## 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:

$$P = \frac{\text{Interstate Cat. 2 C\&WF}}{\text{Total C\&WF}}$$
$$= 0.010772 + 0.001924 \times \text{Adjusted Special Access Revenues per Line}$$

$$\text{Minimum} = 0.012398$$

$$\text{Maximum} = 0.054592$$

$$R^2 = 0.05 \quad F = 9.91 \quad t = 3.15$$

#### C&WF Category 3 - Interexchange

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

$$P = \frac{\text{Interstate Cat. 3 C\&WF}}{\text{Total C\&WF}}$$
$$= 0.006730 + 0.025941 \times \text{Interstate Toll Circuit Miles per Line (ITCML)}$$
$$+ 0.001397 \times \text{Adjusted Special Access Revenues per Line,}$$
$$\text{if ITCML} \leq 0.8$$
$$= 0.026777 + 0.000882 \times \text{Interstate Toll Circuit Miles per Line (ITCML)}$$
$$+ 0.001397 \times$$
$$\text{if ITCML} > 0.8$$

$$\text{Minimum} = 0.008019$$

$$\text{Maximum} = 0.186044$$

$$R^2 = 0.10 \quad F = 18.95 \quad t_1 = 4.20 \quad t_2 = 2.78 \quad t_3 = 2.84$$

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

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

$$P = \frac{\text{Interstate Cat. 4 C\&WF}}{\text{Total C\&WF}}$$
$$= 0.000059 \times \text{Host Remote Circuit Miles per Host Remote Circuit}$$
$$+ 5.641871 \times \text{Exchanges per Line}$$

$$\text{Minimum} = 0.001082$$

$$\text{Maximum} = 0.036196$$

$$R^2 = 0.57 \quad F = 75.75 \quad t_1 = 2.06 \quad t_2 = 8.11$$

**EXHIBIT 4.3 (Continued)**

**PART 36 SEPARATION FACTOR MODELS**

**GSF - General Support Facilities Equipment**

$$\begin{aligned} P &= \frac{\text{Interstate GSF}}{\text{Total GSF}} \\ &= 1.000530 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 1.00 \quad F = 44,430,398.77 \quad t = 6,665.61 \end{aligned}$$

**Tangibles - Account 2680**

$$\begin{aligned} P &= \frac{\text{Interstate Tangibles}}{\text{Total Tangibles}} \\ &= 1.206065 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 0.77 \quad F = 115.60 \quad t = 10.75 \end{aligned}$$

**Intangibles - Account 2690**

$$\begin{aligned} P &= \frac{\text{Interstate Intangibles}}{\text{Total Intangibles}} \\ &= 1.000588 \times \% \text{ Interstate of Total 2001 (Excluding 2690)} \\ R^2 &= 1.00 \quad F = 23,778,745.43 \quad t = 4,876.35 \end{aligned}$$

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

$$\begin{aligned} P &= \frac{\text{Interstate of Total 2002 + 2003 + 2005}}{\text{Total 2002 + 2003 + 2005}} \\ &= 1.000443 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 1.00 \quad F = 4,531,529.51 \quad t = 2,128.74 \end{aligned}$$

**Materials & Supplies - Account 1220**

$$\begin{aligned} P &= \frac{\text{Interstate Materials \& Supplies}}{\text{Total Materials \& Supplies}} \\ &= 0.999998 \times \% \text{ Interstate of C\&WF} \\ R^2 &= 1.00 \quad F = 90,656,558,765 \quad t = 301,092.28 \end{aligned}$$

## EXHIBIT 4.3 (Continued)

### PART 36 SEPARATION FACTOR MODELS

#### RTB Stock - Account 1402

$$\begin{aligned} P &= \frac{\text{Interstate RTB Stock}}{\text{Total RTB Stock}} \\ &= 0 \end{aligned}$$

#### Accumulated Depreciation - Accounts 3100 + 3200

$$\begin{aligned} P &= \frac{\text{Interstate Accumulated Depreciation}}{\text{Total Accumulated Depreciation}} \\ &= -0.012043 + 1.055927 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.96 \quad F = 4,238.55 \quad t = 65.10 \end{aligned}$$

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

$$\begin{aligned} P &= \frac{\text{Interstate Accumulated Amortization}}{\text{Total Accumulated Amortization}} \\ &= 0.995715 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 1.00 \quad F = 12,148.14 \quad t = 110.22 \end{aligned}$$

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

$$\begin{aligned} P &= \frac{\text{Interstate Net Deferred Federal Income Taxes}}{\text{Total Net Deferred Federal Income Taxes}} \\ &= 0.353132 \end{aligned}$$

#### Network Support Expense - Account 6110

$$\begin{aligned} P &= \frac{\text{Interstate of Network Support Expense}}{\text{Total Network Support Expense}} \\ &= 1.001540 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 1.00 \quad F = 5,682,175.92 \quad t = 2,383.73 \end{aligned}$$

## EXHIBIT 4.3 (Continued)

### PART 36 SEPARATION FACTOR MODELS

#### General Support Expense - Account 6120

$$\begin{aligned} P &= \frac{\text{Interstate of GSF Expense}}{\text{Total GSF Expense}} \\ &= 1.001212 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 1.00 \quad F = 9,400,879.44 \quad t = 3,066.09 \end{aligned}$$

#### COE Expense - Account 6210

$$\begin{aligned} P &= \frac{\text{Interstate of COE}}{\text{Total COE}} \\ &= 1.001985 \times \% \text{ Interstate of COE} \\ R^2 &= 1.00 \quad F = 4,813,026.50 \quad t = 2,193.86 \end{aligned}$$

#### C\&WF Expense - Account 6410

$$\begin{aligned} P &= \frac{\text{Interstate of C\&WF Expense}}{\text{Total C\&WF Expense}} \\ &= \% \text{ Interstate of C\&WF} \\ R^2 &= 1.00 \quad F = \text{Infinity} \quad t = \text{Infinity} \end{aligned}$$

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

$$\begin{aligned} P &= \frac{\text{Interstate of Account 6510}}{\text{Total Account 6510}} \\ &= 1.000825 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 1.00 \quad F = 9,997,221.84 \quad t = 3,161.84 \end{aligned}$$

#### Network Operations Expense - Account 6530

$$\begin{aligned} P &= \frac{\text{Interstate of Network Operations Expense}}{\text{Total Network Operations Expense}} \\ &= 1.001751 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 1.00 \quad F = 5,302,431.45 \quad t = 2,302.70 \end{aligned}$$

## EXHIBIT 4.3 (Continued)

### PART 36 SEPARATION FACTOR MODELS

#### Depreciation and Amortization Expense - Account 6560

$$\begin{aligned} P &= \frac{\text{Interstate Depreciation and Amortization Expense}}{\text{Total Depreciation and Amortization Expense}} \\ &= -0.022752 + 1.128390 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.93 \quad F = 2671.85 \quad t = 51.69 \end{aligned}$$

#### Marketing Expense - Account 6610

$$\begin{aligned} P &= \frac{\text{Interstate Marketing Expense}}{\text{Total Marketing Expense}} \\ &= 0.188732 + 0.341417 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 0.04 \quad F = 7.23 \quad t = 2.69 \end{aligned}$$

#### Services Expense - Account 6620

$$\begin{aligned} P &= \frac{\text{Interstate Services Expense}}{\text{Total Services Expense}} \\ &= 0.279240 + 0.143966 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.01 \quad F = 2.93 \quad t = 1.71 \end{aligned}$$

#### Corporate Operations Expense – Accounts 6710 and 6720

$$\begin{aligned} P &= \frac{\text{Interstate Corporate Operations Expense}}{\text{Total Corporate Operations Expense}} \\ &= 0.017603 + 1.047837 \times \% \text{ Interstate of Total Big Three Expenses} \\ R^2 &= 0.89 \quad F = 1635.61 \quad t = 40.44 \end{aligned}$$



## EXHIBIT 4.3 (Continued)

### PART 36 SEPARATION FACTOR MODELS

#### Other Operating Taxes - Account 7200

$$\begin{aligned} P &= \frac{\text{Interstate Account 7200}}{\text{Total Account 7200}} \\ &= 1.023461 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.98 \quad F = 10,949.12 \quad t = 104.64 \end{aligned}$$

#### Federal Investment Tax Credit

If study area is subject to Federal Income Tax,

$$\begin{aligned} P &= \frac{\text{Interstate of Investment Tax Credit}}{\text{Total Investment Tax Credit}} \\ &= 0.064836 + 0.830739 \times \% \text{ Interstate of Total Net Plant} \\ R^2 &= 0.93 \quad F = 333.56 \quad t = 18.26 \end{aligned}$$

#### Non-Operating Income and Expense

$$\begin{aligned} P &= \frac{\text{Interstate of Non-Operating Income and Expense}}{\text{Total Non-Operating Income and Expense}} \\ &= 0.085459 + 0.888931 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.68 \quad F = 321.11 \quad t = 17.92 \end{aligned}$$

#### Interest & Related Items - Account 7500

$$\begin{aligned} P &= \frac{\text{Interstate of Total 2001}}{\text{Total 2001}} \\ &= 0.962714 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.99 \quad F = 20,082.17 \quad t = 141.71 \end{aligned}$$

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.<sup>13</sup>

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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<sup>13</sup> 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:

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

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

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**  
**INDEPENDENT VARIABLES TESTED IN MODEL DEVELOPMENT**

<b><u>Variable Name</u></b>	<b><u>Calculation</u></b>
% Access of Interstate 2001	$\frac{\text{Access Category Telecommunications Plant in Service}}{\text{Total Interstate Telecommunications Plant in Service}}$
% Access of Interstate Other Plant	$\frac{\text{Access Category Telecommunications Plant} - \text{Other}}{\text{Total Interstate Telecommunications Plant} - \text{Other}}$
% Access of Interstate Big Three Expenses	$\frac{\text{Access Category Big Three Expenses}}{\text{Total Interstate Big Three Expenses}}$
% Access of Interstate Big Three Expenses Less Services Expense	$\frac{\text{Access Category Big Three Expenses Minus Services}}{\text{Total Interstate Big Three Expenses Minus Services}}$
% Access of Plant Specific Expense	$\frac{\text{Access Category Plant Specific Expense}}{\text{Total Interstate Plant Specific Expense}}$
% Access of Plant Non-Specific Expense	$\frac{\text{Access Category Plant Non-Specific Expense}}{\text{Total Interstate Plant Non-Specific Expense}}$
% Access of Customer Operations Expense	$\frac{\text{Access Category Customer Operations Expense}}{\text{Total Interstate Customer Operations Expense}}$
Adjusted Special Access Revenues per Line	$\frac{\text{Adjusted Special Access Revenues}}{\text{Access Lines}}$
Adjusted Special Access Revenues per Exchange	$\frac{\text{Adjusted Special Access Revenues}}{\text{Exchanges}}$
Exchanges per Line	$\frac{\text{Exchanges}}{\text{Access Lines}}$
Circuit Miles Per Line	$\frac{\text{Circuit Miles}}{\text{Access Lines}}$
Terminations per Line	$\frac{\text{Terminations}}{\text{Access Lines}}$
Interstate Toll Circuit Miles Per Exchange	$\frac{\text{Interstate Circuit Miles} + \text{Joint Interstate Circuit Miles}}{\text{Exchanges}}$
Interstate Toll Circuit Miles Per Line	$\frac{\text{Interstate Circuit Miles} + \text{Joint Interstate Circuit Miles}}{\text{Access Lines}}$
Normal Route Circuit Miles Per Line	$\frac{\text{Normal Route Circuit Miles}}{\text{Access Lines}}$
Long Route Circuit Miles Per Line	$\frac{\text{Long Route Circuit Miles}}{\text{Access Lines}}$
Host Remote Circuit Miles Per Host Remote Circuit	$\frac{\text{Host Remote Circuit Miles}}{\text{Host Remote Circuits}}$
Host Remote Circuits Per Line	$\frac{\text{Host Remote Circuits}}{\text{Access Lines}}$
Normal Volume Minutes Per Line	$\frac{\text{Normal Volume Minutes}}{\text{Access Lines}}$
High Volume Minutes Per Line	$\frac{\text{High Volume Minutes}}{\text{Access Lines}}$

2. Part 69 Allocation Models

a. Expense and Reserve Models

Structured according to Part 69 allocation rules, these models relate 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 = -0.024251 + 1.003242 x % CL of Interstate 2001  
 %CO = 1.119467 x % CO of Interstate 2001  
 %SA = 0.963129 x % SA of Interstate 2001  
 %TR = 0.962135 x % TR of Interstate 2001

	<u>R<sup>2</sup></u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	0.93	2772	53	0.074344	0.873682
%CO Model	0.97	7141	85	0.013521	0.746937
%SA Model	0.99	25169	159	0.000000	0.576956
%TR Model	0.99	32191	179	0.001259	0.432439

**Net Deferred Income Taxes**

%CL = 0.477619  
 %CO = 0.275200  
 %SA = 0.168431  
 %TR = 0.078750

**Accumulated Amortization**

%CL = 1.010766 x % CL of Interstate 2001  
 %CO = 0.969740 x % CO of Interstate 2001  
 %SA = 1.000286 x % SA of Interstate 2001  
 %TR = 0.995447 x % TR of Interstate 2001

	<u>R<sup>2</sup></u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	0.99	8583	93	0.147190	0.752099
%CO Model	0.96	1381	37	0.052270	0.647035
%SA Model	0.99	4683	68	0.005322	0.521735
%TR Model	1.00	15710	125	0.003952	0.271921

**Depreciation and Amortization Expense**

%CL = -0.037684 + 0.946489 x % CL of Interstate 2001  
 %CO = 0.043007 + 1.065650 x % CO of Interstate 2001  
 %SA = 1.026483 x % SA of Interstate 2001  
 %TR = 0.005211 + 0.944570 x % TR of Interstate 2001

	<u>R<sup>2</sup></u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	0.86	1226	35	0.055333	0.809453
%CO Model	0.73	535	23	0.055878	0.754035
%SA Model	0.98	9510	98	0.000000	0.614908
%TR Model	0.93	2833	53	0.006446	0.429754

**Services Expenses**

%CL	=	0.126114	+	0.211617	x	% CL of Interstate 2001
%CO	=	0.068707	+	0.587145	x	% CO of Interstate 2001
%SA	=	0.027653	+	0.400763	x	% SA of Interstate 2001
%TR	=	0.006408	+	0.632754	x	% TR of Interstate 2001

	<u>R<sup>2</sup></u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	0.06	13	3.67	0.146911	0.315518
%CO Model	0.39	125	11.18	0.075799	0.460465
%SA Model	0.32	95	9.74	0.027653	0.267727
%TR Model	0.75	606	24.62	0.007236	0.290804

b. Central Office Equipment Models

Exhibit 4.6 lists those categories of Central Office Equipment that require models to calculate cost allocations. 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 = 0.720612  
%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 = 0.998451  
%TR = 0.001549

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

R<sup>2</sup>      F      t

If Adjusted Special Access Revenues are not equal to zero:

%CL	=	0.988610	-	0.001791	x	Adjusted SA Revenues per Line	0.07	14.57	-3.82
%CO	=	0.00							
%SA	=	0.011390	+	0.001791	x	Adjusted SA Revenues per Line	0.07	14.57	3.82
%TR	=	0.00							

If Adjusted Special Access Revenues equal zero:

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



**Category 4.2 - Interexchange Circuit Equipment**

R<sup>2</sup>      F      t

If Adjusted Special Access Revenues are not equal to zero:

%CL	=	0.00			
%CO	=	0.00			
%SA	=	0.349162 + 0.001004 x Adjusted SA Revenues per Termination	0.04	8.92	2.99
%TR	=	0.650838 - 0.001004 x Adjusted SA Revenues per Termination	0.04	8.92	-2.99

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 = 0.995145  
%TR = 0.004855

If Adjusted Special Access Revenues equal zero:

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

**Category 3 - Interexchange**

R<sup>2</sup>    F    t<sub>1</sub>    t<sub>2</sub>

If Adjusted Special Access Revenues are not equal to zero:

%CL	=	0.00							
%CO	=	0.00							
%SA	=	0.313606	- 0.007863	x	Circuit Miles per Line	0.03	2.71	-1.73	1.87
			+ 0.014030	x	Adjusted SA Revenues per Line				
%TR	=	0.686394	+ 0.007863	x	Circuit Miles per Line	0.03	2.71	1.73	-1.87
			- 0.014030	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 0.007660 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 2005 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 0.000125 was calculated as the ratio of weighted unseparated ITC over weighted unseparated Net Plant from 2005 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 0.001845 was calculated as the weighted ratio of unseparated charitable contributions over unseparated Expenses and Other Taxes (EOT) from 2005 Cost Study data. This factor is applied to Average Schedule Company Total EOT amounts.

G. Cost Study Factors

A study factor was used as described in Section VII.J to allocate SS7 costs to the interstate jurisdiction. This factor was developed from weighted sample cost company cost studies as shown in Exhibit 4.8.

**EXHIBIT 4.8**

**DEVELOPMENT OF SS7 COST STUDY FACTOR**

$$\begin{aligned} \text{COE} &= \frac{\Sigma[(\text{Sample Weight}) \times (\text{Interstate COE Cat. 3})]}{\Sigma[(\text{Sample Weight}) \times (\text{Unseparated COE Cat. 3})]} \\ \text{Switching} & \\ \text{Factor} &= 0.569680 \end{aligned}$$

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 2005 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.

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

<b>EXHIBIT 4.9</b>	
<b><u>EFFECTIVE TAX RATES</u></b>	
<b>Category</b>	<b>Tax Rate</b>
Unseparated	0.289346
Interstate	0.283980
Common Line	0.287432
Central Office	0.271460
Special Access	0.286453
Transport	0.282314

## **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 2007 Study is the year beginning July 1, 2008 and ending June 30, 2009, 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 2006 Sample growth ratios with 2005 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 2006 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 2007 Study growth ratios with those developed in the 2006 Study.<sup>1</sup>

1. Stratification of the 2006 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

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<sup>1</sup> Accounting data supplied by the 2006 Average Schedule Sample are reported in Appendices C1 and C2. Accounting data supplied by the 2005 Average Schedule Sample are reported in Appendices C4 and C5.



differences. The 2007 Study continues using this methodology. Study areas in the 2006 Sample were separated into three strata based on access line size as of December 2004, including all adjustments through December 2006.

- 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.<sup>2</sup> Since sample average schedule companies do not provide separate subaccount data for Interest on Customer Deposits, this subaccount was derived by applying a factor, 0.00766, 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 Expenses and Other Taxes reported by sample cost companies. The development of this ratio, 0.001845, was discussed in Section IV.F.3.

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<sup>2</sup> See 47 C.F.R. §§ 65.820 and 65.830.

- 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 2008 to June 2009 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 0.036908 for 2005 and 0.03649 for 2004 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 2005 cost studies.

### 3. Identification and Accommodation of Outliers

Annual growth ratios were calculated for Part 32 accounts using 2004 and 2005 accounting data from the 2006 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 2004 and 2005 unseparated revenue requirement amounts for each 2006 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 2006 Sample as follows:

2006 Sample Average Revenue Requirement (RRQ) Growth Ratio<sub>i</sub> =

$$\frac{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \times \text{Variance Weight}_i \times 2005 \text{ Unseparated RRQ})}{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \times \text{Variance Weight}_i \times 2004 \text{ Unseparated RRQ})}$$

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**

<b>Account Group</b>	<b>Accounts Included in Group</b>	<b>Part 32 Account Number</b>
Accumulated Depreciation & Amortization	Accumulated Depreciation – Telecommunications Plant in Service	3100
	Accumulated Depreciation – Held for Future Telecommunications Use	3200
	Accumulated Amortization – Tangible	3400
	Accumulated Amortization – Intangible	3500
	Accumulated Amortization – Other	3600
Plant Specific Expense	Network Support Expense	6110
	General Support Expense	6120
	Central Office Equipment Expense	6210, 6220, 6230
	Cable & Wire Facilities Expense	6410
Plant Non-Specific Expense	Other Property, Plant and Equipment Expense	6510
	Network Operations Expense	6530
Customer Operations Expense	Marketing Expense	6610
	Services Expense	6620
Corporate Operations Expense	Executive & Planning Expense	6710
	General & Administrative Expense	6720
Other Telecommunications Plant	Deferred Maintenance and Retirement	1438
	Property Held for Future Telecommunications Use	2003
	Telecommunications Plant Under Construction	2004
	Telecommunications Plant Adjustment	2006
Other Operating Taxes	Operating State and Local Income Taxes	7230
	Operating Other Taxes	7240
Net Deferred Income Taxes	Net Current Deferred Operating Income Taxes	4100
	Net Non-Current Deferred Operating Income Taxes	4340
	Other Jurisdictional Liabilities and Deferred Credits	4370
GSF and Tangibles	General Support Facilities	2110
	Amortizable Tangible Assets	2680
COE and Intangibles	Central Office Equipment	2210-2230
	Intangibles	2690
Total Plant	Materials & Supplies	1220
	Telecommunications Plant in Service	2001
	Other Telecommunications Plant	2003, 2004, 2006

5. The 2006 Sample Stratified Annual Growth Ratios

NECA used the combined ratio estimate technique to determine stratified annual growth rates. For the 2006 Sample, the Stratified Annual Growth Ratios were calculated within each stratum, using the following formula:

2006 Sample Stratified Annual Growth Ratio<sub>i</sub> =

$$\frac{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \times \text{Variance Weight}_i \times 2005 \text{ Account Balance}_i)}{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \times \text{Variance Weight}_i \times 2004 \text{ Account Balance}_i)}$$

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 2006 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			
	(A) 2005 Sample Annual Growth	(B) 2005 Sample Adjusted Growth	(C) 2006 Sample Annual Growth	(D) 2006 Composite Growth
Telecommunications Plant In Service	1.0418	1.0401	1.0428	1.0415
Land & Support Assets	1.0365	1.0352	1.0228	1.0290
Central Office Equipment	1.0507	1.0483	1.0630	1.0556
Cable & Wire Facilities	1.0374	1.0361	1.0342	1.0351
Tangible Assets	1.0365	1.0352	1.0228	1.0290
Intangibles	1.0507	1.0483	1.0630	1.0556
Materials And Supplies	0.8992	0.8879	1.0583	0.9731
Rural Telephone Bank Stock	1.0000	1.0000	0.0000	0.0000
Other Telecommunications Plant	1.0404	1.0388	1.0429	1.0409
Total Telecommunications Plant	1.0404	1.0388	1.0429	1.0409
Other Non-Current Assets	0.9745	0.9738	0.9770	0.9754
Accum. Depreciation & Amortization	1.0864	1.0795	1.0969	1.0882
Net Telecommunications Plant	0.9745	0.9738	0.9770	0.9754
Net Deferred Operating Income Tax	1.1295	1.1147	0.9567	1.0357
Plant Specific Expense	1.0928	1.0849	1.0340	1.0595
Plant Non-specific Expense	1.0063	1.0063	1.0732	1.0397
Customer Service Expense	1.0286	1.0278	0.9910	1.0094
Corporate Operations Expense	1.0816	1.0754	1.0664	1.0709
Depreciation & Amortization Expense	1.0090	1.0089	1.0267	1.0178
Charitable Contributions	1.0404	1.0388	1.0429	1.0409
Interest & Related Items	0.9122	0.9037	0.9787	0.9412
Patronage Dividends	0.9745	0.9738	0.0000	0.0000
Interest On Customer Deposits	0.9122	0.9037	0.9787	0.9412
Other Long Term Liabilities	0.9745	0.9738	0.9770	0.9754
Federal Investment Tax Credits	0.9745	0.9738	0.9770	0.9754
Other Operating Taxes	0.9600	0.9583	1.1292	1.0438
Allow. For Funds Used During Const.	1.0404	1.0388	1.0429	1.0409
Expenses & Other Taxes	1.0506	1.0482	1.0358	1.0420
Revenue Requirement	1.0301	1.0292	1.0268	1.0280

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

	Medium Study Areas			
	(E) 2005 Sample Annual Growth	(F) 2005 Sample Adjusted Growth	(G) 2006 Sample Annual Growth	(H) 2006 Composite Growth
Telecommunications Plant In Service	1.0530	1.0503	1.0461	1.0482
Land & Support Assets	1.0242	1.0236	1.0889	1.0563
Central Office Equipment	1.0619	1.0583	1.0087	1.0335
Cable & Wire Facilities	1.0547	1.0519	1.0634	1.0576
Tangible Assets	1.0242	1.0236	1.0889	1.0563
Intangibles	1.0619	1.0583	1.0087	1.0335
Materials And Supplies	0.8127	0.7695	0.9941	0.8818
Rural Telephone Bank Stock	1.0000	1.0000	0.0000	0.0000
Other Telecommunications Plant	1.0520	1.0494	1.0459	1.0477
Total Telecommunications Plant	1.0520	1.0494	1.0459	1.0477
Other Non-Current Assets	0.9809	0.9805	1.0101	0.9953
Accum. Depreciation & Amortization	1.0913	1.0837	1.0694	1.0765
Net Telecommunications Plant	0.9809	0.9805	1.0101	0.9953
Net Deferred Operating Income Tax	1.3262	1.2460	0.9842	1.1151
Plant Specific Expense	1.0589	1.0556	1.0733	1.0645
Plant Non-specific Expense	1.0545	1.0517	1.1229	1.0873
Customer Service Expense	1.0652	1.0612	1.0123	1.0368
Corporate Operations Expense	1.0311	1.0302	1.1033	1.0667
Depreciation & Amortization Expense	0.9629	0.9615	1.0230	0.9922
Charitable Contributions	1.0520	1.0494	1.0459	1.0477
Interest & Related Items	0.9318	0.9268	0.9585	0.9427
Patronage Dividends	0.9809	0.9805	0.0000	0.0000
Interest On Customer Deposits	0.9318	0.9268	0.9585	0.9427
Other Long Term Liabilities	0.9809	0.9805	1.0101	0.9953
Federal Investment Tax Credits	0.9809	0.9805	1.0101	0.9953
Other Operating Taxes	0.9817	0.9814	1.0907	1.0360
Allow. For Funds Used During Const.	1.0520	1.0494	1.0459	1.0477
Expenses & Other Taxes	1.0231	1.0226	1.0540	1.0383
Revenue Requirement	1.0125	1.0123	1.0452	1.0288

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

	Large Study Areas			
	(I) 2005 Sample Annual Growth	(J) 2005 Sample Adjusted Growth	(K) 2006 Sample Annual Growth	(L) 2006 Composite Growth
Telecommunications Plant In Service	1.0393	1.0378	1.0417	1.0398
Land & Support Assets	1.0524	1.0498	1.0579	1.0538
Central Office Equipment	1.0404	1.0388	1.0463	1.0426
Cable & Wire Facilities	1.0357	1.0345	1.0335	1.0340
Tangible Assets	1.0524	1.0498	1.0579	1.0538
Intangibles	1.0404	1.0388	1.0463	1.0426
Materials And Supplies	1.0355	1.0343	1.0282	1.0312
Rural Telephone Bank Stock	1.0000	1.0000	0.0000	0.0000
Other Telecommunications Plant	1.0392	1.0377	1.0415	1.0396
Total Telecommunications Plant	1.0392	1.0377	1.0415	1.0396
Other Non-Current Assets	0.9528	0.9505	1.0056	0.9780
Accum. Depreciation & Amortization	1.0981	1.0893	1.0689	1.0791
Net Telecommunications Plant	0.9528	0.9505	1.0056	0.9780
Net Deferred Operating Income Tax	1.0394	1.0379	0.8625	0.9502
Plant Specific Expense	1.0591	1.0558	1.0353	1.0456
Plant Non-specific Expense	0.9875	0.9873	1.0355	1.0114
Customer Service Expense	1.0438	1.0420	1.0398	1.0409
Corporate Operations Expense	0.9955	0.9955	1.0815	1.0385
Depreciation & Amortization Expense	1.0090	1.0089	0.9913	1.0001
Charitable Contributions	1.0392	1.0377	1.0415	1.0396
Interest & Related Items	0.7251	0.6209	0.9472	0.7840
Patronage Dividends	0.9528	0.9505	0.0000	0.0000
Interest On Customer Deposits	0.7251	0.6209	0.9472	0.7840
Other Long Term Liabilities	0.9528	0.9505	1.0056	0.9780
Federal Investment Tax Credits	0.9528	0.9505	1.0056	0.9780
Other Operating Taxes	0.9775	0.9770	1.0370	1.0070
Allow. For Funds Used During Const.	1.0392	1.0377	1.0415	1.0396
Expenses & Other Taxes	1.0169	1.0166	1.0277	1.0222
Revenue Requirement	1.0000	1.0000	1.0231	1.0116



6. The 2007 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 2005 Sample annual straight line growth ratios to the next year, and averaging these adjusted growth ratios with the 2006 Sample Stratified Growth Ratios.

The 2005 Sample Stratified Annual Growth Ratios, representing growth from 2003 to 2004, 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 2004 to 2005. 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.<sup>3</sup> Adjusted 2005 Sample Stratified Annual Growth Ratios are displayed in Columns B, F and J of Exhibit 5.2.

**EXHIBIT 5.3**

**ADJUSTMENT OF 2005 SAMPLE STRATIFIED ANNUAL GROWTH RATIOS**  
FOR STUDY AREAS WITH LESS THAN 4,000 ACCESS LINES  
USING COE INVESTMENT AS AN EXAMPLE

A. 2005 Sample Stratified Small Company Annual Growth Ratios (2003 to 2004)	1.0507
B. 2005 Sample Stratified Small Company Two Year Growth Ratios (2003 to 2005)	1.1014
{2 x (Line A - 1)} + 1	
C. Adjusted 2005 Sample Stratified Small Company Annual Growth Ratio (Line B/Line A)	1.0483

<sup>3</sup> 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 2005 Sample Stratified Annual Growth Ratio and the related 2006 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.

*2007 Study Stratified Composite Growth Ratio for Stratum 1*

$$\begin{aligned} &= \{ \text{Adjusted 2005 Stratified Stratum}_1 \text{ Growth Ratio} \\ &\quad + \text{2006 Stratified Stratum}_1 \text{ Annual Growth Ratio} \} / 2 \\ &= (1.0483 + 1.063) / 2 \\ &= 1.0556 \end{aligned}$$

The 2007 Study Stratified Composite Growth Ratios are displayed in Columns D, H and L of Exhibit 5.2.

7. Stratified Multi-year Growth Ratios

NECA derived stratified multi-year growth ratios to estimate test period costs from the historical accounting data submitted by study areas. For the 2004 accounts submitted by the 2005 Sample, the multi-year growth rates reflect the fact that the test period extends four and one-half years beyond the end of 2004. For accounts in each stratum of the 2006 Sample multi-year growth ratios reflect three and one-half years between the end of 2005 and the test period. The calculation for multi-year growth ratios is as follows:

For 2005 Accounts:

$$\begin{aligned} &2005 \text{ Stratified Multi-year Growth Ratio}_i = \\ &1 + [(2007 \text{ Study Stratified Composite Growth Ratio}_i - 1) \times 3.5] \end{aligned}$$

For 2004 Accounts:

$$\begin{aligned} &2004 \text{ Stratified Multi-year Growth Ratio}_i = \\ &1 + [(2007 \text{ Study Stratified Composite Growth Ratio}_i - 1) \times 4.5] \end{aligned}$$

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 2005 Sample were separated into access line size strata based on the number of lines reported for December 2004. The forecasted amounts in each stratum were computed by multiplying the 2004 account balance by the 2004 Stratified Multi-year Growth Ratio by stratum. Similarly, accounts of study areas from the 2006 Sample were first assigned to access line strata and then projected to the test period by multiplying the 2005 account balance by the corresponding multi-year growth ratio.

*Study Area Forecast of 2005 Account =*

$$(Study \text{ Area } 2005 \text{ Account Value}) \times (2005 \text{ Stratified Multi-year Growth Ratio}_i)$$

*Study Area Forecast of 2004 Account =*

$$(Study \text{ Area } 2004 \text{ Account Value}) \times (2004 \text{ Stratified Multi-year Growth Ratio}_i)$$

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 a time series 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.<sup>4</sup> The modeling process and calculation of forecasts are described below.

#### 1. Time Series Model for Access Minutes

Traffic sensitive access minutes data reported to the NECA pool by the population<sup>5</sup> of average schedule companies from January 1999 through July 2007, including all adjustments through October 2007, were used to develop the model. These data are displayed in Appendix D4.

In previous filings, NECA used an econometric model to forecast local switching minutes.

The key underlying assumption in this type of model is a stable relationship between

interstate access minutes and retail long distance conversation minutes. Use of this model

enabled NECA to estimate a relationship between interstate access minutes and demand

variables associated with traditional landline long distance services such as the price of retail

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<sup>4</sup> Access Minute Growth Ratios for NECA average schedule companies were derived using the time series 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, 2007 at Vol. 3, Sec. 3, p. 9.

<sup>5</sup> 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.

long distance service and measures of income and market size. For most of the post-divestiture period a close relationship between access minutes and retail long distance conversation minutes was a reasonable assumption. Traditional long distance calls were completed over local telephone company circuit switched networks.

With the advent of packet technology, the growing importance of local competition from wireless companies building out their networks in rural areas, and the onset of competition from cable companies, a stable relationship between access minutes and retail conversation minutes for traditional long distance service no longer exists. In the current environment, where it is difficult to characterize the relationship between long distance retail conversation minutes and access minutes, NECA has chosen to forecast interstate local switching minutes based on history alone. In this way, history, whatever market changes compose it, speaks for itself.

NECA is using a class of time series techniques called Generalized Autoregressive Conditional Heteroskedasticity (GARCH) modeling to develop its preliminary local switching MOU growth rates for TS pool participants.<sup>6</sup> This technique forecasts a time series (in this case the natural log of interstate LS MOU) based on its own history. The history reflects prior demand levels and variances in demand levels. The underlying assumption for including historical variances is that demand volatility has persistence. Any near term forecast should account for recent oscillations in the historical series.

The specific model that fits the historical data best is an exponential GARCH in the mean model fitted to the aggregated MOU of a consistent set of companies in the NECA TS pool

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<sup>6</sup> For a description of GARCH, See Hamilton, J. D. 1994. *Time Series Analysis*, Princeton University Press, Princeton, NJ.

from January 1999 through May 2007, who neither bought nor sold exchanges during this period, and did not experience any major decline in demand due to the discontinuance of a particular service. The forecast model was specified as follows:

Dependent variable:

- The natural log of interstate MOU, differenced by taking twelve month differences to remove trend and seasonal effects, and then differenced again, this time using adjacent months to produce a stationary series.

Independent variables:

- Lags of the dependent variable - autoregressive (AR) variables.
- Lags of the absolute error term - EARCH variables.
- Lags of the variances of the estimated error terms (EGARCH variables)
- Estimated current statistical variance of access minutes, calculated by the model (DELTA)
- Estimated component of the prior month's demand not attributable to systematic trends, calculated by the model (THETA)

The latter two variables link the level of minutes to the volatility of minutes from month to month. The positive sign of the DELTA coefficient indicates that increased volatility of minutes is associated with increasing minutes demand. The positive coefficient of the THETA variable indicates that a positive surprise increases demand volatility more than a negative surprise. This result suggests that upward movements of minutes demand are unlikely to persist.

The results of the NECA model are shown in Exhibit 5.4. The diagnostics for this model indicate that it captures the underlying demand trend well. The t-statistics are all highly significant. The Durbin-Watson test, the Durbin's test, Ljung-Box test, and Breusch-Godfrey test also indicated the absence of serial correlation in the residual series.<sup>7</sup>

## 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 2006 through June 2007), 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 GARCH 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:

$$\begin{aligned} \text{Access Minute Growth Ratio} &= \frac{\text{Annual Modeled Access Minutes 7/08 - 6/09}}{\text{Annual Modeled Access Minutes 7/06 - 6/07}} \\ &= \frac{3,766.0M}{4,659.5M} \\ &= 0.8104 \end{aligned}$$

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<sup>7</sup> See, Johnston and Dinardo, *Econometric Methods*, fourth edition, McGraw-Hill Publishing Company, 1997, Chapter 6.

**EXHIBIT 5.4**

**ACCESS MINUTES MODEL**

<b>Variable</b>	<b>Coefficient</b>	<b>Standard Error</b>	<b>T-statistic</b>
AR1	0.55	0.003	181.2
AR2	0.25	0.003	81.5
AR3	0.17	0.003	59.2
AR4	0.28	0.003	92.6
AR5	0.04	0.003	15.7
AR6	-0.09	0.003	-31.2
AR7	0.15	0.003	50.2
AR8	-0.03	0.003	-10.2
AR9	-0.35	0.003	-115.2
AR10	-0.17	0.003	-56.9
EARCH0	-7.87	0.003	-2488.8
EARCH1	0.62	0.003	195.2
EARCH2	-0.10	0.003	-32.1
EARCH3	1.54	0.003	485.5
EARCH4	1.32	0.003	416.9
EARCH5	-0.88	0.003	-279.8
EARCH6	-0.40	0.003	-125.2
EARCH7	-0.48	0.003	-151.9
EARCH8	-0.65	0.003	-205.7
EARCH9	0.87	0.003	276.6
EARCH10	-0.38	0.003	-121.2
EARCH11	-0.32	0.003	-100.9
EGARCH1	0.01	0.003	4.4
EGARCH2	-0.15	0.003	-48.1
EGARCH3	-0.13	0.003	-41.5
EGARCH4	0.16	0.003	50.8
EGARCH5	0.12	0.003	38.9
EGARCH6	-0.14	0.003	-47.1
EGARCH7	0.09	0.003	30.1
EGARCH8	0.15	0.003	50.2
EGARCH9	-0.13	0.003	-40.6
EGARCH10	0.14	0.003	46.9
THETA	-0.05	0.003	-16.4
DELTA	-0.10	0.003	-33.9
Estimation Interval	199101-200705	Std. Error	0.014
Observations	88	R-squared	0.78
Degrees of Freedom	54	Durbin Watson	1.98



NECA used the Access Minute Growth Ratio to project access minutes data for each sample study area. The base period monthly average access minutes<sup>8</sup> 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.

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.<sup>9</sup> 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. A historical time period of 38 months from July 2004 through August 2007, including all adjustments made through September 2007 was used to develop the models. NECA found that the access lines reported for settlements each month dropped measurably in July 2005, when the Commission Order<sup>10</sup> change in DS1 Channel Service reporting

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<sup>8</sup> These data are displayed in Appendix D1.

<sup>9</sup> See National Exchange Carrier Association, Inc., 2001 Modification of Average Schedules, December 28, 2000, Sec. V.D at p 18.

<sup>10</sup> See 47 C.F.R. § 69.104(q).

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:

If Access Lines are less than or equal to 1,000

$$\text{Monthly Access Lines} = 86,825 - (183.83 \times \text{Month Sequence}) - (656.45 \times \text{STEP})$$

$$R^2 = 0.98.15 \quad t\text{-statistic for Intercept} = 830.13 \quad F\text{-statistic} = 980.33$$

$$t\text{-statistic for Month Sequence} = -23.32$$

$$t\text{-statistic for STEP} = -3.53$$

Where STEP = 0, from July 2004 to June 2005  
STEP = 1 for July 2005 on.

If Access Lines are greater than 1,000 but less than 7,501

$$\text{Monthly Access Lines} = 727,547 - (1,762.49 \times \text{Month Sequence}) - (3,992.63 \times \text{STEP})$$

Where STEP = 0, from July 2004 to June 2005  
STEP = 1 for July 2005 on.

$$R^2 = 0.9953 \quad t\text{-statistic for Intercept} = 1,505.64 \quad F\text{-statistic} = 3,879.09$$

$$t\text{-statistic for Month Sequence} = -48.39$$

$$t\text{-statistic for STEP} = -4.65$$

If Access Lines are greater than 7,500

$$\text{Monthly Access Lines} = 1,472,307 - (4,388.07 \times \text{Month Sequence}) - (14,095 \times \text{STEP})$$

Where STEP = 0, from July 2004 to June 2005  
STEP = 1 for July 2005 on.

$$R^2 = 0.9971 \quad t\text{-statistic for Intercept} = 1,529.99 \quad F\text{-statistic} = 6,448.19$$

$$t\text{-statistic for Month Sequence} = -60.50$$

$$t\text{-statistic for STEP} = -8.24$$

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:

$$\text{Average of Month Sequence Numbers in Test Period (July 2008 to June 2009)} = 54.5$$

$$\text{Average of Month Sequence Numbers in Base Period (July 2006 to June 2007)} = 30.5$$

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

$$= \frac{\text{Access Line Modeled Avg. Month of 7/08 - 6/09}}{\text{Access Line Modeled Avg. Month of 7/06 - 6/07}}$$

$$= \frac{76,150 \text{ Access Lines}}{80,562 \text{ Access Lines}}$$

$$= 0.94524$$

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

$$= \frac{\text{Access Line Modeled Avg. Month of 7/08 - 6/09}}{\text{Access Line Modeled Avg. Month of 7/06 - 6/07}}$$

$$= \frac{627,499 \text{ Access Lines}}{669,798 \text{ Access Lines}}$$

$$= 0.93685$$

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

$$= \frac{\text{Access Line Modeled Avg. Month of 7/08 - 6/09}}{\text{Access Line Modeled Avg. Month of 7/06 - 6/07}}$$

$$= \frac{1,219,063 \text{ Access Lines}}{1,324,377 \text{ Access Lines}}$$

$$= 0.92048$$

Next, average monthly base period access lines were computed for each sample study area, using the September 2007 view of data from July 2006 through June 2007. Each sample company was then assigned to a stratum based on its access line size. Access lines for each sample study area were

projected by multiplying its base period access lines by its Stratified Access Line Growth Ratio.

<b>EXHIBIT 5.5A</b>				
<b><u>DEMAND DATA USED IN TIME SERIES MODELS – COMMON LINE</u></b>				
<b>DATE</b>	<b>Common Line Month Sequence</b>	<b>Access Lines By Line Size Group</b>		
		<b>Small</b>	<b>Medium</b>	<b>Large</b>
200407	1	87,038	726,543	1,460,917
200408	2	86,798	725,001	1,459,788
200409	3	86,598	722,338	1,454,248
200410	4	86,475	720,487	1,452,116
200411	5	85,611	717,156	1,447,846
200412	6	85,066	714,930	1,443,717
200501	7	85,120	712,413	1,441,007
200502	8	85,030	712,279	1,439,690
200503	9	84,936	710,435	1,436,745
200504	10	84,840	711,282	1,434,999
200505	11	84,935	710,928	1,429,911
200506	12	85,119	709,295	1,424,435
200507	13	83,894	701,328	1,401,972
200508	14	83,487	699,431	1,396,983
200509	15	83,424	697,905	1,393,062
200510	16	83,099	695,035	1,388,943
200511	17	82,940	693,045	1,384,068
200512	18	82,483	692,873	1,379,161
200601	19	82,497	687,998	1,374,507
200602	20	82,170	687,863	1,371,328
200603	21	82,122	684,981	1,367,112
200604	22	82,158	684,507	1,363,660
200605	23	82,127	683,579	1,359,687
200606	24	81,962	682,407	1,355,326
200607	25	82,079	680,893	1,349,963
200608	26	81,894	678,879	1,345,553
200609	27	81,609	677,300	1,340,435
200610	28	81,405	675,375	1,335,379
200611	29	80,923	672,856	1,330,367
200612	30	80,374	669,152	1,325,483
200701	31	80,156	666,974	1,318,748
200702	32	79,922	664,641	1,314,303
200703	33	79,863	664,494	1,312,048
200704	34	79,822	663,562	1,307,799
200705	35	79,973	663,330	1,306,171
200706	36	79,834	661,625	1,299,566

**EXHIBIT 5.5B  
DEMAND DATA USED IN TIME SERIES MODELS – TRAFFIC SENSITIVE**

DATE	Month Sequence	Normal Route Circuit Miles		Long Route Circuit Miles		Intertoll Dial Circuits
		Study Areas With Tandems	Study Areas w/o Tandems	Study Areas With Tandems	Study Areas w/o Tandems	
200407	1	1,169,708	871,289	1,389,148	1,978,298	26,593
200408	2	1,161,514	887,614	1,410,138	1,992,573	26,711
200409	3	1,147,422	957,446	1,411,952	1,994,612	27,218
200410	4	1,129,513	958,037	1,429,777	2,013,912	27,274
200411	5	1,138,586	1,021,926	1,429,034	2,011,317	27,353
200412	6	1,146,047	1,025,520	1,428,008	2,069,419	27,365
200501	7	1,168,364	1,048,826	1,467,776	2,078,430	27,136
200502	8	1,158,208	1,054,024	1,471,050	2,088,945	27,322
200503	9	1,157,397	1,056,138	1,490,839	2,136,508	27,728
200504	10	1,146,685	1,057,689	1,513,999	2,155,079	28,117
200505	11	1,162,810	1,079,002	1,520,039	2,155,995	28,279
200506	12	1,172,474	1,074,667	1,504,845	2,155,301	28,044
200507	13	1,170,565	1,088,325	1,551,135	2,160,103	28,349
200508	14	1,205,052	1,085,813	1,556,247	2,209,269	28,428
200509	15	1,180,213	1,085,996	1,584,095	2,252,058	28,543
200510	16	1,197,925	1,095,410	1,583,154	2,255,914	28,561
200511	17	1,193,958	1,094,082	1,583,179	2,251,217	28,807
200512	18	1,182,999	1,095,302	1,583,595	2,252,996	28,851
200601	19	1,208,883	1,093,771	1,579,157	2,378,847	29,481
200602	20	1,199,745	1,131,078	1,578,622	2,383,765	29,519
200603	21	1,189,687	1,130,340	1,592,320	2,346,988	29,282
200604	22	1,210,233	1,128,094	1,599,027	2,356,401	29,493
200605	23	1,180,833	1,139,545	1,603,712	2,344,026	29,388
200606	24	1,190,447	1,141,891	1,629,264	2,355,600	29,520
200607	25	1,223,375	1,146,373	1,629,737	2,360,914	30,033
200608	26	1,232,764	1,149,883	1,632,125	2,370,513	30,247
200609	27	1,208,148	1,156,245	1,636,154	2,381,285	30,219
200610	28	1,229,634	1,176,821	1,670,084	2,392,809	30,355
200611	29	1,212,713	1,191,867	1,678,409	2,393,459	30,126
200612	30	1,231,211	1,179,889	1,706,407	2,437,175	30,844
200701	31	1,251,659	1,174,293	1,689,917	2,318,444	30,896
200702	32	1,228,583	1,173,723	1,689,918	2,287,380	31,134
200703	33	1,232,658	1,172,507	1,689,918	2,290,124	31,505
200704	34	1,251,955	1,187,548	1,702,228	2,290,124	31,374
200705	35	1,241,526	1,185,626	1,706,982	2,289,821	31,127
200706	36	1,259,281	1,189,604	1,706,869	2,282,372	31,276
200707	37	1,278,989	1,193,113	1,711,829	2,283,314	31,720
200708	38	1,279,235	1,195,286	1,695,840	2,282,786	31,669

<b>EXHIBIT 5.5C</b>					
<b>DEMAND DATA USED IN TIME SERIES MODELS – TRAFFIC SENSITIVE</b>					
<b>DATE</b>	<b>Month Sequence</b>	<b>Normal Route Inter. Circuits</b>		<b>Long Route Inter. Circuits</b>	
		<b>Study Areas With Tandems</b>	<b>Study Areas w/o Tandems</b>	<b>Study Areas With Tandems</b>	<b>Study Areas w/o Tandems</b>
200407	1	44,174	47,633	15,128	11,116
200408	2	44,224	48,139	15,142	11,200
200409	3	44,851	49,269	15,228	11,223
200410	4	45,114	49,275	15,268	11,256
200411	5	45,122	51,202	15,278	11,240
200412	6	45,139	51,820	15,260	11,979
200501	7	45,496	53,676	15,118	12,120
200502	8	45,308	54,596	15,057	12,154
200503	9	45,447	54,471	15,145	12,802
200504	10	45,130	54,518	15,299	12,844
200505	11	45,486	54,581	15,368	12,854
200506	12	45,258	54,736	15,238	12,845
200507	13	45,385	57,732	15,918	12,850
200508	14	45,972	59,315	15,869	13,407
200509	15	45,503	59,253	16,003	13,591
200510	16	45,931	59,446	16,016	13,807
200511	17	46,028	59,448	16,016	14,021
200512	18	45,847	59,492	16,016	14,131
200601	19	46,411	59,516	15,998	14,511
200602	20	46,328	60,138	16,098	14,526
200603	21	46,108	60,157	15,627	14,526
200604	22	46,365	59,964	15,620	14,771
200605	23	45,998	60,893	15,724	14,693
200606	24	46,049	61,704	16,030	14,736
200607	25	46,608	61,965	16,161	14,944
200608	26	46,850	61,998	16,186	14,981
200609	27	46,491	61,984	16,226	15,000
200610	28	46,920	62,471	16,277	15,077
200611	29	46,480	62,721	16,290	15,076
200612	30	46,773	62,507	16,449	14,785
200701	31	47,352	62,360	16,359	13,634
200702	32	47,104	62,298	16,359	13,468
200703	33	47,366	62,298	16,359	13,539
200704	34	47,630	62,352	16,399	13,540
200705	35	47,369	62,426	16,436	13,568
200706	36	47,559	62,601	16,425	13,480
200707	37	48,090	62,629	16,284	13,537
200708	38	48,150	62,800	16,409	13,485

**EXHIBIT 5.5D  
DEMAND DATA USED IN TIME SERIES MODELS – TRAFFIC SENSITIVE**

DATE	Month Sequence	Normal Route Circuit Terms		Long Route Circuit Terms	
		Study Areas With Tandems	Study Areas w/o Tandems	Study Areas With Tandems	Study Areas w/o Tandems
200407	1	46,902	42,787	15,276	13,870
200408	2	46,795	42,946	15,327	13,942
200409	3	47,422	43,224	15,421	13,940
200410	4	47,489	43,186	15,477	13,975
200411	5	47,467	43,374	15,487	13,958
200412	6	47,442	43,369	15,469	14,160
200501	7	47,837	43,575	15,434	14,181
200502	8	47,650	43,533	15,378	14,239
200503	9	47,841	43,356	15,308	14,322
200504	10	47,524	43,403	15,584	14,550
200505	11	47,904	43,404	15,706	14,559
200506	12	47,685	43,422	15,847	14,550
200507	13	47,709	43,930	16,106	14,559
200508	14	48,216	43,467	16,057	14,552
200509	15	47,747	43,405	16,218	14,964
200510	16	48,174	44,215	16,197	14,957
200511	17	48,239	44,256	16,197	15,014
200512	18	48,058	44,337	16,198	15,023
200601	19	48,766	44,343	16,255	15,249
200602	20	48,683	44,481	16,342	15,282
200603	21	48,463	44,435	16,215	15,282
200604	22	48,758	44,246	16,325	15,282
200605	23	48,391	45,267	16,429	15,173
200606	24	48,441	45,385	16,558	15,264
200607	25	49,018	45,531	16,715	15,285
200608	26	49,287	45,522	16,739	15,359
200609	27	48,955	45,448	16,793	15,437
200610	28	49,405	45,364	16,749	15,462
200611	29	48,985	45,614	16,779	15,461
200612	30	49,309	45,632	16,938	15,507
200701	31	49,873	45,501	16,848	15,631
200702	32	49,627	45,440	16,848	15,568
200703	33	49,573	45,438	16,848	15,566
200704	34	50,203	45,492	16,927	15,566
200705	35	49,942	45,564	16,978	15,565
200706	36	50,007	45,799	16,967	15,440
200707	37	50,587	45,715	16,854	15,571
200708	38	50,648	45,881	16,912	15,443

#### E. Stratified Transport Demand Elements Forecasting

NECA forecasted interstate circuit miles, circuits, and circuit terminations of sample study areas using stratified growth ratios, which measure the relative growth of respective transport demand element of the base period to the average month of the test period within each stratum of average schedule companies. All sample study areas were grouped in four strata according to their route length and whether the study area had a tandem switch. Study areas with circuit mile per circuit ratios of up to 60 were considered normal route study areas and those with circuit mile per circuit ratios of more than 60 were considered long route study areas. The use of a stratified approach with respect to a route length was introduced in the 2006 Study in order to improve the accuracy of transport demand forecasts. This year it is being refined further to account for differences among groups of study areas with and without tandem switches.

Stratified models of transport demand trends were developed by fitting a regression time series model to historical monthly transport demand values of the average schedule study areas in each stratum. A historical time period of 38 months from July 2004 through August 2007, including all adjustments made through September 2007 was used to develop the models. This data is shown in exhibits 5.5 B, C and D. The Month Sequence variable with values of 1 through 38 was used to represent the time.

For some elements the data series showed a trend change from a certain sequence month forward, in which case the model included an indicator variable with values of 1,2,3, etc, starting at the trend change month, and the value of zero in prior months. In the case of a shift of data series a Step variable was used, with values of 0 prior to the shift and 1 for all the months following and including the shift. For time series that exhibited a uniform trend throughout the 38 month



period only the Month Sequence variable was used in the regression.

Presented next are the regression models and the resulting 2 year growth ratios from base period to test period. These ratios were applied to each sample study area base period demand using the September 2007 view of data reported to the NECA pool from July 2006 through June 2007. Each sample company was assigned to its stratum and the forecasted test period transport demand for each sample study area was computed by multiplying base period demand by the appropriate stratified transport growth ratio.

1. Interstate Circuit Mile Models

a. Normal Route Study Areas with Tandem Switches

$$\text{Monthly Circuit Miles} = 1,133,832 + (3,300.09 \times \text{Month Sequence})$$

$$R^2 = 0.8648 \quad t\text{-statistic for Intercept} = 236.73 \quad F\text{-statistic} = 237.61$$
$$t\text{-statistic for Month Sequence} = 15.41$$

The 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.

$$\text{Average of Month Sequence Numbers from July 2008 to June 2009 Test Period} = 54.5$$

$$\text{Average of Month Sequence Numbers from July 2006 to June 2007 Base Period} = 30.5$$

*Circuit Mile Growth Ratio For Normal Route Study Areas with Tandem*

$$= \frac{\text{Circuit Miles Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Miles Modeled Avg. Month of 7/06 - 6/07}}$$

$$= \frac{1,313,688 \text{ Interstate Circuit Miles}}{1,234,485 \text{ Interstate Circuit Miles}}$$

$$= 1.06416$$

b. Normal Route Study Areas without Tandem Switches

$$\text{Monthly Circuit Miles} = 934,774 + (10,160 \times \text{Month Sequence}) - (6,874.3 \times \text{Indicator})$$

Where Indicator = 0, from July 2004 to February 2006  
 Indicator = 1, 2, 3, etc. from March 2006 (Seq.=21) through August 2007.

$$R^2 = 0.9048 \quad t\text{-statistic for Intercept} = 83.84 \quad F\text{-statistic} = 176.80$$

$$t\text{-statistic for Month Sequence} = 12.48$$

$$t\text{-statistic for Indicator} = -4.57$$

The 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 2008 to June 2009 Test Period = 54.5

Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5

*Circuit Mile Growth Ratio For Normal Route Study Areas without Tandem*

$$= \frac{\text{Circuit Miles Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Miles Modeled Avg. Month of 7/06 - 6/07}}$$

$$= \frac{1,251,341 \text{ Interstate Circuit Miles}}{1,172,480 \text{ Interstate Circuit Miles}}$$

$$= 1.06726$$

c. Long Route Study Areas with Tandem Switches

$$\text{Monthly Circuit Miles} = 1,392,577 + (10,222 \times \text{Month Sequence}) - (4,341.9 \times \text{Indicator})$$

Where Indicator = 0, from July 2004 to June 2006  
 Indicator = 1, 2, 3, etc. from July 2006 (Seq.=25) through August 2007.

$$R^2 = 0.9709 \quad t\text{-statistic for Intercept} = 202.31 \quad F\text{-statistic} = 617.41$$

$$t\text{-statistic for Month Sequence} = 23.35$$

$$t\text{-statistic for Indicator} = -3.95$$

The 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 2008 to June 2009 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5*

*Circuit Mile Growth Ratio For Long Route Study Areas with Tandem*

$$\begin{aligned}
 &= \frac{\text{Circuit Miles Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Miles Modeled Avg. Month of 7/06 - 6/07}} \\
 &= \frac{1,817,248 \text{ Interstate Circuit Miles}}{1,676,126 \text{ Interstate Circuit Miles}} \\
 &= 1.08420
 \end{aligned}$$

d. Long Route Study Areas without Tandem Switches

$$\begin{aligned}
 \text{Monthly Circuit Miles} = & 2,079,787 + (4536.73 \times \text{Month Sequence}) \\
 & + (132,223.58 \times \text{Step})
 \end{aligned}$$

*Where Indicator = 0, from July 2004 to December 2005*

*Step = 1. from January 2006 (Seq.=19) through August 2007.*

$$\begin{aligned}
 R^2 = 0.7055 & \quad t\text{-statistic for Intercept} = 78.41 & \quad F\text{-statistic} = 45.32 \\
 & \quad t\text{-statistic for Month Sequence} = 2.12 \\
 & \quad t\text{-statistic for Step} = 2.82
 \end{aligned}$$

The 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 2008 to June 2009 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5*

*Circuit Mile Growth Ratio For Long Route Study Areas without Tandem*

$$\begin{aligned} &= \frac{\text{Circuit Miles Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Miles Modeled Avg. Month of 7/06 - 6/07}} \\ &= \frac{2,459,262 \text{ Interstate Circuit Miles}}{2,350,381 \text{ Interstate Circuit Miles}} \\ &= 1.04633 \end{aligned}$$

2. Interstate Circuits Models

a. Normal Route Study Areas with Tandem Switches

$$\text{Monthly Circuits} = 44,453 + (86.66 \times \text{Month Sequence})$$

$$\begin{aligned} R^2 &= 0.9280 & t\text{-statistic for Intercept} &= 501.41 & F\text{-statistic} &= 478.20 \\ & & t\text{-statistic for Month Sequence} &= 21.87 & & \end{aligned}$$

The Circuits 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.

$$\text{Average of Month Sequence Numbers from July 2008 to June 2009 Test Period} = 54.5$$

$$\text{Average of Month Sequence Numbers from July 2006 to June 2007 Base Period} = 30.5$$

*Interstate Circuits Growth Ratio For Normal Route Study Areas with Tandem*

$$\begin{aligned} &= \frac{\text{Circuits Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuits Modeled Avg. Month of 7/06 - 6/07}} \\ &= \frac{49,175 \text{ Interstate Circuits}}{47,096 \text{ Interstate Circuits}} \\ &= 1.04414 \end{aligned}$$

b. Normal Route Study Areas without Tandem Switches

$$\text{Monthly Circuits} = 46,343 + (920.9 \times \text{Month Sequence}) \\ - (704.8 \times \text{Indicator})$$

Where Indicator = 0, from July 2004 to July 2005  
Indicator = 1, 2, 3, etc. from August 2005 (Seq.=14) through August 2007.

$$R^2 = 0.9693 \quad t\text{-statistic for Intercept} = 102.92 \quad F\text{-statistic} = 584.56 \\ t\text{-statistic for Month Sequence} = 20.04 \\ t\text{-statistic for Indicator} = -11.89$$

The Circuits 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 2008 to June 2009 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5*

*Interstate Circuits Growth Ratio For Normal Route Study Areas without Tandem*

$$= \frac{\text{Circuits Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuits Modeled Avg. Month of 7/06 - 6/07}} \\ = \frac{67,283 \text{ Interstate Circuits}}{62,097 \text{ Interstate Circuits}} \\ = 1.08352$$

c. Long Route Study Areas with Tandem Switches

$$\text{Monthly Circuits} = 15,000 + (45.57 \times \text{Month Sequence}) \\ - (30.43 \times \text{Indicator})$$

Where Indicator = 0, from July 2004 to October 2006  
Indicator = 1, 2, 3, etc. from November 2006 (Seq.=29) through August 2007.

$$R^2 = 0.8451 \quad t\text{-statistic for Intercept} = 208.62 \quad F\text{-statistic} = 101.95 \\ t\text{-statistic for Month Sequence} = 11.19 \\ t\text{-statistic for Indicator} = -1.93$$

The Circuits 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 2008 to June 2009 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5*

*Interstate Circuits Growth Ratio For Long Route Study Areas with Tandem*

$$\begin{aligned}
 &= \frac{\text{Circuits Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuits Modeled Avg. Month of 7/06 - 6/07}} \\
 &= \frac{16,677 \text{ Interstate Circuits}}{16,314 \text{ Interstate Circuits}} \\
 &= 1.02225
 \end{aligned}$$

d. Long Route Study Areas without Tandem Switches

$$\begin{aligned}
 \text{Monthly Circuits} = & 10,298 + (281.48 \times \text{Month Sequence}) \\
 & - (272.53 \times \text{Indicator})
 \end{aligned}$$

*Where Indicator = 0, from July 2004 to July 2005*

*Indicator = 1, 2, 3, etc. from August 2005 (Seq.=14) through August 2007.*

$$\begin{aligned}
 R^2 = 0.7418 & \quad t\text{-statistic for Intercept} = 30.41 & \quad F\text{-statistic} = 54.15 \\
 & t\text{-statistic for Month Sequence} = 8.14 \\
 & t\text{-statistic for Indicator} = -6.11
 \end{aligned}$$

The Circuits 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 2008 to June 2009 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5*

*Interstate Circuits Growth Ratio For Long Route Study Areas without Tandem*

$$\begin{aligned} &= \frac{\text{Circuits Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuits Modeled Avg. Month of 7/06 - 6/07}} \\ &= \frac{14,328 \text{ Interstate Circuits}}{14,113 \text{ Interstate Circuits}} \\ &= 1.01523 \end{aligned}$$

3. Interstate Circuit Terminations Models

a. Normal Route Study Areas with Tandem Switches

$$\text{Monthly Circuit Terminations} = 46,826 + (88.57 \times \text{Month Sequence})$$

$$\begin{aligned} R^2 &= 0.9303 & t\text{-statistic for Intercept} &= 525.56 & F\text{-statistic} &= 494.63 \\ & & t\text{-statistic for Month Sequence} &= 22.24 & & \end{aligned}$$

The Circuit Terminations 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.

$$\text{Average of Month Sequence Numbers from July 2008 to June 2009 Test Period} = 54.5$$

$$\text{Average of Month Sequence Numbers from July 2006 to June 2007 Base Period} = 30.5$$

*Circuit Terminations Growth Ratio For Normal Route Study Areas with Tandem*

$$\begin{aligned} &= \frac{\text{Circuit Terminations Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Terminations Modeled Avg. Month of 7/06 - 6/07}} \\ &= \frac{51,653 \text{ Interstate Circuit Terminations}}{49,528 \text{ Interstate Circuit Terminations}} \\ &= 1.04291 \end{aligned}$$

b. Normal Route Study Areas without Tandem Switches

$$\text{Monthly Circuit Terminations} = 42,604 + (100.26 \times \text{Month Sequence}) - (43.42 \times \text{Indicator})$$

Where Indicator = 0, from July 2004 to July 2006  
 Indicator = 1, 2, 3, etc. from August 2006 (Seq.=26) through August 2007.

$$R^2 = 0.9252 \quad t\text{-statistic for Intercept} = 386.29 \quad F\text{-statistic} = 229.78$$

$$t\text{-statistic for Month Sequence} = 14.74$$

$$t\text{-statistic for Indicator} = -2.31$$

The Circuit Terminations 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.

$$\text{Average of Month Sequence Numbers from July 2008 to June 2009 Test Period} = 54.5$$

$$\text{Average of Month Sequence Numbers from July 2006 to June 2007 Base Period} = 30.5$$

*Circuit Terminations Growth Ratio For Normal Route Study Areas without Tandem*

$$= \frac{\text{Circuit Terminations Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Terminations Modeled Avg. Month of 7/06 - 6/07}}$$

$$= \frac{46,787 \text{ Interstate Circuit Terminations}}{45,423 \text{ Interstate Circuit Terminations}}$$

$$= 1.03003$$

c. Long Route Study Areas with Tandem Switches

$$\text{Monthly Circuit Terminations} = 15,116 + (61.31 \times \text{Month Sequence}) - (34.44 \times \text{Indicator})$$

Where Indicator = 0, from July 2004 to July 2006  
 Indicator = 1, 2, 3, etc. from August 2006 (Seq.=26) through August 2007.

$$R^2 = 0.9590 \quad t\text{-statistic for Intercept} = 320.12 \quad F\text{-statistic} = 434.04$$

$$t\text{-statistic for Month Sequence} = 21.05$$

$$t\text{-statistic for Indicator} = -4.29$$



The Circuit Terminations 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 2008 to June 2009 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5*

*Circuit Terminations Growth Ratio For Long Route Study Areas with Tandem*

$$\begin{aligned}
 &= \frac{\text{Circuit Terminations Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Terminations Modeled Avg. Month of 7/06 - 6/07}} \\
 &= \frac{17,441 \text{ Interstate Circuit Terminations}}{16,796 \text{ Interstate Circuit Terminations}} \\
 &= 1.0384
 \end{aligned}$$

d. Long Route Study Areas without Tandem Switches

$$\begin{aligned}
 \text{Monthly Circuit Terminations} &= 13,669 + (79.51 \times \text{Month Sequence}) \\
 &\quad - (55.93 \times \text{Indicator})
 \end{aligned}$$

*Where Indicator = 0, from July 2004 to January 2006*

*Indicator = 1, 2, 3, etc. from February 2006 (Seq.=20) through August 2007.*

$$\begin{aligned}
 R^2 &= 0.9759 & t\text{-statistic for Intercept} &= 332.84 & F\text{-statistic} &= 749.16 \\
 & & t\text{-statistic for Month Sequence} &= 25.49 & & \\
 & & t\text{-statistic for Indicator} &= -10.34 & &
 \end{aligned}$$

The Circuit Terminations 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 2008 to June 2009 Test Period = 54.5*

*Average of Month Sequence Numbers from July 2006 to June 2007 Base Period = 30.5*

*Circuit Terminations Growth Ratio For Long Route Study Areas without Tandem*

$$\begin{aligned} &= \frac{\text{Circuit Terminations Modeled Avg. Month of 7/08 - 6/09}}{\text{Circuit Terminations Modeled Avg. Month of 7/06 - 6/07}} \\ &= \frac{16,017 \text{ Interstate Circuit Terminations}}{15,451 \text{ Interstate Circuit Terminations}} \\ &= 1.03663 \end{aligned}$$

4. Intertoll Dial Circuits Model

The intertoll dial circuit model was developed by fitting a regression time series model to historical monthly ITD circuits demand values of the average schedule study areas consistently reporting ITD circuits to NECA in the period of July 2004 through August 2007. The Month Sequence variable with values of 1 through 38 was used to represent the time. The regression results and the corresponding two year growth ratio is given below.

$$\text{Monthly ITD Circuits} = 26,519 + (137.89 \times \text{Month Sequence})$$

$$\begin{aligned} R^2 &= 0.9823 & t\text{-statistic for Intercept} &= 389.47 & F\text{-statistic} &= 2,052.83 \\ & & t\text{-statistic for Month Sequence} &= 45.31 & & \end{aligned}$$

The ITD Circuits 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.

$$\text{Average of Month Sequence Numbers from July 2008 to June 2009 Test Period} = 54.5$$

$$\text{Average of Month Sequence Numbers from July 2006 to June 2007 Base Period} = 30.5$$

*Intertoll Dial Circuits Growth Ratio*

$$\begin{aligned} &= \frac{\text{ITD Circuits Modeled Avg. Month of 7/08 - 6/09}}{\text{ITD Circuits Modeled Avg. Month of 7/06 - 6/07}} \\ &= \frac{34,034 \text{ Interstate ITD Circuit}}{30,724 \text{ Interstate ITD Circuit}} \\ &= 1.10773 \end{aligned}$$

F. Adjustments to Base Period Data

A number of Average Schedule companies have implemented significant network changes since the 2004 and 2005 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 (2004 and 2005) and the base period used for demand projection (July 2006 through June 2007). Affected demand quantities include interstate circuits, circuit miles, circuit terminations, and intertoll dial circuits.

Adjustment was made to the 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 the accuracy of cost demand relationship for formula development.

G. 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 2004 to December 2005, 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 2007. For example, to express the special access revenues for December 2005 in terms of December 2007 rates, the revenue reported for December 2005 is multiplied by 1.0932<sup>11</sup>.

The Special Access Revenue Adjustment Factors are shown in Exhibit 5.6.

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<sup>11</sup> The value of 1.0932 is derived using a series of Tariff Rate Index (TRI), which measures the average price change since the December of prior year. For December 2005, revenue adjustment factor =  $1,143137 / (.919691 \times .994642 \times 1.143137)$ . A TRI less than 1 means the rates are higher than the rates from prior December.

<b>EXHIBIT 5.6</b>			
<b><u>SPECIAL ACCESS REVENUE ADJUSTMENT FACTOR</u></b>			
<b>Month</b>	<b>Special Access Revenue Adjustment Factor</b>	<b>Month</b>	<b>Special Access Revenue Adjustment Factor</b>
200401	0.9883	200601	1.0932
200402	0.9883	200602	1.0932
200403	0.9883	200603	1.0932
200404	0.9924	200604	1.1277
200405	0.9924	200605	1.1277
200406	0.9924	200606	1.1277
200407	0.9563	200607	1.0873
200408	0.9563	200608	1.0873
200409	0.9563	200609	1.0873
200410	0.9563	200610	1.0873
200411	0.9563	200611	1.0873
200412	0.9563	200612	1.0873
200501	0.9563	200701	1.0873
200502	0.9563	200702	1.0873
200503	0.9563	200703	1.0873
200504	0.9563	200704	1.0873
200505	0.9563	200705	1.0873
200506	0.9563	200706	1.0873
200507	1.0901	200707	1.0000
200508	1.0901	200708	1.0000
200509	1.0901	200709	1.0000
200510	1.0932	200710	1.0000
200511	1.0932	200711	1.0000
200512	1.0932	200712	1.0000

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 2005 and 2004 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*

$$\begin{aligned} &= \textit{Sample Study Area Base Period Special Access Revenues} \\ &\quad \times \textit{Special Access Revenue Adjustment Factor} \\ &\quad \times \textit{Multi-year Stratum Revenue Requirement Growth Ratio} \end{aligned}$$

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)	0.000653
C.	Interstate Category 1 COE (Line A x Line B)	\$65

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 model applied to 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) (0.002566 + 0.000496 x Line B)	0.003147
D.	Interstate Category 1.2 C&WF Investment (Line A x Line C)	\$315

### 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 (Composite of all C&WF investment results for this study area)	0.282940
C.	C&WF Expense Separations Fraction (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**

<b><u>Account</u></b>	<b><u>Weighted Total Cost</u></b>	<b><u>Average Interstate Proportion</u></b>	<b><u>Weighted Separated Cost</u></b>
Telecommunications Plant In Service	\$6,722,867,492	35.2293%	\$2,368,421,534
General Support Facilities	\$899,679,957	35.1737%	\$316,451,125
Central Office Equipment	\$2,517,419,809	44.9362%	\$1,131,233,380
-- COE Cat 1		0.0059%	\$149,432
-- COE Cat 2		0.9904%	\$24,933,629
-- COE Cat 3		20.3746%	\$512,913,626
-- COE Cat 4.11 + 4.12		6.4571%	\$162,553,329
-- COE Cat 4.13		8.5777%	\$215,937,677
-- COE Cat 4.2		7.1836%	\$180,841,477
-- COE Cat 4.3		1.3468%	\$33,904,209
Cable & Wire Facilities	\$3,271,346,383	27.7359%	\$907,338,083
-- C&WF Cat 1.2		0.4555%	\$14,901,324
-- C&WF Cat 1.3		21.2840%	\$696,274,021
-- C&WF Cat 2		1.7041%	\$55,745,454
-- C&WF Cat 3		3.5933%	\$117,548,496
-- C&WF Cat 4		0.6991%	\$22,868,787
Tangibles	\$8,065,344	42.5798%	\$3,434,208
Intangibles	\$26,356,000	37.8082%	\$9,964,738
Materials And Supplies	\$34,289,496	27.5995%	\$9,463,736
Rural Telephone Bank Stock	\$0	0.0000%	\$0
Other Telecommunications Plant	\$125,338,220	36.3453%	\$45,554,530
Other Non-Current Assets	\$19,910,826	33.4635%	\$6,662,850
Cash Working Capital	\$37,436,109	35.2264%	\$13,187,386
Accumulated Depreciation	\$4,582,865,093	35.9772%	\$1,648,788,067
Accumulated Amortization	\$73,917,663	31.6848%	\$23,420,661
Net Deferred Operating FIT	\$197,480,125	35.3132%	\$69,736,597
Network Support Expense	\$6,270,649	34.3600%	\$2,154,592
General Support Expense	\$52,850,062	35.3422%	\$18,678,383
COE Expense	\$90,773,593	46.5380%	\$42,244,253
C&WF Expense	\$127,006,943	27.7479%	\$35,241,769
Other Property & Plant Expense	\$2,522,435	35.2815%	\$889,952
Network Operations Expense	\$81,320,886	34.9915%	\$28,455,435
Depreciation & Amortization Expense	\$357,366,322	37.4016%	\$133,660,814
Marketing Expense	\$25,511,339	31.0213%	\$7,913,942
Services Expense	\$134,556,388	33.0221%	\$44,433,392
Executive & Planning Expense	\$0	0.0000%	\$0
General & Administration Expense	\$239,235,437	37.3367%	\$89,322,611
Charitable Contributions	\$1,398,746	40.4031%	\$565,137
Interest & Related Items	\$29,457,972	34.3444%	\$10,117,167
Patronage Dividends	\$0	0.0000%	\$0
Interest On Customer Deposits	\$225,643	35.6746%	\$80,497
Other Long Term Liabilities	\$63,732,347	34.4211%	\$21,937,361
Federal Income Taxes	\$49,457,486	31.5940%	\$15,625,613
Investment Tax Credits	\$237,285	34.3303%	\$81,461
Other Operating Taxes	\$70,355,315	35.7748%	\$25,169,447
Allowance For Funds Used During Construction	\$2,762,166	29.1036%	\$803,889
Expenses & Other Taxes	\$1,189,393,758	36.0528%	\$428,810,226
Average Net Investment	\$2,022,128,844	34.0185%	\$687,898,384
Revenue Requirement	\$1,463,578,572	35.5991%	\$521,020,519

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.

<b>EXHIBIT 6.5</b>	
<b><u>INTERSTATE INVESTMENT DIRECTLY ASSIGNED TO ACCESS CATEGORIES</u></b>	
<b><u>Investment Category</u></b>	<b><u>Access Category</u></b>
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**

<b><u>Account</u></b>	<b><u>Allocation Basis</u></b>
General Support Facilities	Combined COE and C&WF Investment <sup>1</sup>
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 <sup>2</sup>	General Support Facilities
Allow. for Funds Used During Construction	Telecommunications Plant in Service

The access allocation results are displayed in Exhibit 6.7. Average allocation percentages corresponding to these results appear in Exhibit 6.8.

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<sup>1</sup> See Section IV.B.2 for a description of the allocation of some General Support Facilities costs to the Billing and Collection Category.

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.

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<sup>2</sup> Includes Operating Other Taxes + Operating State and Local Income Taxes.

**EXHIBIT 6.7**  
**WEIGHTED ACCESS CATEGORY ALLOCATION RESULTS**

<b><u>Account</u></b>	<b><u>Interstate</u></b>	<b><u>Common Line</u></b>	<b><u>Central Office</u></b>	<b><u>Transport</u></b>	<b><u>Special Access</u></b>
Telecommunications Plant In Service	\$2,368,421,534	\$1,053,404,161	\$599,284,277	\$306,113,120	\$409,573,779
General Support Facilities	\$316,451,125	\$140,295,293	\$83,023,426	\$40,612,194	\$52,516,753
Central Office Equipment	\$1,131,233,380	\$211,235,673	\$513,021,309	\$161,955,469	\$244,979,180
- - COE Cat 1	\$149,432	\$0	\$107,683	\$0	\$0
- - COE Cat 2	\$24,933,629	\$0	\$0	\$24,933,629	\$0
- - COE Cat 3	\$512,913,626	\$0	\$512,913,626	\$0	\$0
- - COE Cat 4.11 + 4.12	\$162,553,329	\$0	\$0	\$378,535	\$162,174,795
- - COE Cat 4.13	\$215,937,677	\$211,235,673	\$0	\$0	\$4,702,004
- - COE Cat 4.2	\$180,841,477	\$0	\$0	\$102,739,096	\$78,102,381
- - COE Cat 4.3	\$33,904,209	\$0	\$0	\$33,904,209	\$0
Cable & Wire Facilities	\$907,338,083	\$696,274,021	\$0	\$102,031,853	\$109,032,209
- - C&WF Cat 1.2	\$14,901,324	\$0	\$0	\$0	\$14,901,324
- - C&WF Cat 1.3	\$696,274,021	\$696,274,021	\$0	\$0	\$0
- - C&WF Cat 2	\$55,745,454	\$0	\$0	\$475,069	\$55,270,386
- - C&WF Cat 3	\$117,548,496	\$0	\$0	\$78,687,997	\$38,860,499
- - C&WF Cat 4	\$22,868,787	\$0	\$0	\$22,868,787	\$0
Tangibles	\$3,434,208	\$1,533,347	\$777,100	\$436,123	\$687,638
Intangibles	\$9,964,738	\$4,065,827	\$2,462,442	\$1,077,481	\$2,357,999
Materials And Supplies	\$9,463,736	\$4,372,402	\$2,317,436	\$1,167,690	\$1,606,125
Rural Telephone Bank Stock	\$0	\$0	\$0	\$0	\$0
Other Telecommunications Plant	\$45,554,530	\$19,659,920	\$11,957,341	\$6,221,359	\$7,715,584
Other Non-Current Assets	\$6,662,850	\$2,427,208	\$1,873,843	\$814,372	\$457,163
Cash Working Capital	\$13,187,386	\$4,991,563	\$3,138,501	\$1,475,437	\$1,869,060
Accumulated Depreciation	\$1,640,420,125	\$690,257,847	\$462,548,896	\$206,092,666	\$274,767,990
Accumulated Amortization	\$23,420,661	\$13,275,145	\$4,848,223	\$1,909,818	\$3,369,813
Net Deferred Operating FIT	\$69,736,597	\$33,307,514	\$19,191,536	\$2,840,826	\$11,643,097
Network Support Expense	\$2,154,592	\$991,456	\$601,377	\$267,185	\$294,571
General Support Expense	\$18,678,383	\$8,335,648	\$4,774,740	\$2,353,411	\$3,214,174
COE Expense	\$42,244,253	\$7,586,379	\$20,396,392	\$5,731,288	\$8,528,768
C&WF Expense	\$35,241,769	\$26,583,039	\$0	\$4,286,082	\$4,193,251
Other Property & Plant Expense	\$889,952	\$400,368	\$235,017	\$112,972	\$141,595
Network Operations Expense	\$28,455,435	\$12,950,949	\$6,820,676	\$3,523,742	\$5,159,496
Depreciation & Amortization Expense	\$133,660,814	\$51,231,312	\$41,567,821	\$17,104,087	\$23,836,136
Marketing Expense	\$7,913,942	\$3,547,512	\$1,873,101	\$991,163	\$1,501,951
Services Expense	\$44,433,392	\$9,838,432	\$9,775,716	\$3,699,841	\$4,245,303
Executive & Planning Expense	\$0	\$0	\$0	\$0	\$0
General & Administration Expense	\$89,322,611	\$35,259,717	\$22,149,126	\$10,152,436	\$12,443,170
Charitable Contributions	\$565,137	\$215,196	\$132,020	\$66,433	\$90,134
Interest & Related Items	\$10,117,167	\$4,280,203	\$3,083,162	\$1,348,043	\$1,405,757
Patronage Dividends	\$0	\$0	\$0	\$0	\$0
Interest On Customer Deposits	\$80,497	\$37,330	\$17,377	\$14,443	\$12,813
Other Long Term Liabilities	\$21,937,361	\$8,309,212	\$4,685,435	\$2,701,001	\$3,917,930
Federal Income Taxes	\$15,625,613	\$8,376,537	\$2,451,647	\$2,307,716	\$3,147,711
Investment Tax Credits	\$81,461	\$36,336	\$20,974	\$10,381	\$13,768
Other Operating Taxes	\$25,169,447	\$11,275,734	\$6,428,010	\$3,298,413	\$4,166,911
Allowance For Funds Used Dur Const.	\$803,889	\$337,941	\$194,320	\$112,797	\$158,820
Expenses & Other Taxes	\$428,810,226	\$168,215,742	\$114,753,998	\$51,587,054	\$67,815,460
Average Net Investment	\$687,898,384	\$339,976,613	\$127,673,501	\$100,872,602	\$127,644,235
Revenue Requirement	\$521,020,519	\$146,849,612	\$71,799,329	\$39,056,383	\$57,259,001



**EXHIBIT 6.8**  
**WEIGHTED AVERAGE ACCESS CATEGORY ALLOCATION FACTORS**

<u>Account</u>	<u>Common</u> <u>Line</u>	<u>Central</u> <u>Office</u>	<u>Transport</u>	<u>Special</u> <u>Access</u>
Telecommunications Plant In Service	44.4771%	25.3031%	12.9248%	17.2931%
General Support Facilities	44.3340%	26.2358%	12.8336%	16.5955%
Central Office Equipment	18.6730%	45.3506%	14.3167%	21.6559%
-- COE Cat 1	0.0000%	72.0612%	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%	0.2329%	99.7671%
-- COE Cat 4.13	97.8225%	0.0000%	0.0000%	2.1775%
-- COE Cat 4.2	0.0000%	0.0000%	56.8117%	43.1883%
-- COE Cat 4.3	0.0000%	0.0000%	100.0000%	0.0000%
Cable & Wire Facilities	76.7381%	0.0000%	11.2452%	12.0167%
-- 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%	0.8522%	99.1478%
-- C&WF Cat 3	0.0000%	0.0000%	66.9409%	33.0591%
-- C&WF Cat 4	0.0000%	0.0000%	100.0000%	0.0000%
Tangibles	44.6492%	22.6282%	12.6994%	20.0232%
Intangibles	40.8022%	24.7116%	10.8129%	23.6634%
Materials And Supplies	46.2017%	24.4875%	12.3386%	16.9714%
Rural Telephone Bank Stock	0.0000%	0.0000%	0.0000%	0.0000%
Other Telecommunications Plant	43.1569%	26.2484%	13.6569%	16.9370%
Other Non-Current Assets	36.4290%	28.1237%	12.2226%	6.8614%
Cash Working Capital	37.8510%	23.7993%	11.1882%	14.1731%
Accumulated Depreciation	42.0781%	28.1970%	12.5634%	16.7499%
Accumulated Amortization	56.6813%	20.7006%	8.1544%	14.3882%
Net Deferred Operating FIT	47.7619%	27.5200%	4.0737%	16.6958%
Network Support Expense	46.0160%	27.9114%	12.4007%	13.6718%
General Support Expense	44.6272%	25.5629%	12.5997%	17.2080%
COE Expense	17.9584%	48.2820%	13.5670%	20.1892%
C&WF Expense	75.4305%	0.0000%	12.1619%	11.8985%
Other Property & Plant Expense	44.9876%	26.4079%	12.6942%	15.9104%
Network Operations Expense	45.5131%	23.9697%	12.3834%	18.1318%
Depreciation & Amortization Expense	38.3293%	31.0995%	12.7966%	17.8333%
Marketing Expense	44.8261%	23.6684%	12.5243%	18.9785%
Services Expense	22.1420%	22.0008%	8.3267%	9.5543%
Executive & Planning Expense	0.0000%	0.0000%	0.0000%	0.0000%
General & Administration Expense	39.4746%	24.7968%	11.3660%	13.9306%
Charitable Contributions	38.0786%	23.3606%	11.7552%	15.9490%
Interest & Related Items	42.3063%	30.4746%	13.3243%	13.8948%
Patronage Dividends	0.0000%	0.0000%	0.0000%	0.0000%
Interest On Customer Deposits	46.3747%	21.5874%	17.9420%	15.9174%
Other Long Term Liabilities	37.8770%	21.3582%	12.3123%	17.8596%
Federal Income Taxes	53.6077%	15.6899%	14.7688%	20.1446%
Investment Tax Credits	44.6053%	25.7479%	12.7438%	16.9015%
Other Operating Taxes	44.7993%	25.5389%	13.1048%	16.5554%
Allowance For Funds Used During Construct.	42.0382%	24.1724%	14.0314%	19.7564%
Expenses & Other Taxes	39.2285%	26.7610%	12.0303%	15.8148%
Average Net Investment	49.4225%	18.5599%	14.6639%	18.5557%
Revenue Requirement	41.1695%	25.2149%	12.5005%	16.3457%

## EXHIBIT 6.9

### DIRECT ASSIGNMENT OF COE AND C&WF TO TRANSPORT ELEMENTS

<u>Category</u>	<u>Transport Element</u>
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.<sup>3</sup> This formula is displayed below. Amounts calculated by these methods are displayed in Exhibits 6.4 and 6.7.

$$\text{Cash Working Capital} = 0.041096 \times \text{Total Amount for Allowances}$$

Where, Total Amount for Allowances

$$\begin{aligned} &= \text{Total Operating Expenses} + \text{Operating Taxes} + \text{Interest \& Related Items} \\ &+ \text{Charitable Contributions} + \text{Interest on Customer Deposits} \\ &- \text{Depreciation \& Amortization Expense} \end{aligned}$$

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<sup>3</sup> 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**

<b><u>Account</u></b>	<b><u>Indirect Allocation Basis</u></b>
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:

$$\begin{aligned} \text{Total Investment} &= \text{Central Office Equipment} + \text{Cable and Wire Facilities} \\ &+ \text{General Support Facilities} + \text{Other Telecommunication Plant} + \text{Tangibles} \\ &+ \text{Intangibles} + \text{Materials and Supplies} + \text{Other Non-Current Assets} \end{aligned}$$

$$\begin{aligned} \text{Average Net Investment} &= \text{Total Investment} + \text{Cash Working Capital} \\ &- \text{Accumulated Depreciation \& Amortization} \\ &- \text{Net Deferred Income Taxes} - \text{Other Long Term Liabilities} \end{aligned}$$

$$\text{Return}^4 = \text{Average Net Investment} \times 0.1125$$

$$\begin{aligned} \text{Net Plant}^5 &= \text{Telecommunication Plant in Service} + \text{Other Telecommunication Plant} \\ &+ \text{Material and Supplies} - \text{Accumulated Depreciation \& Amortization} \\ &- \text{Net Deferred Income Taxes} + \text{Other Non-Current Assets} \\ &- \text{Other Long Term Liabilities} \end{aligned}$$

$$\text{Net Federal Income Tax}^6 = \text{Average Effective Tax Rate} \times (\text{Net Plant} \times 0.1125)$$

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<sup>4</sup> This method assures that average schedule formulas are calibrated to the rate of return authorized by the Commission.

<sup>5</sup> Net Telephone Plant in each access category was limited to be greater than or equal to zero.

<sup>6</sup> 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 2003<sup>7</sup> (used for settlements in the first half of 2005) and the CABS formula developed in 2004<sup>8</sup> (used for settlements in the second half of 2005). The 2007 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*

$$\begin{aligned} &= 1 - \frac{\Sigma(\text{Sample Weight} \times \text{2005 Monthly CABS Costs})}{\Sigma(\text{Sample Weight} \times \text{Total Monthly TS Revenue Requirements})} \\ &= 1 - 0.0952 \\ &= 0.9048 \end{aligned}$$

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

In this study, NECA used central office and transport revenue requirements (traffic sensitive switched revenue requirements) to determine a separate settlement formula for SS7. Therefore, NECA removed SS7 costs from these revenue requirements to avoid double recovery. Using 2005 settlement data, corresponding to 2005 accounts which are the basis of this study, NECA

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<sup>7</sup> National Exchange Carrier Association, Inc., 2003 Proposed Modifications to the Interstate Average Schedule Formulas, Dec. 31, 2002 (December 2002 Filing).

<sup>8</sup> Ibid.

calculated the test period Traffic Sensitive revenue requirement adjustment ratio as:

$$\begin{aligned} \text{SS7 Adjustment Factor} &= 1 - \frac{\Sigma(\text{SS7 Settlements})}{\Sigma(\text{Traffic Sensitive Switched Settlements})} \\ &= 1 - 0.031664 \\ &= 0.968336 \end{aligned}$$

The summations are over all average schedule study areas over all months of 2005. All Traffic Sensitive central office and transport 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, which is developed using only the distance sensitive transport revenue requirement. 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.

NECA reallocated to transport those line haul lease costs included initially as part of common line or special access revenue requirement in three steps as follows.

1. Using data from the average schedule sample companies, and the average schedule contract rate reported by average schedule companies, NECA calculated the total cost of the interstate portion of long route leased facilities.

$$\begin{aligned}\text{Total Leased Cost} &= \text{Average Contract Rate} \times \text{Long Route Circuit Miles} \\ &= 0.0127 \times 903,746 \\ &= \$11,478\end{aligned}$$

2. NECA determined the amount of this lease cost included in each access category, based on proportions of Cable and Wire Facilities Expense in each category, as shown in Exhibit 6.7
3. To complete the reallocation of line haul leased costs to the transport category, NECA reduced common line and special access revenue requirements in the entire sample by the amount of leased costs allocated to these categories by Step 2 above. Correspondingly, NECA adjusted upward the transport revenue requirements of all sample companies by the combined amount of the common line and special access reductions.

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 2007 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. 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 2009.

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*<sup>1</sup> 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).

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<sup>1</sup> See Section IV.C for a discussion of outlier methods.

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 (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 5,000 and 10,000 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

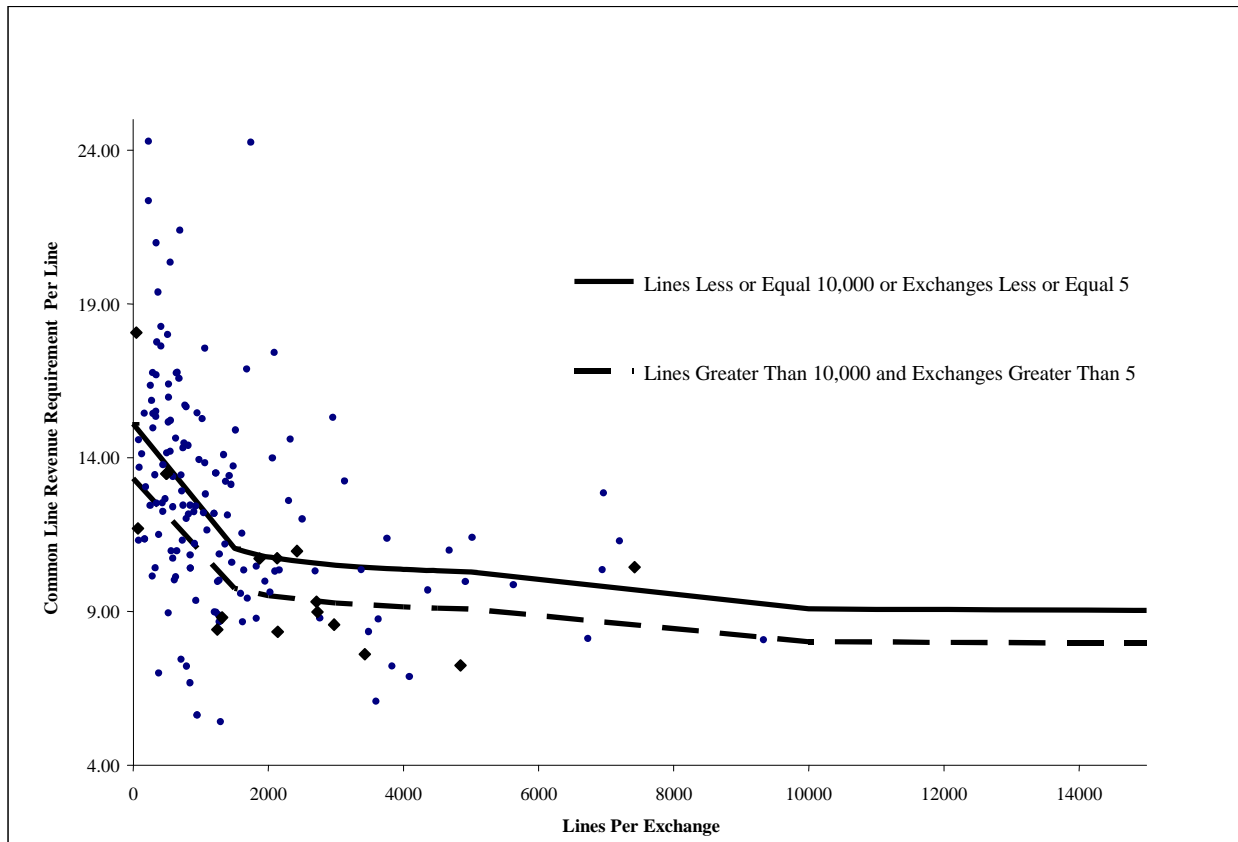
methods, while the intercept ( $a_2$ ) is resolved by a constraint that requires that the small company line meet the midrange curve at  $K_1$ .

- 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 5,000 had relatively higher revenue requirements per line. Study areas with lines per exchange greater than 10,000 had relatively lower revenue requirements per line. There was no conclusive trend of revenue requirement per line for study areas between 5,000 and 10,000 lines per exchange. Therefore, NECA chose to use 5,000 and 10,000 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 1,500 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  $LPE < 1,500$ ,

$$CPL_i = a_1 + b_1 \times LPE_i$$

For companies with  $1,500 \leq LPE < 5,000$ ,

$$CPL_i = a_2 + b_2 / LPE_i$$

For companies with  $5,000 \leq LPE < 10,000$ ,

$$CPL_i = P_i \times (a_2 + b_2 / 5,000) + (1 - P_i) \times M \times (a_2 + b_2 / 10,000)$$

$$P_i = \frac{10,000 - LPE_i}{10,000 - 5,000}$$

For companies with  $10,000 \leq LPE$ ,

$$CPL_i = M \times (a_2 + b_2 / LPE_i)$$

The following indicator variables are needed to program this model.

$$\begin{aligned} \delta_{1i} &= 1 \text{ if } LPE_i < 1,500; \text{ otherwise } \delta_{1i} = 0. \\ \delta_{2i} &= 1 \text{ if } 1,500 \leq LPE_i < 5,000; \text{ otherwise } \delta_{2i} = 0. \\ \delta_{3i} &= 1 \text{ if } 5,000 \leq LPE_i < 10,000; \text{ otherwise } \delta_{3i} = 0. \\ \delta_{4i} &= 1 \text{ if } 10,000 \leq LPE_i; \text{ otherwise } \delta_{4i} = 0. \end{aligned}$$

Then the model is written as:

$$\begin{aligned}
 CPL_i = & \delta_{1i} (a_1 + b_1 \times LPE_i) + \delta_{2i} (a_2 + b_2 / LPE_i) \\
 & + \delta_{4i} \times M \times (a_2 + b_2 / LPE_i) + P_i \times \delta_{3i} \times (a_2 + b_2 / 5,000) \\
 & + (1 - P_i) \times \delta_{3i} \times M \times (a_2 + b_2 / 10,000)
 \end{aligned}$$

And for companies with access lines greater than 10,000 and more than five exchanges, the model is written as:

$$\begin{aligned}
 CPL_i = & CL \text{ Adjustment} \times \{ \delta_{1i} (a_1 + b_1 \times LPE_i) + \delta_{2i} (a_2 + b_2 / LPE_i) \\
 & + \delta_{4i} \times M \times (a_2 + b_2 / LPE_i) + P_i \times \delta_{3i} \times (a_2 + b_2 / 5,000) \\
 & + (1 - P_i) \times \delta_{3i} \times M \times (a_2 + b_2 / 10,000) \}
 \end{aligned}$$

The combined model has the linear constraint that:

$$a_1 + b_1 \times 1,500 = a_2 + b_2 / 1,500$$

Consequently,

$$a_2 = a_1 + (b_1 \times 1,500) - (b_2 / 1,500)$$

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.



$$\begin{aligned}
CPL_i = & \\
& (1 - \gamma_i) x \{a_1 x (A1_i + M x A2_i) + b_1 x (B1_i + M x B2_i) + b_2 x (C1_i + M x C2_i)\} \\
& + \gamma_i x CL Adjustment x \\
& \{a_1 x (A1_i + M x A2_i) + b_1 x (B1_i + M x B2_i) + b_2 x (C1_i + M x C2_i)\}
\end{aligned}$$

Where,

$$\begin{aligned}
A1_i &= \delta_{1i} + \delta_{2i} + \delta_{3i} x P_i \\
A2_i &= \delta_{3i} x (1 - P_i) + \delta_{4i} \\
B1_i &= \delta_{1i} x LPE_i + 1,500 x (\delta_2 + \delta_{3i} x P_i) \\
B2_i &= 1,500 x [\delta_{3i} x (1 - P_i) + \delta_{4i}] \\
\gamma_i &= 1 \text{ if } Lines_i > 10,000 \text{ and } Exchanges_i > 5, \text{ and } \gamma_i = 0 \text{ otherwise}
\end{aligned}$$

$$C1_i = \left(-\frac{1}{1,500}\right) x (\delta_{2i} + \delta_{3i} x P_i) + \frac{\delta_{2i}}{LPE_i} + \frac{P_i x \delta_{3i}}{5,000}$$

$$C2_i = \left(-\frac{1}{1,500}\right) x [\delta_{3i} x (1 - P_i) + \delta_{4i}] + \frac{\delta_{3i} x (1 - P_i)}{10,000} + \frac{\delta_{4i}}{LPE_i}$$

Using the variables  $CPL_i$ ,  $A1_i$ ,  $A2_i$ ,  $B1_i$ ,  $B2_i$ ,  $C1_i$ , and  $C2_i$ , the program NLIN (NonLinear regression)<sup>2</sup> 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 0.2584, a *t-statistic* of 27.17 for  $a_1$ , a *t-statistic* of 4.25 for  $b_1$ , a *t-statistic* of 0.74 for  $b_2$ , a *t-statistic* of 5.97 for  $M$ , and a *t-statistic* of 11.61 for  $CL$  Adjustment. The proposed formula is shown in Section VIII.

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<sup>2</sup> SAS Institute Inc., *SAS/STAT® User's Guide, Version 6*, 1,135 (4<sup>th</sup> 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.<sup>3</sup>

The Universal Service Order<sup>4</sup> 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.<sup>5</sup>

In the December 1997 Filing,<sup>6</sup> 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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<sup>3</sup> Under section 54.708 of the Commission's rules, there is an exemption for companies whose contribution would be *de minimus*.

<sup>4</sup> Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Report and Order*, 12 FCC Rcd 8776 (1997).

<sup>5</sup> MAG Order at ¶ 177.

<sup>6</sup> 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,<sup>7</sup> 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 Central Office 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.

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<sup>7</sup> *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 Central Office 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 1,500 and 22,000 respectively.
- The intercept of the large company access line factor line ( $w$ ), by design is equal to 1.0.
- Slope ( $v_1$ ) and intercept ( $u_1$ ) 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  $K_1$ .
- Slope ( $v_2$ ) and intercept ( $u_2$ ) 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  $K_2$ .
- 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 2005 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, 2005 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.

$$\text{CABS Cost} = 3,299.64 + 160.40 \times \text{Exchanges} + 0.00118 \times \text{Normal Volume Minutes}$$

$$\begin{aligned} R^2 &= 0.1407 & t\text{-statistic (Minutes)} &= 3.46 & F\text{-statistic} &= 17.04 \\ & & t\text{-statistic (Exchanges)} &= 2.21 & & \\ & & t\text{-statistic (Intercept)} &= 6.53 & & \end{aligned}$$

## 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	\$37,412
B.	Interstate CABS Expense	\$18,744

#### **Interstate Indirect Costs Calculation**

	Depreciation & Amortization Expense	\$304,282
	Tax Expense	\$38,499
	General & Administrative Expense	\$259,118
	Executive & Planning Expense	\$0
C.	Total Interstate Indirect Costs	\$601,899

#### **Unseparated Indirect Costs Calculation**

	Depreciation & Amortization Expense	\$817,059
	Tax Expense	\$108,803
	General & Administrative Expense	\$664,598
	Executive & Planning Expense	\$0
D.	Total Unseparated Indirect Costs	\$1,590,460
E.	Total Unseparated Expenses	\$2,883,369
F.	Unseparated Expense Less Unseparated Indirect Costs (Line E - Line D)	\$1,292,909
G.	CABS Indirect Costs Fraction (Line A / Line F)	0.028936
H.	Interstate CABS Indirect Costs (Line G x Line C)	\$17,417
I.	Total Interstate CABS Cost (Line B + Line H)	\$36,161

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.<sup>8</sup>

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. The cost companies were 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

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<sup>8</sup> The equation for this estimate is expressed as follows.

$$Ratio = \frac{\sum (Weight_i \times y_i)}{\sum (Weight_i \times x_i)}$$



support group with more than 50,000 access lines. All other companies with more than 280 monthly access minutes per line were assigned to the support group with more than 280 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	\$1,349,360,730	\$552,757,591	0.409644
10,000 to 20,000 Lines	\$824,643,043	\$309,527,949	0.375348
20,000 to 50,000 Lines	\$413,333,862	\$155,318,655	0.375770
More Than 50,000 Lines	\$288,747,940	\$99,676,164	0.345201
More than 280 Minutes of Use Per Line Per Month	\$791,799,889	\$311,811,271	0.393801

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	0.547410	0.182470	0.364875
10,000 to 20,000 Lines	0.407127	0.162851	0.244250
20,000 to 50,000 Lines	0.340139	0.170069	0.170069
More Than 50,000 Lines	0.158991	0.158991	0.000000
More than 280 Minutes of Use Per Line Per Month	0.726913	0.273098	0.453200

The LSS factors<sup>9</sup> 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:

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<sup>9</sup> 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.

High Volume Support Fraction Adjustment

$$= \frac{\sum_{\text{High Volume ECs}} (\text{LS Support Based On Cost Study})}{\sum_{\text{High Volume ECs}} (\text{Imputed Support Based on Normal Volume Support Fraction})}$$

$$= 0.963367$$

Exhibit 7.9 shows the use of this adjustment ratio to develop support fractions for average schedule study areas with high traffic volumes.

## 2. Studies of Average Schedule Company Data

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 22,000 access lines.

$$\text{Baseline Cost Per Minute} = \frac{\sum (\text{Sample Weight} \times \text{Monthly CO Revenue Requirement})}{\sum (\text{Sample Weight} \times \text{Access Minutes})}$$

where the summations are taken over sample study areas with more than 22,000 access lines. This calculation produced a baseline cost per minute equal to 0.0158119. 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:

$$\text{Access Line Factor Ratio}_i = \frac{\text{Central Office Revenue Requirement Per Minute}_i}{\text{Baseline Cost Per Minute}}$$

where  $i$  corresponds to the  $i$ th 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 1,500:

$$\text{Access Line Factor} = 5.058038 - (0.001606923 \times \text{Access Lines})$$

For study areas with common line access lines between 1,501 and 22,000:

$$\text{Access Line Factor} = 2.768213 - (0.000080373 \times \text{Access Lines})$$

For study areas with common line access lines greater than or equal to 22,000:

$$\text{Access Line Factor} = 1.0$$

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  $i$ th study area and  $j$  corresponds to the  $j$ th 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<sub>1</sub> 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.

<b>EXHIBIT 7.5</b> <b><u>ITERATIVE PROCESS FOR DETERMINING</u></b> <b><u>INITIAL CENTRAL OFFICE FORMULA COEFFICIENTS</u></b>	
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.	<p>For each study area, calculate:</p> <p><math>E = \text{Minutes per line in Band } 1</math>  <math>F = \text{Minutes per line in Band } 2 \times \text{HV Access Line Multiplier}</math>  <math>G = \text{Minutes per line in Band } 3 \times \text{HV Access Line Multiplier}</math>  <math>\text{Total Minutes Multiplied} = E + F + G</math></p> <p><math>M_1 = E / \text{Total Minutes Multiplied}</math>  <math>M_2 = F / \text{Total Minutes Multiplied}</math>  <math>M_3 = G / \text{Total Minutes Multiplied}</math></p> <p><math>\text{Exch} = \text{Exchange Count} / \text{Total Minutes Multiplied}</math>  <math>Y = \text{Basic Cost} / \text{Total Minutes Multiplied}</math></p>
5.	<p>Select trial ratios of settlement rates:</p> <p><math>R_2 = \text{Band } 2 \text{ Rate} / \text{Band } 1 \text{ Rate}</math> (e.g., 0.2)  <math>R_3 = \text{Band } 3 \text{ Rate} / \text{Band } 2 \text{ Rate}</math> (e.g., 0.05)</p>
6.	<p>Run constrained regression and validate results</p> <p><math>Y = a_1 \times M_1 + a_2 \times M_2 + a_3 \times M_3 + b \times \text{Exchanges}</math>            Constraint 1: <math>a_2 = R_2 \times a_1</math>            Constraint 2: <math>a_3 = R_3 \times a_2</math></p>



The coefficients that simultaneously met all of these constraints and fit the data best are

$$a_1 = 0.016626 \quad b = 132.19$$

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 Central Office 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 Central Office formula has an overall *R-Square* statistic of 0.2725, a *t-statistic* for  $a_1$ , and  $b$  of 26.34 and 3.60, respectively, and an *F-statistic* of 637.14. 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**

**Central Office Formula - Local Switching Only**

Settlement = Basic Settlement x Access Line Factor

For Study Areas with Minutes Per Line Less Than or Equal To 280:

$$\text{Basic Settlement} = (\$0.016626 \times \text{Access Minutes}) + (\$132.19 \times \text{Exchanges})$$

For Study Areas with Minutes Per Line Greater Than 280, but Less Than or Equal To 600:

$$\begin{aligned} \text{Basic Settlement} = & (\$0.016626 \times 280 \times \text{Access Lines}) \\ & + \$0.003325 \times [\text{Access Minutes} - (280 \times \text{Access Lines})] \times \text{High Volume} \\ & \text{Access Line Multiplier} + (\$132.19 \times \text{Exchanges}) \end{aligned}$$

For Study Areas with Minutes Per Line Greater Than 600:

$$\begin{aligned} \text{Basic Settlement} = & (\$0.016626 \times 280 \times \text{Access Lines}) \\ & + \{ \$0.003325 \times (600 - 280) \times \text{Access Lines} \\ & + \$0.000166 \times [\text{Access Minutes} - (600 \times \text{Access Lines})] \} \times \text{High} \\ & \text{Volume Access Line Multiplier} + (\$132.19 \times \text{Exchanges}) \end{aligned}$$

**Access Line Factor**

For Study Areas with Access Lines Less Or Equal to 1,500:

$$\text{Access Line Factor} = 5.058038 - 0.0016069234 \times \text{Access Lines}$$

For Study Areas with Access Lines Between 1,501 and 22,000:

$$\text{Access Line Factor} = 2.768213 - 0.0000803733 \times \text{Access Lines}$$

For Study Areas with Access Lines Greater Than 22,000:

$$\text{Access Line Factor} = 1.0$$

**High Volume Access Line Multiplier** = (550 / Access Lines)

c. Development of the Local Switching Support Fractions

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.<sup>10</sup> 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.<sup>11</sup>

Commission rules prescribe the calculation of the LSS amount as follows.

$$\text{Local Switching Support} = \text{Unseparated Local Switching Revenue Requirement} \\ \times \text{Local Switching Support Factor}$$

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 2007 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*.<sup>12</sup>

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

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<sup>10</sup> 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.

<sup>11</sup> See, for example, National Exchange Carrier Association, Inc. Proposed 2007 Modification of Average Schedule Formulas, WC Docket No. 04-437, *Order*, 20 FCC Rcd 10002 (2007).

<sup>12</sup> Jurisdictional Separations and Referral to the Federal-State Joint Board, CC Docket No. 80-286, *Report and Order*, 16 FCC Rcd 11382 (2001).

69 rules for calculation of access costs, as described in Exhibit 7.7. For 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	\$6,722,867,492	0.168131	\$1,130,325,512	
2	Central Office Equipment	\$2,517,419,809	0.385625	\$970,779,569	
3	COE Category 3	\$970,779,569	1.000000	\$970,779,569	Cost Studies
4	All Other COE	\$1,546,640,240	0.000000	\$0	
5	Cable & Wire Facilities	\$3,271,346,383	0.000000	\$0	
6	Information Origination/Termination	\$0	0.000000	\$0	
7	General Support Facilities	\$899,679,957	0.170295	\$153,211,322	2+5+6
8	Amortizable Tangible Assets	\$8,065,344	0.168531	\$1,359,258	2+5+6
9	Intangibles	\$26,356,000	0.188775	\$4,975,362	2+5+6
10	General Support Expense	\$52,850,062	0.170285	\$8,999,551	2+5+6
11	Telecommunications Plant--Other	\$125,338,220	0.142121	\$17,813,156	1
12	Rural Telephone Bank (RTB) Stock	\$0	0.000000	\$0	1
13	Materials & Supplies	\$34,289,496	0.139898	\$4,797,032	1
14	Cash Working Capital	\$35,574,601	0.144498	\$5,140,461	1
15	Accumulated Amortization	\$73,917,663	0.120393	\$8,899,196	1
16	Net Deferred Income Taxes	\$197,480,125	0.149870	\$29,596,437	1
17	Network Support Expense	\$6,270,649	0.142813	\$895,531	1
18	Other Property Plant & Equipment Exp.	\$2,522,435	0.138783	\$350,070	1
19	Network Operations Expense	\$81,320,886	0.143366	\$11,658,666	1
20	Marketing Expense	\$25,511,339	0.144106	\$3,676,340	1
21	Services Expense	\$134,556,388	0.146092	\$19,657,572	1
22	Operating Taxes	\$70,355,315	0.145750	\$10,254,301	1
23	Federal Investment Tax Credits	\$237,285	0.143039	\$33,941	1
24	Provision for Def. Op. Income Taxes-Net	(\$4,613,548)	0.000000	(\$591,939)	1
25	Interest & Related Items	\$29,457,972	0.151420	\$4,460,519	1
26	Allow. for Funds Used Dur. Constr.	\$2,762,166	0.148027	\$408,874	1
27	Charitable Contributions	\$1,398,746	0.146362	\$204,723	1
28	Other Non Current Assets	\$19,910,826	0.145007	\$2,887,201	1
29	Customer Deposits	\$225,643	0.151421	\$34,167	1
30	Other Long Term Liabilities	\$63,732,347	0.147245	\$9,384,290	1
31	Accumulated Depreciation	\$5,193,216,118	0.144668	\$751,290,455	1
32	Depreciation and Amortization Expense	\$405,206,358	0.145025	\$58,765,007	1
33	COE Expense	\$90,773,593	0.391518	\$35,539,508	2
34	CWF Expense	\$127,006,943	0.000000	\$0	
35	IOT Expense	\$0	0.000000	\$0	
36	Executive & Planning Expense	\$0	0.000000	\$0	19+20+21+33+34+35
37	General & Administrative Expense	\$239,235,437	0.150586	\$36,025,428	19+20+21+33+34+35
38	Net Plant Investment	\$2,019,985,407	0.179107	\$361,792,983	
39	Return on Investment	\$227,248,358	0.179107	\$40,701,711	
40	FIT Taxable Income	\$200,315,267	0.182792	\$36,616,125	
41	Federal Income Taxes	\$80,389,447	0.187878	\$15,103,375	
42	Expenses & Other Taxes	\$1,189,168,115	0.156434	\$186,026,697	
43	Revenue Requirement	\$1,494,043,755	0.161590	\$241,422,908	

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	\$66,715,789	\$125,994,816	0.364875	\$45,972,358	0.689078
10,000 to 20,000 Lines	\$14,326,354	\$29,732,531	0.244250	\$7,262,171	0.506910
20,000 to 50,000 Lines	\$10,674,976	\$25,378,963	0.170069	\$4,316,175	0.404327
More Than 50,000 Lines	\$12,107,642	\$42,247,727	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	0.689078	0.963366	0.663835
10,000 to 20,000 Lines	0.50691	0.963366	0.488340
20,000 to 50,000 Lines	0.404327	0.963366	0.389515
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 Central Office 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.



Preliminary Access Line Factor Model:

For study areas with access lines less or equal to 1,500:

$$\text{Access Line Factor} = a1 + b1 \times \text{Access Lines}$$

For study areas with access lines between 1,501 and 22,000:

$$\text{Access Line Factor} = a2 + b2 \times \text{Access Lines}$$

For study areas with access lines greater than or equal to 22,000:

$$\text{Access Line Factor} = 1.0$$

The fold-in of CABS transforms coefficients of this formula as represented below.

Final Access Line Factor Model:

For study areas with access lines less or equal to 1,500:

$$\text{Access Line Factor} = u1 + v1 \times \text{Access Lines}$$

For study areas with access lines between 1,501 and 22,000:

$$\text{Access Line Factor} = u2 + v2 \times \text{Access Lines}$$

For study areas with access lines greater than or equal to 22,000:

$$\text{Access Line Factor} = 1.0$$

The Central Office formula with CABS folded in is given below.

*Final Central Office Formula (After Folding-in CABS)*

$$\begin{aligned} &= (\text{Adjusted Initial CO Cost}) \times (\text{Final Access Line Factor}) \\ &\quad + \text{CABS Study Area Factor} \end{aligned}$$

$$= [(a + d) \times \text{Min} + (b + e) \times E] \times \text{Final Access Line Factor} + c$$

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 22,000 access lines.

$$\begin{aligned} & \sum(\text{Central Office Formula Prior to Folding in CABS} + \text{CABS Cost Formula}) \\ & = \sum(\text{Central Office Formula After Folding in CABS}), \end{aligned}$$

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 Central Office formula and Final Central Office formula are given in Exhibit 7.10.

**EXHIBIT 7.10**

**CENTRAL OFFICE FORMULA COEFFICIENTS**

	<b>Preliminary (Before Combining <u>CABS</u>)</b>	<b>Final (After Combining <u>CABS</u>)</b>
<b>Per Access Minute</b>	0.016626	0.017802
<b>Per Exchange</b>	132.19	292.59
<b>First Segment Access Line Factor Intercept</b>	5.058038	4.960214
<b>First Segment Access Line Factor Slope</b>	-0.001606923	-0.00165573
<b>Second Segment Access Line Factor Intercept</b>	2.768213	2.584663
<b>Second Segment Access Line Factor Slope</b>	-0.000080373	-0.00007203

The Central Office 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.

e. Limit on Access Minutes for Central Office Settlements

NECA proposes settlement formulas that reflect the cost characteristics of average schedule companies that participate in its pools. Traffic sensitive formulas reflect data of average schedule companies that participate in the traffic sensitive pool. In this context, NECA determined the range of demand data for which this study

supports use of the central office formula for local switching settlements.

This study documents that the key feature affecting its unit cost of local switching a study area's ratio of access minutes per line, regardless of line size.

Consequently, NECA reviewed the access minutes per line data of average schedule members in the traffic sensitive pool, and in the sample for this average schedule study. By design, the sample reflects the same distribution of access minutes per line as the pool.

The current and proposed central office formulas reflect declining incremental cost of switching as access minutes increase. The proposed formula, for example, recognizes three tiers of incremental cost based on minutes-per-line breakpoints at 280 and 600. Below 280 monthly minutes per line, the proposed settlement rate starts at \$0.017802. Between 280 and 600 minutes per line, the proposed incremental rate drops by 81% to \$0.003325. Above 600 minutes per line, the proposed incremental rate drops again, to less than 1% of the starting settlement rate.

Most average schedule pool members and sample companies consistently report monthly interstate access minutes per line in the range between 100 and 300. A small percentage of companies reports higher volumes, up to nearly 2000, but not exceeding this level. While companies may incur some incremental costs for switching higher volumes minutes per line, NECA does not have data to determine what this cost might be. Accordingly, NECA proposes that its central office formula apply only to volumes up to 2000 monthly access minutes per line.

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 count of Intertoll Dial (ITD) circuits is used as a measure of tandem capacity. Costs used in this formula are the ITD transport monthly revenue requirements developed in Section VI.D and VI.F. The ITD circuit counts used in this formula were monthly ITD circuits projected to the test period as described in Section V.H.

In prior year studies, the ITD rate was developed as a ratio of weighted ITD costs and ITD circuits. This year, NECA is proposing a regression model to develop ITD rates because a significant difference between average relative revenue requirement per ITD circuit was found for study areas with ITD circuit counts greater than 400 as compared to those with ITD circuits less than 400.

The ITD regression formula consists of a sloping line in the range of up to 400 ITD Circuits and a connected horizontal line for higher counts of ITD Circuits, with monthly ITD revenue requirements per ITD circuit as a dependent variable and ITD circuit count as an independent variable. The sloping line was constrained to ensure that ITD settlements monotonically increase with an increase in ITD circuits.

The resulting formula, shown in Section VIII, had an *R-Square* statistic of 0.209, *F-statistic* of 111.52, and equally significant intercept, slope coefficient of the first line segment, and intercept of the horizontal connecting line with *t-statistics* of 10.56.

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 using the same structure for the Line Haul Distance Sensitive formula as last year. This model can be expressed as

*Distance Sensitive Settlement =*

$$\begin{aligned} & [(Circuit\ Mile\ Rate \times Circuit\ Miles) \\ & + (Access\ Minutes\ Rate \times Normal\ Volume\ Access\ Minutes)] \times Density\ Factor. \end{aligned}$$

This model continues use of a circuit density factor for study areas with average route lengths of less than 350 miles, keeps a graduated downward curve related to route length, as well as access minutes in the normal volume range of up to 280 minutes per line. The access minute variable reflects capacity required on the routes and relative interstate usage.

In addition, NECA proposes a limit on line haul circuit counts eligible for settlements pursuant to this formula, as discussed in section G.1 below.

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.

- $Cost\ per\ Circuit\ Mile = \frac{Distance\ Sensitive\ Revenue\ Requirement}{Interstate\ Circuit\ Miles}$
- $Route\ Length = \frac{Interstate\ Circuit\ Miles}{Interstate\ Circuits}$
- $Minutes\ per\ Circuit\ Mile = \frac{Access\ Minutes\ up\ to\ 330\ Minutes\ per\ Line}{Interstate\ Circuit\ Miles}$

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<sub>1</sub> being the intersection of the two straight lines, and BP<sub>2</sub> being the intersection of the second straight line and the curved line. The Route Length regression model is expressed as

$$\begin{aligned}
 Cost\ Per\ Circuit\ Mile_i &= \delta_{1i} \times (a_1 + b_1 \times Route\ Length_i) \\
 &+ \delta_{2i} \times (a_2 + b_2 \times Route\ Length_i) \\
 &+ \delta_{3i} \times (a_3 + b_3 / Route\ Length_i) \\
 &+ c \times Minutes\ per\ Circuit\ Mile_i
 \end{aligned}$$

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, amounting to \$0.0127. Monthly cost and circuit mile data for average schedule study areas that utilize these facilities are displayed in Appendix H.

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<sub>i</sub>*

$$= \gamma_{1i} \times (a_1 + b_1 \times Circuit\ Density_i) + \gamma_{2i} \times (a_2 + b_2 \times Circuit\ Density_i) \\ + \gamma_{3i} \times (a_3 + b_3 \times Circuit\ Density_i) + \gamma_{4i}$$

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:

$$a_1 + b_1 \times K_1 = a_2 + b_2 \times K_1$$

$$a_2 + b_2 \times K_2 = a_3 + b_3 \times K_2$$

$$a_3 + b_3 \times K_3 = \gamma_{4i}$$

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 71.41% and the *t-statistics* of all regression parameters are statistically significant with 95% confidence, ranging in absolute value from 2.48 to 15.08, except for the slope of the second connecting line of the density factor model whose *t-statistic* is 0.61. The estimated coefficients are displayed in Section VIII.

#### 1. Limit on Line Haul Circuits Eligible for Settlements

Exchange carriers deploy various line haul networks. The classical network model is one which connects each local switch over a few miles to an RBOC tandem area network which handles all voice traffic to the local switch. Traditionally, electronic transmission equipment has been used to deploy toll circuits on these routes in multiples of 24 circuits. Thus, a simple end office connection might consist of two carrier systems totaling 48 circuits, and a connection to a much larger end office might have had ten systems totaling 240 circuits.

Today, the popular network model is a fiber optic network, commonly a large regional network, with virtually unlimited capacity. Such networks may simultaneously transmit voice, video and data over thousands of circuits on fiber transmission equipment. In this network, the average schedule carriers typically operate, or co-operate, the access tandem.

In both of these network models, only the circuits used for interstate switched access transport are eligible for line haul settlements under NECA's average schedule formula. Consequently, carriers analyze the use of circuits and report for settlements only those circuits that qualify.

Notwithstanding the care taken to assure that only qualifying circuits are reported for settlements, the very low incremental cost of additional circuits on fiber optic systems potentially leads to higher circuit counts.

NECA's average schedule studies analyze costs of facilities, and explicitly reflect the declining incremental cost of circuits. Indeed, the circuit density factor proposed in this filing, and first introduced in average schedule in the 2006 Modification of Average Schedules, has this purpose. This factor ratchets down a carrier's marginal settlement for line haul circuits as its average count of interstate circuits per exchange increases. Nevertheless, NECA is able to establish the validity of the density factor only within the range of data used in this study. Should an average schedule company deploy materially higher counts of circuits for interstate switched access traffic, NECA would not have a way to show that the proposed formulas reasonably reflect whatever incremental cost of circuits the carrier incurs.

For this reason, NECA proposes to limit the range of interstate line haul circuits eligible for average schedule settlements pursuant to the proposed formula, based on data used in this study. Current average schedule networks, and data used in this study, include counts of interstate circuits per exchange nearly up to, but not exceeding 3000, which is the limit proposed by NECA.

The Glossary of this filing includes definitions of Interstate Circuits, Interstate Circuit Miles, and Interstate Switched Circuit Terminations subject to this limit.

#### 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 is still found to be 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 0.1526, *F-statistic* of 542.84, *t-statistics* of 15.22 and -5.42 for the intercept and the slope coefficient of the of the first line segment, respectively, and 22.39 for the intercept of the horizontal connecting line.

NECA proposes that settlements pursuant to this formula be restricted as described in the Glossary to counts of switched interstate circuit terminations consistent with the limitation posed on interstate

circuits described in section VII.G.1 above.

#### 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 \$800 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.

$$a_1 + 2 \times b_1 \times BP_1 \geq 0$$

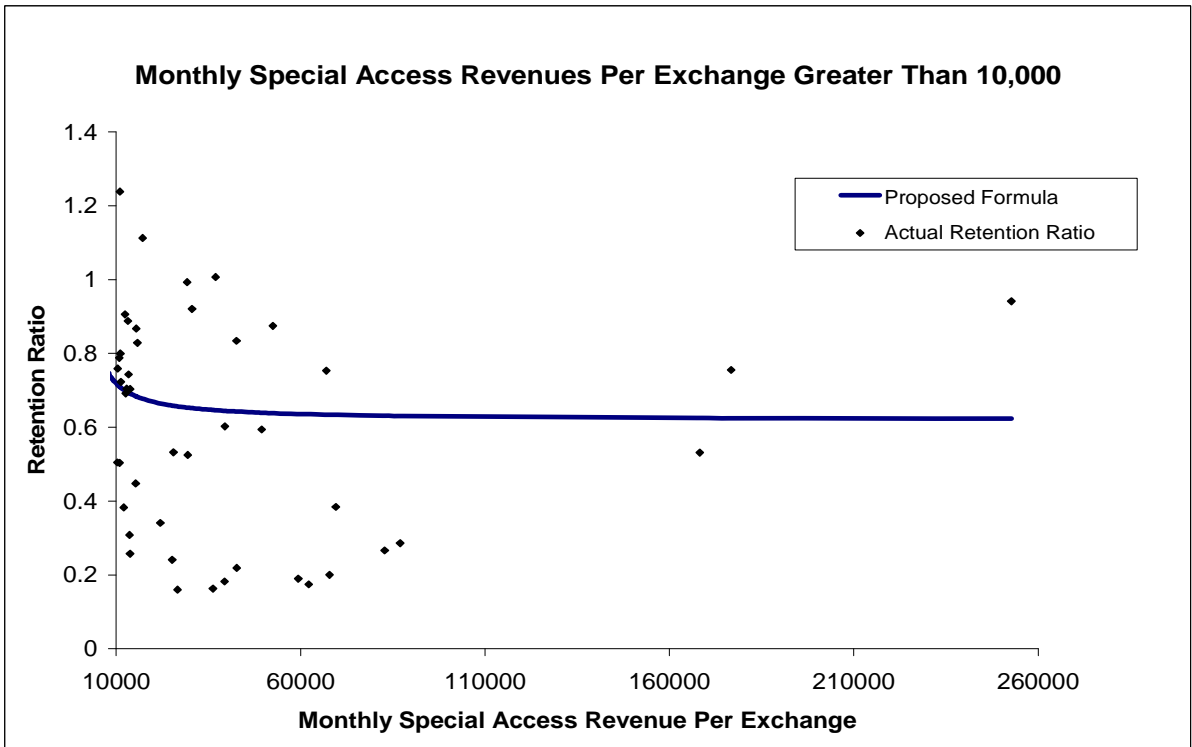
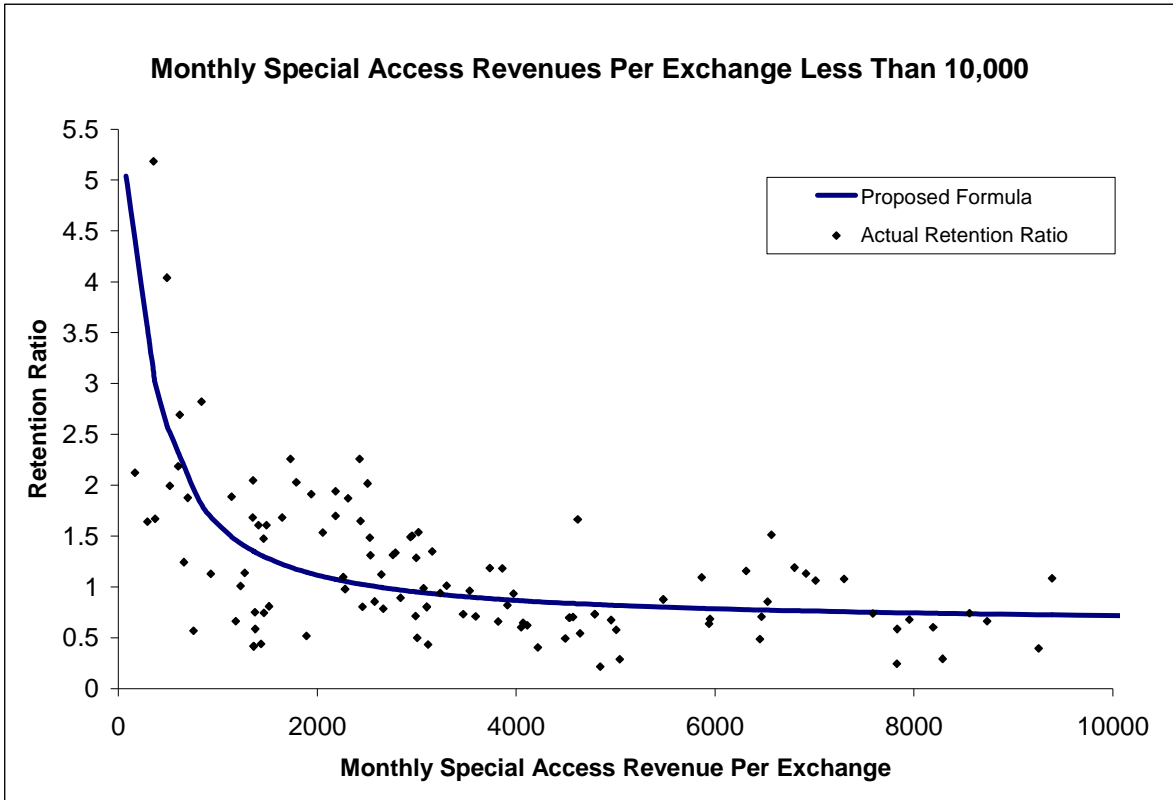
$$a_2 + 2 \times b_2 \times BP_2 \geq 0$$

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 .4474, with significant *t-statistics* ranging between 9.49 and 18.30 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.

$$\text{Tariff Rate Index} = \frac{I}{1 + \text{Special Access Relative Tariff Rate Change Since 12/2007}}$$

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.<sup>13</sup> 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.

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<sup>13</sup> 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, 2007 (2007 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<sup>14</sup>

A.	Illustrative Traffic Sensitive Test Period Special Access Revenues at December 31, 2007 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, 2008 [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 known as 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.

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<sup>14</sup> 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.

1. Development of SS7 Rate For Fully Connected SSPs

In prior year studies, the SS7 rate calculation was based on the investment portion of the SS7 costs, A-link costs and CP Data Link costs, as contained in the average schedule SS7 database. This year, NECA departed from this calculation method because the SS7 investment data in the average schedule SS7 database has decreased rapidly since initial deployment of SS7 equipment, there is not a reliable way for average schedule companies to separately identify new investment in established SSPs. Instead, the SS7 rate is calculated this year by regression using data from sample study areas with normal volume minutes, as follows:

*Switched Access Revenue Requirement*

$$\begin{aligned} &= (a \times \text{Normal Volume Access Minutes}) \\ &+ (b \times \text{Circuit Miles Not Exceeding 60 Miles per Circuit}) \\ &+ (c \times \text{Exchanges without SSPs}) \\ &+ (d \times \text{Exchanges with SSPs}) \end{aligned}$$

$$\begin{aligned} a &= 0.04487 \quad (t\text{-statistic: } 15.39) \\ b &= 0.25307 \quad (t\text{-statistic: } 5.79) \\ c &= 1,446.6 \quad (t\text{-statistic: } 5.83) \\ d &= 2,838.5 \quad (t\text{-statistic: } 11.13) \\ R\text{-Squared} &= 0.587 \end{aligned}$$

The switched Access Revenue Requirement is the sum of central office and transport revenue requirements. The difference between coefficients  $d$  and  $c$  of this model is the net monthly cost of a fully connected SSP.

$$\text{Fully Connected Settlement Rate} = d - c = \$1,392$$

To determine the monthly cost of an SSP that is not fully connected to the signaling network, NECA subtracted from the Fully Connected Settlement Rate the average cost of an A-Link, calculated as described below:

*Partially Connected Settlement Rate*

$$= \text{Fully Connected Settlement Rate} - \text{A-Link Cost}$$

$$= \$1,392 - \$704 = \$688$$

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 the data link length between SSPs and CPs, and number of link terminations.

Exhibit 7.13 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 80.33 miles.<sup>15</sup> Using its Average Schedule Line Haul Database, NECA estimated the average distance from the SSP to the meet point to be

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<sup>15</sup> 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.

57.97 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 22.36 miles, the difference between the total distance of 80.33 miles and the meet point distance of 57.97 miles. In addition to transport charges, carriers generally pay the provider for two termination charges on each A-link, and may pay a port charge.<sup>16</sup>

### EXHIBIT 7.13

#### 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 0.56968)
A	\$0.00	\$3.50	\$0.00	\$1,800.00	\$2,525.17	\$1,438.54
B	\$0.00	\$0.00	\$155.00	\$674.10	\$1,552.75	\$884.57
C	\$0.00	\$1.11	\$14.27	\$760.00	\$1,406.83	\$801.44
D	\$25.60	\$0.26	\$0.00	\$930.00	\$1,561.48	\$889.54
E	\$29.50	\$0.44	\$66.50	\$778.00	\$1,558.33	\$887.75
F	\$33.00	\$0.15	\$50.00	\$858.10	\$1,599.46	\$911.18
G	\$25.20	\$0.90	\$64.40	\$748.00	\$1,536.10	\$875.08
H	\$100.13	\$0.91	\$0.00	\$1,000.00	\$1,809.60	\$1,030.90
I	N/A	N/A	N/A	\$1,200.00	\$1,757.20	\$1,001.04
J	\$93.32	\$2.48	\$0.00	\$324.84	\$1,191.03	\$678.51
K	N/A	N/A	N/A	\$1,788.00	\$1,788.00	\$1,018.59
L	N/A	N/A	N/A	\$800.00	\$1,639.60	\$934.05
M	\$93.72	\$1.82	\$0.00	\$1,598.00	\$2,435.48	\$1,387.44
N	N/A	N/A	N/A	\$2,045.60	\$2,885.20	\$1,643.64
O	\$0.00	\$2.17	\$140.47	\$1,440.00	\$2,386.63	\$1,359.62
P	\$30.12	\$1.98	\$71.48	\$900.00	\$1,760.39	\$1,002.86
Q	\$123.69	\$2.80	\$0.00	\$450.00	\$1,391.25	\$792.56
R	N/A	N/A	N/A	\$1,663.00	\$1,663.00	\$947.38
S	N/A	N/A	N/A	\$750.00	\$1,318.65	\$751.21

<sup>16</sup> 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, and R.

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:

$$\begin{aligned} \text{Average Monthly A-Link Cost per SSP} &= \frac{\sum_{\text{All SSPs}} \text{Monthly A-Link Costs}}{\text{Total Number of Fully Connected SSPs}} \\ &= \frac{400,851}{569} \\ &= \$704 \end{aligned}$$

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:

$$\text{Common Line Factor} = 0.782223 + 1.935796 \times \text{ROR}$$

$$\text{Traffic Sensitive Factor} = 0.842049 + 1.404009 \times \text{ROR}$$

Exhibit 7.14 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 98.55 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 102.42 percent of the revenue requirement at 11.25 percent.



**EXHIBIT 7.14**  
**REVENUE REQUIREMENT RATIOS UNDERLYING ROR FORMULAS**

<b>Test Rate Of Return</b>	<b>Common Line Ratio</b>	<b>Traffic Sensitive Ratio</b>
0.0700	0.9177	0.8656
0.0725	0.9226	0.8691
0.0750	0.9274	0.8726
0.0775	0.9322	0.8761
0.0800	0.9371	0.8796
0.0825	0.9419	0.8831
0.0850	0.9468	0.8866
0.0875	0.9516	0.8902
0.0900	0.9564	0.8937
0.0925	0.9613	0.8972
0.0950	0.9661	0.9007
0.0975	0.9710	0.9042
0.1000	0.9758	0.9077
0.1025	0.9806	0.9112
0.1050	0.9855	0.9147
0.1075	0.9903	0.9182
0.1100	0.9952	0.9217
0.1125	1.0000	0.9253
0.1150	1.0048	0.9288
0.1175	1.0097	0.9323
0.1200	1.0145	0.9358
0.1225	1.0194	0.9393
0.1250	1.0242	0.9428
0.1275	1.0290	0.9463
0.1300	1.0339	0.9498
0.1325	1.0387	0.9533
0.1350	1.0436	0.9568
0.1375	1.0484	0.9604
0.1400	1.0532	0.9639
0.1425	1.0581	0.9674
0.1450	1.0629	0.9709
0.1475	1.0678	0.9744
0.1500	1.0726	0.9779

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 7.15 displays the development of the monthly carrying charge factor (0.0247).

**EXHIBIT 7.15**

**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.	<u>Development of MAG Shift Factors</u>	

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.<sup>17</sup> 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 2007 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.

$$\begin{aligned} \textit{Line Port Shift Factor} &= \frac{\textit{Line Port Component}}{\textit{Total Central Office Settlements}} \\ &= \frac{\$24,246,804}{\$142,709,365} \\ &= 0.169903 \end{aligned}$$

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<sup>17</sup> 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 Central Office 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 0.169923, as documented in the 2006 Filing. Proposed Common Line Line Port settlements were calculated using the proposed factor of 0.169903. 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 7.16, 7.17 and 7.18. For the average schedule population, this reallocation assigned \$2,427,057 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.<sup>18</sup> 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 2007 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 settlements for the population to produce the Common Line (CL) TIC Shift Factor.

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<sup>18</sup> MAG Order at ¶ 98.

$$CL\ TIC\ Revenues = \frac{(CL\ Settlements\ Excluding\ USC) \times TIC\ Revenues}{Total\ Settlements\ (Excluding\ LSS\ and\ TIC\ Revenues)}$$

$$CL\ TIC\ Shift\ Factor = \frac{\Sigma CL\ TIC\ Revenues}{\Sigma Transport\ Settlements}$$

$$= \frac{\$22,137,514}{\$70,005,161}$$

$$= 0.316227$$

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 0.224181, as documented in the 2006 Filing. Proposed Common Line Transport settlements were calculated using the proposed factor of 0.316227. 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 \$1,664,031 of proposed transport settlements to the common line pool.<sup>19</sup>

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 increase of 2.27 percent as a result of the new formulas, or a gain of \$0.55 per line. This estimate is based on a comparison of settlements to become effective July 1, 2008 and those that became effective July 1, 2007, with demand held constant at the July 2007 level as reported to NECA in September 2007.

Changes in the formula levels are a result of changes in cost and demand levels. The proposed formulas are expected to produce settlements during the test period that will match test period revenue requirements. Exhibit 7.16 summarizes the average change to each formula calculated by applying proposed and current formulas to constant demand. Exhibit 7.17 summarizes the effects of these changes for average schedule companies by access line grouping. Exhibit 7.18 summarizes proposed settlements by formula based on demand levels taken from the September 2007 view of the July 2007 settlement month. Settlement effects for individual study areas are shown in Appendix E.

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<sup>19</sup> 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 for the majority of companies that settlement rates will increase, assuming constant demand. These higher settlement rates may not result in higher settlement payments to companies, because the higher settlement rates are the result of lower projected demand. Eighty four study areas, accounting for about 19% of companies and access lines, are expected to see a decrease in their settlement rates, at constant demand. For two thirds of this group of study areas the settlement rate decrease will be less than 2%, holding demand constant.

**EXHIBIT 7.16**

**SUMMARY OF PROPOSED AVERAGE FORMULA CHANGES**

	<b>Proposed Average Formula Change</b>	<b>Formula Percent of Total</b>
	<hr/>	<hr/>
Common Line Basic	4.5%	41.93%
CL Universal Service Contribution	0.00%	3.85%
Central Office	6.82%	25.67%
CL Central Office		4.79%
TS Central Office		20.87%
Distance Sensitive	-9.78%	4.10%
Non-Distance Sensitive	-9.72%	5.19%
Intertoll Switching	-0.33%	0.95%
Total Transport		10.58%
CL Transport		3.29%
TS Transport		7.30%
Special Access	-1.9%	16.41%
Signaling System 7	8.29%	1.46%
Equal Access	0.00%	0.01%
Overall CL Average	4.11%	53.96%
Overall TS Average	0.75%	46.04%
Overall Average	2.27%	100.00%

**EXHIBIT 7.17**  
**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	67	-0.55%	-1.80%	-1.51%	-\$0.93
501 - 1000	95	-0.88%	6.56%	3.96%	\$1.58
1001 - 2500	145	0.23%	4.89%	3.00%	\$0.99
2501 - 5000	66	2.04%	4.75%	3.54%	\$1.00
5001 - 10000	46	3.16%	4.60%	3.91%	\$0.96
10001 - 20000	20	5.05%	1.67%	3.20%	\$0.73
> 20000	16	7.18%	-6.78%	0.25%	\$0.05
<b>Total</b>	<b>455</b>	<b>4.11%</b>	<b>0.75%</b>	<b>2.27%</b>	<b>\$0.55</b>

## EXHIBIT 7.18

### SETTLEMENTS BY MAJOR SETTLEMENT ELEMENT

Common Line Basic	\$21,283,497
CL Universal Service	\$1,947,027
Central Office	\$12,997,462
<u>Central Office Line Port Shifts</u>	
- CL Central Office	\$2,163,541
- CL Central Office Not In TS Pool	\$263,516
- TS Central Office	\$10,570,406
Distance Sensitive Transport	\$2,077,175
Non-Distance Sensitive Transport	\$2,627,444
Intertoll Dial Transport	\$479,465
Total Transport	\$5,359,720
<u>TIC Reallocation Shifts</u>	
- CL Transport	\$1,488,395
- CL Transport Not in TS Pool	\$175,636
- TS Transport	\$3,871,325
Special Access	\$8,307,120
Signaling System 7	\$741,184
Equal Access	\$1,615
Overall CL Total	\$27,321,611
Overall TS Total	\$23,316,013
Overall Total	\$50,637,625

**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,

$$\text{Settlement per Line} = \$15.133745 - (\$0.002561 \times \text{Lines Per Exchange})$$

If Lines Per Exchange greater than or equal to 2000 but less than 10,000 then,

$$\text{Settlement per Line} = \$8.379614 + (\$3,264.2626 / \text{Lines Per Exchange})$$

If Lines Per Exchange greater than or equal to 10,000 but less than 15,000 then,

$$\text{Settlement per Line} = \$9.305374 - (\$0.000060 \times \text{Lines Per Exchange})$$

If Lines Per Exchange greater than or equal to 15,000 then,

$$\text{Settlement per Line} = 0.9778 \times \{ \$8.379614 + (\$3,264.2626 / \text{Lines Per Exchange}) \}$$

#### CL Adjustment

If Lines greater than 10,000 and Exchanges greater than 5 then,

$$\text{CL Adjustment} = 0.8996$$

Else  $\text{CL Adjustment} = 1$

#### Proposed Formula:

*Settlement = Common Line Access Lines x Settlement Per Common Line Access Line  
x CL Adjustment*

If Lines Per Exchange less than 1500 then,

$$\text{Settlement per Line} = \$15.099231 - (\$0.002700 \times \text{Lines Per Exchange})$$

If Lines Per Exchange greater than or equal to 1500 but less than 5,000 then,

$$\text{Settlement per Line} = \$9.960964 + (\$1,632.4010 / \text{Lines Per Exchange})$$

If Lines Per Exchange greater than or equal to 5,000, but less than 10,000, then,

$$\text{Settlement per Line} = \$11.488415 - (\$0.000240 \times \text{Lines Per Exchange})$$

If Lines Per Exchange greater than or equal to 10,000, then,

$$\text{Settlement per Line} = 0.8975 \times \{ \$9.960964 + (\$1,632.4010 / \text{Lines Per Exchange}) \}$$

#### CL Adjustment

If Lines greater than 10,000 and Exchanges greater than 5 then,

$$\text{CL Adjustment} = 0.8825$$

Else  $\text{CL Adjustment} = 1$

## **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:**

$$\text{Common Line Factor} = 0.786502 + (1.897760 \times \text{ROR})$$

### **Proposed Formula:**

$$\text{Common Line Factor} = 0.782223 + (1.935796 \times \text{ROR})$$

## **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 = 0.169923 x Central Office Formula

### **Proposed Formula:**

Common Line Line Port Formula = 0.169903 x Central Office Formula

## **COMMON LINE TRANSPORT FORMULAS**

### **Current Formula:**

Common Line Transport Formula = 0.224181 x  
{Line Haul Distance Sensitive Formula  
+ Line Haul Non-Distance Sensitive Formula  
+ Intertoll Switching Formula}

### **Proposed Formula:**

Common Line Transport Formula = 0.316227 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) + \$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 than 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)

**Proposed Formula:**

$$\text{Settlement} = (\text{Basic Settlement} \times \text{Access Line Factor}) + \$3,299.64$$

For Study Areas with Minutes Per Line Less Than or Equal to 280:

$$\text{Basic Settlement} = (\$0.017802 \times \text{Access Minutes}) + (\$292.59 \times \text{Exchanges})$$

For Study Areas with Minutes Per Line Greater Than 280 but Less Than or Equal to 600:

$$\begin{aligned} \text{Basic Settlement} &= (\$0.017802 \times 280 \times \text{Access Lines}) \\ &+ \{ \$0.003325 \times [\text{Access Minutes} - (280 \times \text{Access Lines})] \} \\ &\times \text{High Volume Access Line Multiplier} + (\$292.59 \times \text{Exchanges}) \end{aligned}$$

For Study Areas with Minutes Per Line Greater Than 600:

$$\begin{aligned} \text{Basic Settlement} &= (\$0.017802 \times 280 \times \text{Access Lines}) \\ &+ \{ \$0.003325 \times (600 - 280) \times \text{Access Lines} \\ &+ \$0.000166 \times [\text{Access Minutes} - (600 \times \text{Access Lines})] \} \times \text{High Volume Access Line Multiplier} \\ &+ (\$292.59 \times \text{Exchanges}) \end{aligned}$$

Access Line Factor:

For study areas with common line access lines less or equal to 1,500:

$$\text{Access Line Factor} = 4.960214 - (0.00165573 \times \text{Common Line Access Lines})$$

For study areas with common line access lines between 1,501 and 22,000:

$$\text{Access Line Factor} = 2.584663 - (0.000072 \times \text{Common Line Access Lines})$$

For study areas with common line access lines greater than or equal to 22,000:

$$\text{Access Line Factor} = 1.0$$

$$\text{High Volume Access Line Multiplier} = (550 / \text{Common Line Access Lines})$$

**TRAFFIC SENSITIVE CENTRAL OFFICE FORMULA**

**Current Formula:**

$$\text{Traffic Sensitive Central Office} = (1 - 0.169923) \times \text{Central Office Formula}$$

**Proposed Formula:**

$$\text{Traffic Sensitive Central Office} = (1 - 0.169903) \times \text{Central Office Formula}$$

## **INTERTOLL DIAL SWITCHING FORMULA**

### **Current Formula:**

Settlement Per Intertoll Trunk = \$12.33

### **Proposed Formula:**

For Study Areas with ITD Circuits up to 400 per Study Area:

ITD Rate Per Circuit =  $22.80 - 0.028505 \times \text{ITD Circuits}$

For Study Areas with ITD Circuits greater than 400 per Study Area:

ITD Rate Per Circuit = \$11.40

## **LINE HAUL DISTANCE SENSITIVE FORMULA**

### **Current Formula:**

Settlement =  $[(\text{Circuit Mile Rate} \times \text{Interstate Circuit Miles}) + (\$0.001472 \times \text{Access Minutes}^*)] \times \text{Density Factor}$

\* Access minutes up to but not exceeding 330 per line monthly

The Circuit Mile Rate is based on study areas average Interstate Circuit Miles per Interstate Circuit (CM/C):

Circuit Mile Rate =  $0.739513 - 0.012325 \times \text{CM/C}$ , if CM/C less or equal to 30  
=  $0.435007 - 0.002175 \times \text{CM/C}$ , if CM/C greater than 30 but less or equal to 100  
=  $0.03853 + 17.8974 / \text{CM/C}$ , 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 =  $1.741710 - 0.007241 \times \text{C/E}$ , if C/E less than 80  
=  $1.372205 - 0.002622 \times \text{C/E}$ , if C/E greater or equal to 80 but less than 200  
=  $1.065843 - 0.001090 \times \text{C/E}$ , 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

**Proposed Formula:**

$$\text{Settlement} = [(\text{Circuit Mile Rate} \times \text{Interstate Circuit Miles}) + (\$0.001573 \times \text{Access Minutes}^*)] \\ \times \text{Density Factor}$$

\* Access minutes up to but not exceeding 280 per line monthly

The Circuit Mile Rate is based on study area average Interstate Circuit Miles per Interstate Circuit (CM/C):

$$\begin{aligned} \text{Circuit Mile Rate} &= 0.770227 - 0.012837 \times \text{CM/C, if CM/C less or equal to 30} \\ &= 0.453075 - 0.002265 \times \text{CM/C, if CM/C greater than 30 but less or equal to 100} \\ &= 0.01127 + 21.526727 / \text{CM/C, if CM/C greater than 100} \end{aligned}$$

If CM/C is less than 350 then the Density Factor is based on study area average Interstate Circuits per Exchange (C/E):

$$\begin{aligned} \text{Density Factor} &= 1.728331 - 0.010864 \times \text{C/E, if C/E less than 80} \\ &= 0.918929 - 0.000746 \times \text{C/E, if C/E greater or equal to 80 but less than 200} \\ &= 0.949776 - 0.0009 \times \text{C/E, if C/E greater or equal to 200 but less than 600} \\ &= 0.409478, \text{ if C/E greater or equal to 600} \end{aligned}$$

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 70:

$$\begin{aligned} \text{Settlement Per Interstate Circuit Termination} &= \\ & \$33.18 - \$0.200894 \times \text{Terminations Per Exchange} \end{aligned}$$

For study areas with interstate circuit terminations per exchange greater than or equal to 70:

$$\text{Settlement Per Interstate Circuit Termination} = \$19.12$$

**Proposed Formula:**

For study areas with interstate circuit terminations per exchange less than 70:

$$\begin{aligned} \text{Settlement Per Interstate Circuit Termination} &= \\ & \$29.97 - \$0.181558 \times \text{Terminations Per Exchange} \end{aligned}$$

For study areas with interstate circuit terminations per exchange greater than or equal to 70:

$$\text{Settlement Per Interstate Circuit Termination} = \$17.26$$

## **TRAFFIC SENSITIVE TRANSPORT FORMULAS**

### **Current Formula:**

$$\text{Traffic Sensitive Transport} = (1 - 0.224181) \times \{ \text{Line Haul Distance Sensitive Formula} \\ + \text{Line Haul Non-Distance Sensitive Formula} \\ + \text{Intertoll Switching Formula} \}$$

### **Proposed Formula:**

$$\text{Traffic Sensitive Transport} = (1 - 0.316227) \times \{ \text{Line Haul Distance Sensitive Formula} \\ + \text{Line Haul Non-Distance Sensitive Formula} \\ + \text{Intertoll Switching Formula} \}$$

## **SPECIAL ACCESS FORMULA**

### **Current Formula:**

For study areas with Special Access Revenues per Exchange less than 300:

$$\text{Settlement} = [\text{Special Access Revenues} \times (7.01 - 0.011675 \times \text{Special Access Revenues per Exchange})] \times \text{Tariff Rate Index}$$

For study areas with Special Access Revenues per Exchange between 300 and 500:

$$\text{Settlement} = [\text{Special Access Revenues} \times (5.00 - 0.005004 \times \text{Special Access Revenues per Exchange})] \times \text{Tariff Rate Index}$$

For study areas with Special Access Revenues per Exchange greater than 500:

$$\text{Settlement} = [\text{Special Access Revenues} \times (0.707430 + 897.18 / \text{Special Access Revenues per Exchange})] \times \text{Tariff Rate Index}$$

$$\text{Tariff Rate Index} = 1 / (1 + \text{Tariff Special Access Relative Rate Change Since 12/06})$$

**Proposed Formula:**

For study areas with Special Access Revenues per Exchange less than 400:

$$\text{Settlement} = [\text{Special Access Revenues} \times (5.58 - 0.006977 \times \text{Special Access Revenues per Exchange})] \times \text{Tariff Rate Index}$$

For study areas with Special Access Revenues per Exchange between 400 and 800:

$$\text{Settlement} = [\text{Special Access Revenues} \times (3.72 - 0.002326 \times \text{Special Access Revenues per Exchange})] \times \text{Tariff Rate Index}$$

For study areas with Special Access Revenues per Exchange greater than 800:

$$\text{Settlement} = [\text{Special Access Revenues} \times (0.619258 + 992.97 / \text{Special Access Revenues per Exchange})] \times \text{Tariff Rate Index}$$

$$\text{Tariff Rate Index} = 1 / (1 + \text{Tariff Special Access Relative Rate Change Since 12/07})$$

**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:**

$$\text{Traffic Sensitive Factor} = 0.830184 + (1.509476 \times \text{ROR})$$

**Proposed Formula:**

$$\text{Traffic Sensitive Factor} = 0.842049 + (1.404009 \times \text{ROR})$$

## **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  $0.0247 \times$  (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  $0.0247 \times$  (the interstate portion of initial incremental equal access investment) per month for 96 months.

## **SIGNALING SYSTEM 7 FORMULAS**

### **Current 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.

### **Proposed Formula:**

Settlement = \$1,392      For each end office with SP or SSP equipment in service with full connectivity to the nationwide Signaling network.

Settlement = \$688      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.

## 2008 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.



## 2008 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	<p>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.</p> $Baseline\ Cost\ per\ Minute = \frac{\sum_{i=1}^n (Sample\ Weight_i \times Monthly\ Central\ Office\ Revenue\ Requirement_i)}{\sum_{i=1}^n (Sample\ Weight_i \times Access\ Minutes_i)}$ <p>n = The number of average schedule study areas in the sample having more than 10,000 access lines.</p>
Basic Cost per Minute	<p>The Basic Cost per Minute for each minutes per line band (j) was used to develop the Initial Central Office formula.</p> <p>For each band, the Basic Cost per Minute was calculated as:</p> $Basic\ Cost\ per\ Minute_j = \frac{Central\ Office\ Revenue\ Requirement\ per\ Access\ Minute_j}{Model\ Access\ Line\ Factor_j}$
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).

## 2008 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 <i>ith</i> observation before/after deleting the <i>ith</i> 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.

## 2008 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 circuits per exchange are limited to 3,000.
Interstate Circuit Miles	A settlement variable in the distance sensitive line haul formula. The interstate allocation of the number of miles of circuits carrying interstate switched access traffic defined according to NECA's average schedule settlement procedures. If a company's interstate circuits are limited by the cap of 3,000 interstate circuits per exchange, then the company's interstate circuit miles are reduced proportionally.
Interstate Conversation Minute Factor 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	A settlement variable in the non-distance sensitive line haul formula. The interstate allocation of the number of terminations of circuits carrying interstate switched access traffic defined according to NECA's average schedule settlement procedures. If a company's interstate circuits are limited by the cap of 3000 interstate circuits per exchange, then the company's interstate switched circuit terminations are reduced proportionally.
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 cannot 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.

## 2008 Modification of Average Schedules

### Glossary

Term	Definition
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.
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.  $\text{Minutes per Line} = \frac{\text{Monthly Access Minutes}}{\text{Access Lines}}$
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.

## 2008 Modification of Average Schedules

### Glossary

Term	Definition
"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.
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.

## 2008 Modification of Average Schedules

### Glossary

Term	Definition
Special Access Average Retention Ratio	An overall average special access retention ratio computed from average schedule sample data.
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 <i>regulated</i> 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.

## 2008 Modification of Average Schedules

### Glossary

Term	Definition
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

2008 Modification of Average Schedules  
 Sample Selection - Individual Listing of Final Strata

<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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



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2008 Modification of Average Schedules  
Sample Selection - Individual Listing of Final Strata

<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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2008 Modification of Average Schedules  
Sample Selection - Individual Listing of Final Strata

<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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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Sample Selection - Individual Listing of Final Strata

<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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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

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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



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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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2008 Modification of Average Schedules  
Sample Selection - Individual Listing of Final Strata

<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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2008 Modification of Average Schedules  
Sample Selection - Individual Listing of Final Strata

<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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2008 Modification of Average Schedules  
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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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



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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

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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

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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



## Appendix A1

2008 Modification of Average Schedules  
Sample Selection - Individual Listing of Final Strata

<u>Stratum</u>	<u>Stratum Sequence Number</u>	<u>Total Revenue</u>	<u>Measure of Size</u>	<u>Select as Certainty</u>	<u>Cumulative Measure of Size</u>	<u>Systematic Interval</u>	<u>First Year Selected</u>	<u>Sampling term</u>
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

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
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	1,119,016	429,138	190,042	197,882	38,470	2,744	0	1001
- CENTRAL OFFICE EQUIPMENT	COE	5,791,600	3,487,729	398,851	2,780,432	298,504	9,942	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	3,271,096	2,780,432	0	2,780,432	0	0	0	1001
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1001
-- COE CAT 4.12	COE412	79,344	0	0	0	0	0	0	1001
-- COE CAT 4.13	COE413	1,610,065	402,460	398,851	0	0	3,609	0	1001
-- COE CAT 4.2	COE42	220,081	121,911	0	0	115,578	6,333	0	1001
-- COE CAT 4.3	COE43	611,014	182,927	0	0	182,927	0	0	1001
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1001
- CABLE & WIRE FACILITIES	CWF	9,931,637	2,542,063	2,271,420	0	242,035	28,608	0	1001
-- C&WF CAT 1.1	CWF11	62,943	0	0	0	0	0	0	1001
-- C&WF CAT 1.2	CWF12	20,553	20,553	0	0	0	20,553	0	1001
-- C&WF CAT 1.3	CWF13	9,085,682	2,271,420	2,271,420	0	0	0	0	1001
-- C&WF CAT 2	CWF2	25,254	0	0	0	0	0	0	1001
-- C&WF CAT 3	CWF3	204,027	90,466	0	0	82,411	8,055	0	1001
-- C&WF CAT 4	CWF4	533,179	159,624	0	0	159,624	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	370,867	142,226	62,984	65,582	12,750	909	0	1001
ACCUM DEPRECIATION	ACCDEP	13,402,929	5,092,355	2,266,122	2,285,546	507,044	33,644	0	1001
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1001
NET DEFERRED FIT	NTDFIT	103,500	39,737	17,556	18,365	3,562	254	0	1001
NETWORK SUPPORT EXP	NETSPX	7,499	2,876	1,273	1,326	258	18	0	1001
GENERAL SUPPORT EXP	GSFX	210,362	80,673	35,726	37,200	7,232	516	0	1001
COE EXPENSE	COEX	276,265	166,368	48,025	81,203	35,943	1,197	0	1001
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1001
C&WF EXPENSE	CWFX	481,008	123,117	110,009	0	11,722	1,386	0	1001
OTHER PROP & PL EXP	OTHPX	79,215	30,379	13,453	14,008	2,723	194	0	1001
NETWORK OPERATIONS EXP	NETOPX	196,099	75,203	33,303	34,677	6,742	481	0	1001
DEPREC & AMORT EXP	DEPAMX	875,924	382,971	135,257	224,900	20,983	1,830	0	1001
MARKETING EXPENSE	MRKTX	123,487	47,345	20,967	21,831	4,244	303	0	1001
SERVICES EXPENSE	SERVX	618,326	224,789	59,612	49,973	8,388	474	106,342	1001
- CABSX EXPENSE	CABSX	68,758	34,379	0	28,453	5,532	394	0	1001
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1001
GENERAL & ADMIN EXP	GENADX	831,359	344,377	160,068	103,353	33,237	1,966	45,753	1001
OTHER TAXES (EXCL FIT & ITC)	OTAXES	255,366	99,459	43,862	46,908	8,071	618	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	54,838	21,734	9,625	10,022	1,948	139	0	1001

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	639,329	187,752	69,843	69,410	12,907	35,593	0	1002
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1002
- GENERAL SUPPORT FACILITIES	GSF	5,904,132	2,306,711	858,083	852,765	158,573	437,289	0	1002
- CENTRAL OFFICE EQUIPMENT	COE	13,637,492	6,897,486	732,767	4,299,192	700,395	1,165,132	0	1002
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1002
-- COE CAT 2	COE2	130,999	70,511	0	0	70,511	0	0	1002
-- COE CAT 3	COE3	6,889,919	4,299,192	0	4,299,192	0	0	0	1002
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1002
-- COE CAT 4.12	COE412	21,637	0	0	0	0	0	0	1002
-- COE CAT 4.13	COE413	2,933,106	732,971	732,767	0	0	204	0	1002
-- COE CAT 4.2	COE42	2,720,316	1,532,472	0	0	367,543	1,164,928	0	1002
-- COE CAT 4.3	COE43	941,517	262,340	0	0	262,340	0	0	1002
- INFORMATION ORIG/TERM	IOT	105,121	26,280	26,280	0	0	0	0	1002
- CABLE & WIRE FACILITIES	CWF	16,022,907	4,705,453	3,566,957	0	99,046	1,039,451	0	1002
-- C&WF CAT 1.1	CWF11	8,929	0	0	0	0	0	0	1002
-- C&WF CAT 1.2	CWF12	992	992	0	0	0	992	0	1002
-- C&WF CAT 1.3	CWF13	14,267,827	3,566,957	3,566,957	0	0	0	0	1002
-- C&WF CAT 2	CWF2	38,729	0	0	0	0	0	0	1002
-- C&WF CAT 3	CWF3	1,350,964	1,038,459	0	0	0	1,038,459	0	1002
-- C&WF CAT 4	CWF4	355,466	99,046	0	0	99,046	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	360,812	140,967	52,439	52,114	9,691	26,723	0	1002
ACCUM DEPRECIATION	ACCDEP	24,784,463	9,607,750	3,649,606	3,430,410	670,505	1,857,229	0	1002
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1002
NET DEFERRED FIT	NTDFIT	712,973	279,965	103,164	107,111	18,330	51,360	0	1002
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1002
GENERAL SUPPORT EXP	GSFX	202,117	78,966	29,375	29,193	5,428	14,970	0	1002
COE EXPENSE	COEX	623,358	315,278	17,304	251,461	18,999	27,514	0	1002
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1002
C&WF EXPENSE	CWFX	575,207	168,921	128,050	0	3,556	37,315	0	1002
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1002
NETWORK OPERATIONS EXP	NETOPX	786,736	307,373	114,341	113,632	21,130	58,270	0	1002
DEPREC & AMORT EXP	DEPAMX	1,503,585	599,483	208,460	233,151	43,799	114,073	0	1002
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1002
SERVICES EXPENSE	SERVX	1,024,557	341,134	105,244	76,746	13,415	14,380	131,350	1002
- CABSX EXPENSE	CABSX	88,333	44,167	0	26,000	4,835	13,332	0	1002
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1002
GENERAL & ADMIN EXP	GENADX	1,740,210	688,059	262,689	245,135	32,541	79,337	68,357	1002
OTHER TAXES (EXCL FIT & ITC)	OTAXES	607,928	239,117	87,695	90,382	16,285	44,755	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	330,254	131,348	48,861	48,558	9,029	24,900	0	1002

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	85,828	22,079	12,211	3,497	901	5,462	8	1003
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1003
- GENERAL SUPPORT FACILITIES	GSF	2,810,009	972,446	534,733	153,112	39,435	239,193	5,972	1003
- CENTRAL OFFICE EQUIPMENT	COE	21,108,193	9,539,680	2,711,472	2,536,600	648,802	3,642,806	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	4,993,632	2,536,600	0	2,536,600	0	0	0	1003
-- COE CAT 4.11	COE411	3,151,560	3,151,560	0	0	0	3,151,560	0	1003
-- COE CAT 4.12	COE412	42,681	0	0	0	0	0	0	1003
-- COE CAT 4.13	COE413	10,956,237	2,729,685	2,711,472	0	0	18,213	0	1003
-- COE CAT 4.2	COE42	1,964,083	1,121,835	0	0	648,802	473,033	0	1003
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1003
- INFORMATION ORIG/TERM	IOT	29,894	7,474	7,474	0	0	0	0	1003
- CABLE & WIRE FACILITIES	CWF	25,129,162	6,464,323	6,139,930	0	4,516	319,877	0	1003
-- C&WF CAT 1.1	CWF11	208,637	0	0	0	0	0	0	1003
-- C&WF CAT 1.2	CWF12	41,242	41,242	0	0	0	41,242	0	1003
-- C&WF CAT 1.3	CWF13	24,559,722	6,139,930	6,139,930	0	0	0	0	1003
-- C&WF CAT 2	CWF2	1,498	0	0	0	0	0	0	1003
-- C&WF CAT 3	CWF3	309,564	280,608	0	0	1,973	278,635	0	1003
-- C&WF CAT 4	CWF4	8,499	2,543	0	0	2,543	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	611,713	211,618	117,085	33,525	8,635	52,373	0	1003
ACCUM DEPRECIATION	ACCDEP	34,049,136	11,698,209	6,364,788	2,566,546	382,998	2,379,356	4,521	1003
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1003
NET DEFERRED FIT	NTDFIT	131,852	45,613	25,237	7,226	1,861	11,289	0	1003
NETWORK SUPPORT EXP	NETSPX	1,613	558	309	88	23	138	0	1003
GENERAL SUPPORT EXP	GSFX	912,749	315,871	173,692	49,734	12,809	77,695	1,940	1003
COE EXPENSE	COEX	945,510	427,316	104,813	156,608	25,080	140,814	0	1003
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1003
C&WF EXPENSE	CWFX	839,064	215,844	205,013	0	151	10,681	0	1003
OTHER PROP & PL EXP	OTHPPX	11,776	4,075	2,255	646	166	1,009	0	1003
NETWORK OPERATIONS EXP	NETOPX	991,100	342,985	189,768	54,337	13,995	84,885	0	1003
DEPREC & AMORT EXP	DEPAMX	3,090,435	1,096,398	558,289	249,795	40,701	247,176	437	1003
MARKETING EXPENSE	MRKTX	337,708	126,839	70,153	20,087	5,174	31,380	45	1003
SERVICES EXPENSE	SERVX	1,758,099	861,888	446,044	170,388	31,871	95,353	118,231	1003
- CABSX EXPENSE	CABSX	108,131	76,589	0	27,162	6,996	42,432	0	1003
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1003
GENERAL & ADMIN EXP	GENADX	2,939,330	1,280,267	714,158	231,861	45,803	226,763	61,682	1003
OTHER TAXES (EXCL FIT & ITC)	OTAXES	675,924	245,171	137,357	27,137	11,545	69,105	26	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	84,579	29,690	16,974	956	1,705	10,046	8	1003

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	48,036	12,562	5,770	5,267	884	641	0	1004
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1004
- GENERAL SUPPORT FACILITIES	GSF	1,192,408	440,499	202,343	184,684	30,984	22,487	0	1004
- CENTRAL OFFICE EQUIPMENT	COE	2,718,856	1,315,548	283,934	882,835	64,662	84,117	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	1,294,083	848,052	0	848,052	0	0	0	1004
-- COE CAT 4.11	COE411	84,117	84,117	0	0	0	84,117	0	1004
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1004
-- COE CAT 4.13	COE413	1,146,673	283,934	283,934	0	0	0	0	1004
-- COE CAT 4.2	COE42	119,845	54,739	0	0	54,739	0	0	1004
-- COE CAT 4.3	COE43	39,355	9,922	0	0	9,922	0	0	1004
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1004
- CABLE & WIRE FACILITIES	CWF	3,205,729	838,325	721,425	0	89,287	27,613	0	1004
-- C&WF CAT 1.1	CWF11	27,785	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	2,885,701	721,425	721,425	0	0	0	0	1004
-- C&WF CAT 2	CWF2	77,741	27,613	0	0	0	27,613	0	1004
-- C&WF CAT 3	CWF3	147,734	72,453	0	0	72,453	0	0	1004
-- C&WF CAT 4	CWF4	66,768	16,834	0	0	16,834	0	0	1004
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1004
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1004
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1004
ACCUM DEPRECIATION	ACCDEP	3,129,435	1,264,396	475,098	645,916	77,873	65,509	0	1004
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1004
NET DEFERRED FIT	NTDFIT	278,849	103,015	47,317	43,194	7,245	5,258	0	1004
NETWORK SUPPORT EXP	NETSPX	1,513	559	257	234	39	29	0	1004
GENERAL SUPPORT EXP	GSFX	62,978	23,265	10,687	9,754	1,636	1,188	0	1004
COE EXPENSE	COEX	127,677	63,411	10,572	44,964	4,744	3,132	0	1004
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1004
C&WF EXPENSE	CWFX	106,846	27,941	24,045	0	2,976	920	0	1004
OTHER PROP & PL EXP	OTHPPX	1,142	422	194	177	30	22	0	1004
NETWORK OPERATIONS EXP	NETOPX	266,798	98,560	45,274	41,323	6,933	5,031	0	1004
DEPREC & AMORT EXP	DEPAMX	366,816	136,197	62,048	55,487	10,152	8,510	0	1004
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1004
SERVICES EXPENSE	SERVX	104,212	28,513	4,316	10,825	1,815	950	10,606	1004
- CABSX EXPENSE	CABSX	19,565	9,783	0	7,586	1,273	924	0	1004
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1004
GENERAL & ADMIN EXP	GENADX	452,194	175,203	76,842	71,621	12,133	7,525	7,081	1004
OTHER TAXES (EXCL FIT & ITC)	OTAXES	88,706	42,887	21,348	16,176	3,189	2,174	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	95,903	32,531	14,943	13,639	2,288	1,661	0	1004

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	88,247	23,056	14,537	2,824	799	4,893	3	1005
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1005
- GENERAL SUPPORT FACILITIES	GSF	5,652,634	1,780,081	1,120,920	217,751	61,606	377,302	2,502	1005
- CENTRAL OFFICE EQUIPMENT	COE	26,313,973	10,059,865	3,689,469	2,223,518	627,619	3,519,259	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	5,840,911	1,985,724	0	1,985,724	0	0	0	1005
-- COE CAT 4.11	COE411	3,117,763	3,117,763	0	0	0	3,117,763	0	1005
-- COE CAT 4.12	COE412	97,542	0	0	0	0	0	0	1005
-- COE CAT 4.13	COE413	15,013,295	3,766,519	3,689,469	0	0	77,050	0	1005
-- COE CAT 4.2	COE42	2,006,668	952,064	0	0	627,619	324,445	0	1005
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1005
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1005
- CABLE & WIRE FACILITIES	CWF	37,489,774	9,794,897	8,980,655	0	68,733	745,510	0	1005
-- C&WF CAT 1.1	CWF11	434,173	0	0	0	0	0	0	1005
-- C&WF CAT 1.2	CWF12	187,551	187,551	0	0	0	187,551	0	1005
-- C&WF CAT 1.3	CWF13	35,922,619	8,980,655	8,980,655	0	0	0	0	1005
-- C&WF CAT 2	CWF2	178,811	0	0	0	0	0	0	1005
-- C&WF CAT 3	CWF3	766,621	626,691	0	0	68,732	557,959	0	1005
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1005
- TANGIBLES	TANGIB	6,133	1,931	1,218	237	67	410	0	1005
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1005
TELCOM PLANT-OTHER	PLTOTH	860,275	270,880	170,814	33,182	9,388	57,496	0	1005
ACCUM DEPRECIATION	ACCDEP	55,526,470	17,367,723	11,291,717	1,648,057	621,385	3,805,033	1,532	1005
ACCUM AMORTIZATION	ACCAMO	6,133	1,931	1,218	237	67	410	0	1005
NET DEFERRED FIT	NTDFIT	-2,819,835	-887,898	-559,898	-108,766	-30,772	-188,462	0	1005
NETWORK SUPPORT EXP	NETSPX	8,046	2,534	1,598	310	88	538	0	1005
GENERAL SUPPORT EXP	GSFX	1,155,201	363,786	229,077	44,501	12,590	77,107	511	1005
COE EXPENSE	COEX	1,212,496	474,496	62,321	342,127	10,602	59,446	0	1005
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1005
C&WF EXPENSE	CWFX	1,573,915	411,214	377,030	0	2,886	31,298	0	1005
OTHER PROP & PL EXP	OTHPXX	29,296	9,226	5,818	1,130	320	1,958	0	1005
NETWORK OPERATIONS EXP	NETOPX	1,301,254	409,780	258,403	50,198	14,202	86,978	0	1005
DEPREC & AMORT EXP	DEPAMX	5,916,634	1,985,189	1,137,950	185,272	96,545	565,308	113	1005
MARKETING EXPENSE	MRKTX	417,529	155,352	97,952	19,028	5,383	32,971	18	1005
SERVICES EXPENSE	SERVX	1,940,875	850,752	492,886	136,524	31,463	130,733	59,146	1005
- CABSX EXPENSE	CABSX	124,733	62,367	0	20,681	5,851	35,834	0	1005
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1005
GENERAL & ADMIN EXP	GENADXX	4,043,783	1,561,449	934,993	322,901	42,160	228,944	32,450	1005
OTHER TAXES (EXCL FIT & ITC)	OTAXES	639,685	214,932	129,689	34,528	7,114	43,581	19	1005
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1005
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1005
INTEREST & RELATED ITEMS(IRI)	INTREL	422	136	85	17	5	29	0	1005

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	19,118	5,588	2,109	1,991	88	1,394	6	1006
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1006
- GENERAL SUPPORT FACILITIES	GSF	953,099	423,171	158,458	149,651	6,580	104,781	3,701	1006
- CENTRAL OFFICE EQUIPMENT	COE	2,995,697	1,925,604	254,607	1,096,309	30,789	543,899	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	1,289,775	1,096,309	0	1,096,309	0	0	0	1006
-- COE CAT 4.11	COE411	447,378	420,927	0	0	0	420,927	0	1006
-- COE CAT 4.12	COE412	24,877	0	0	0	0	0	0	1006
-- COE CAT 4.13	COE413	1,045,945	268,294	254,607	0	0	13,687	0	1006
-- COE CAT 4.2	COE42	187,722	140,074	0	0	30,789	109,285	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	3,925,424	1,147,340	906,222	0	17,416	223,701	0	1006
-- C&WF CAT 1.1	CWF11	12,812	0	0	0	0	0	0	1006
-- C&WF CAT 1.2	CWF12	12,300	12,300	0	0	0	12,300	0	1006
-- C&WF CAT 1.3	CWF13	3,624,890	906,222	906,222	0	0	0	0	1006
-- C&WF CAT 2	CWF2	190,772	166,419	0	0	0	166,419	0	1006
-- C&WF CAT 3	CWF3	84,649	62,399	0	0	17,416	44,983	0	1006
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1006
- TANGIBLES	TANGIB	109,225	109,225	0	0	0	109,225	0	1006
- INTANGIBLES	INTANG	57,027	25,754	9,718	9,178	404	6,426	27	1006
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1006
ACCUM DEPRECIATION	ACCDEP	4,703,467	2,017,678	822,489	539,943	33,487	618,972	2,786	1006
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1006
NET DEFERRED FIT	NTDFIT	551,678	244,561	92,541	87,115	3,836	61,069	0	1006
NETWORK SUPPORT EXP	NETSPX	20,122	8,934	3,371	3,184	140	2,229	9	1006
GENERAL SUPPORT EXP	GSFX	99,242	44,063	16,500	15,582	685	10,910	385	1006
COE EXPENSE	COEX	89,807	57,727	6,048	38,027	731	12,920	0	1006
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1006
C&WF EXPENSE	CWFX	99,635	29,122	23,002	0	442	5,678	0	1006
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1006
NETWORK OPERATIONS EXP	NETOPX	231,564	102,813	38,839	36,680	1,613	25,682	0	1006
DEPREC & AMORT EXP	DEPAMX	542,112	286,860	73,845	104,983	4,288	103,596	149	1006
MARKETING EXPENSE	MRKTX	116,745	49,870	18,819	17,773	781	12,444	53	1006
SERVICES EXPENSE	SERVX	234,251	82,538	11,172	18,117	797	9,400	43,053	1006
- CABSX EXPENSE	CABSX	43,814	21,907	0	12,560	552	8,794	0	1006
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1006
GENERAL & ADMIN EXP	GENADX	434,978	182,459	71,222	55,923	2,243	34,265	18,805	1006
OTHER TAXES (EXCL FIT & ITC)	OTAXES	52,843	25,701	8,431	10,905	358	5,998	8	1006
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1006
NON-OPERATING INC & EXP	NONOPX	650	273	103	97	4	68	0	1006
INTEREST & RELATED ITEMS(IRI)	INTREL	21,377	10,475	3,953	3,733	164	2,614	11	1006

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	109,378	27,295	13,542	12,174	177	1,330	72	1007
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1007
- GENERAL SUPPORT FACILITIES	GSF	658,322	254,709	122,760	110,366	1,603	12,060	7,921	1007
- CENTRAL OFFICE EQUIPMENT	COE	2,644,608	1,634,444	260,132	1,227,550	12,629	134,134	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	1,444,176	1,227,550	0	1,227,550	0	0	0	1007
-- COE CAT 4.11	COE411	134,134	134,134	0	0	0	134,134	0	1007
-- COE CAT 4.12	COE412	3,725	0	0	0	0	0	0	1007
-- COE CAT 4.13	COE413	1,044,889	260,132	260,132	0	0	0	0	1007
-- COE CAT 4.2	COE42	17,684	12,629	0	0	12,629	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	4,449,915	1,110,473	1,105,271	0	5,202	0	0	1007
-- C&WF CAT 1.1	CWF11	18,531	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	4,421,086	1,105,271	1,105,271	0	0	0	0	1007
-- C&WF CAT 2	CWF2	3,029	0	0	0	0	0	0	1007
-- C&WF CAT 3	CWF3	7,269	5,202	0	0	5,202	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	613,132	236,598	117,691	105,809	1,537	11,562	0	1007
ACCUM DEPRECIATION	ACCDEP	2,915,311	1,444,750	427,891	937,744	7,634	66,103	5,378	1007
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1007
NET DEFERRED FIT	NTDFIT	339,312	131,009	65,099	58,679	849	6,382	0	1007
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1007
GENERAL SUPPORT EXP	GSFX	114,415	44,268	21,335	19,181	279	2,096	1,377	1007
COE EXPENSE	COEX	129,863	80,259	19,481	49,672	1,061	10,045	0	1007
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1007
C&WF EXPENSE	CWFX	93,642	23,368	23,259	0	109	0	0	1007
OTHER PROP & PL EXP	OTHPPX	14,824	5,736	2,853	2,565	37	280	0	1007
NETWORK OPERATIONS EXP	NETOPX	96,159	37,205	18,507	16,638	242	1,818	0	1007
DEPREC & AMORT EXP	DEPAMX	317,217	133,812	56,349	69,539	841	6,768	315	1007
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1007
SERVICES EXPENSE	SERVX	100,563	49,763	11,714	10,885	156	336	26,671	1007
- CABSX EXPENSE	CABSX	6,799	3,400	0	3,025	44	331	0	1007
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1007
GENERAL & ADMIN EXP	GENADX	449,878	225,373	101,421	85,494	1,628	12,594	24,235	1007
OTHER TAXES (EXCL FIT & ITC)	OTAXES	114,671	44,463	22,117	19,884	289	2,173	0	1007
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1007
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1007
INTEREST & RELATED ITEMS(IRI)	INTREL	181,507	58,687	29,116	26,176	380	2,860	155	1007



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	126,984	34,544	13,478	10,408	1,847	8,810	0	1008
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1008
- GENERAL SUPPORT FACILITIES	GSF	7,601,533	3,168,649	1,236,191	954,602	169,412	808,100	344	1008
- CENTRAL OFFICE EQUIPMENT	COE	19,930,035	13,594,929	692,086	7,086,834	764,848	5,051,161	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	10,697,463	7,086,834	0	7,086,834	0	0	0	1008
-- COE CAT 4.11	COE411	4,950,914	4,950,914	0	0	0	4,950,914	0	1008
-- COE CAT 4.12	COE412	131,591	44,582	0	0	0	44,582	0	1008
-- COE CAT 4.13	COE413	2,836,330	717,846	692,086	0	0	25,761	0	1008
-- COE CAT 4.2	COE42	809,331	606,626	0	0	576,721	29,905	0	1008
-- COE CAT 4.3	COE43	504,406	188,127	0	0	188,127	0	0	1008
- INFORMATION ORIG/TERM	IOT	93,203	23,301	23,301	0	0	0	0	1008
- CABLE & WIRE FACILITIES	CWF	36,403,372	9,902,834	8,461,929	0	492,846	948,059	0	1008
-- C&WF CAT 1.1	CWF11	516,288	0	0	0	0	0	0	1008
-- C&WF CAT 1.2	CWF12	314,968	314,968	0	0	0	314,968	0	1008
-- C&WF CAT 1.3	CWF13	33,847,715	8,461,929	8,461,929	0	0	0	0	1008
-- C&WF CAT 2	CWF2	38,800	0	0	0	0	0	0	1008
-- C&WF CAT 3	CWF3	907,279	835,648	0	0	202,557	633,091	0	1008
-- C&WF CAT 4	CWF4	778,322	290,288	0	0	290,288	0	0	1008
- TANGIBLES	TANGIB	446,618	186,170	72,634	56,089	9,954	47,481	12	1008
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1008
TELCOM PLANT-OTHER	PLTOTH	257,047	107,147	41,806	32,283	5,729	27,329	0	1008
ACCUM DEPRECIATION	ACCDEP	40,244,633	17,533,519	6,054,097	6,636,626	836,356	4,006,237	201	1008
ACCUM AMORTIZATION	ACCAMO	255,369	106,437	41,529	32,069	5,691	27,148	0	1008
NET DEFERRED FIT	NTDFIT	2,472,252	1,029,284	402,321	312,093	54,721	260,150	0	1008
NETWORK SUPPORT EXP	NETSPX	240,156	100,107	39,059	30,162	5,353	25,533	1	1008
GENERAL SUPPORT EXP	GSFX	1,558,656	649,716	253,475	195,736	34,737	165,697	71	1008
COE EXPENSE	COEX	1,604,503	1,094,484	3,882	1,057,981	4,290	28,331	0	1008
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1008
C&WF EXPENSE	CWFX	1,413,342	384,472	328,530	0	19,134	36,808	0	1008
OTHER PROP & PL EXP	OTHPXX	72,845	30,365	11,848	9,149	1,624	7,745	0	1008
NETWORK OPERATIONS EXP	NETOPX	1,826,695	761,446	297,097	229,422	40,715	194,212	0	1008
DEPREC & AMORT EXP	DEPAMX	3,776,028	1,880,160	457,143	808,096	94,913	520,001	7	1008
MARKETING EXPENSE	MRKTX	808,843	334,182	130,387	100,687	17,869	85,234	4	1008
SERVICES EXPENSE	SERVX	1,304,460	303,066	30,789	120,530	4,432	34,244	113,071	1008
- CABSX EXPENSE	CABSX	53,604	26,802	0	13,242	2,350	11,210	0	1008
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1008
GENERAL & ADMIN EXP	GENADXX	3,803,663	1,604,650	569,641	704,203	51,757	233,354	45,696	1008
OTHER TAXES (EXCL FIT & ITC)	OTAXES	852,378	458,878	199,918	102,255	27,231	129,470	3	1008
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1008
NON-OPERATING INC & EXP	NONOPX	68,418	28,863	11,262	8,696	1,543	7,362	0	1008
INTEREST & RELATED ITEMS(IRI)	INTREL	604,822	230,701	90,012	69,509	12,336	58,841	3	1008

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## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	6,999	1,757	878	635	29	214	0	1009
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1009
- GENERAL SUPPORT FACILITIES	GSF	1,303,133	492,836	246,342	178,173	8,075	60,096	150	1009
- CENTRAL OFFICE EQUIPMENT	COE	9,879,916	5,168,602	1,191,839	2,901,903	124,234	950,626	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	3,414,004	2,762,013	0	2,762,013	0	0	0	1009
-- COE CAT 4.11	COE411	869,888	869,888	0	0	0	869,888	0	1009
-- COE CAT 4.12	COE412	196,133	0	0	0	0	0	0	1009
-- COE CAT 4.13	COE413	4,804,947	1,193,343	1,191,839	0	0	1,504	0	1009
-- COE CAT 4.2	COE42	455,054	203,468	0	0	124,234	79,234	0	1009
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1009
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1009
- CABLE & WIRE FACILITIES	CWF	12,360,588	3,102,717	3,013,746	0	13,626	75,345	0	1009
-- C&WF CAT 1.1	CWF11	91,254	0	0	0	0	0	0	1009
-- C&WF CAT 1.2	CWF12	3,802	3,802	0	0	0	3,802	0	1009
-- C&WF CAT 1.3	CWF13	12,054,985	3,013,746	3,013,746	0	0	0	0	1009
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1009
-- C&WF CAT 3	CWF3	210,547	85,168	0	0	13,626	71,543	0	1009
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1009
- TANGIBLES	TANGIB	7,293	2,758	1,379	997	45	336	0	1009
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1009
TELCOM PLANT-OTHER	PLTOTH	302,106	114,253	57,126	41,318	1,873	13,936	0	1009
ACCUM DEPRECIATION	ACCDEP	18,854,600	7,480,019	3,429,719	3,138,445	108,157	803,615	83	1009
ACCUM AMORTIZATION	ACCAMO	3,488	1,319	660	477	22	161	0	1009
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1009
NETWORK SUPPORT EXP	NETSPX	3,674	1,389	695	502	23	169	0	1009
GENERAL SUPPORT EXP	GSFX	426,405	161,264	80,607	58,301	2,642	19,664	49	1009
COE EXPENSE	COEX	565,828	304,020	81,178	149,631	8,462	64,749	0	1009
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1009
C&WF EXPENSE	CWFX	498,039	125,016	121,431	0	549	3,036	0	1009
OTHER PROP & PL EXP	OTHPPX	11,228	4,246	2,123	1,536	70	518	0	1009
NETWORK OPERATIONS EXP	NETOPX	479,887	181,490	90,745	65,633	2,975	22,138	0	1009
DEPREC & AMORT EXP	DEPAMX	1,813,221	761,422	310,058	326,276	14,653	110,425	9	1009
MARKETING EXPENSE	MRKTX	143,897	41,888	20,944	15,148	687	5,109	1	1009
SERVICES EXPENSE	SERVX	648,920	371,832	168,319	142,103	6,189	28,373	26,848	1009
- CABSX EXPENSE	CABSX	73,660	36,830	0	26,638	1,207	8,985	0	1009
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1009
GENERAL & ADMIN EXP	GENADX	1,317,645	624,408	310,830	217,138	10,833	72,122	13,485	1009
OTHER TAXES (EXCL FIT & ITC)	OTAXES	233,330	85,647	48,633	22,855	1,674	12,484	1	1009
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1009
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1009
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1009

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	160,701	50,812	18,902	6,302	3,196	22,411	0	1010
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1010
- GENERAL SUPPORT FACILITIES	GSF	2,945,146	1,288,796	479,438	159,857	81,068	568,434	0	1010
- CENTRAL OFFICE EQUIPMENT	COE	2,891,645	2,109,296	73,400	529,945	217,452	1,288,499	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	723,735	529,945	0	529,945	0	0	0	1010
-- COE CAT 4.11	COE411	794,078	794,078	0	0	0	794,078	0	1010
-- COE CAT 4.12	COE412	34,877	0	0	0	0	0	0	1010
-- COE CAT 4.13	COE413	300,649	77,750	73,400	0	0	4,350	0	1010
-- COE CAT 4.2	COE42	946,076	687,136	0	0	197,065	490,071	0	1010
-- COE CAT 4.3	COE43	92,230	20,388	0	0	20,388	0	0	1010
- INFORMATION ORIG/TERM	IOT	144,761	36,190	36,190	0	0	0	0	1010
- CABLE & WIRE FACILITIES	CWF	6,727,123	2,127,034	1,479,806	0	51,297	595,931	0	1010
-- C&WF CAT 1.1	CWF11	54,434	0	0	0	0	0	0	1010
-- C&WF CAT 1.2	CWF12	87,700	87,700	0	0	0	87,700	0	1010
-- C&WF CAT 1.3	CWF13	5,919,223	1,479,806	1,479,806	0	0	0	0	1010
-- C&WF CAT 2	CWF2	518,248	503,183	0	0	0	503,183	0	1010
-- C&WF CAT 3	CWF3	98,521	45,515	0	0	40,467	5,048	0	1010
-- C&WF CAT 4	CWF4	48,997	10,831	0	0	10,831	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	192,158	84,088	31,281	10,430	5,289	37,088	0	1010
ACCUM DEPRECIATION	ACCDEP	6,567,812	2,895,320	1,054,479	472,555	169,590	1,198,696	0	1010
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1010
NET DEFERRED FIT	NTDFIT	810,860	354,829	132,001	43,997	22,321	156,510	0	1010
NETWORK SUPPORT EXP	NETSPX	22,441	9,820	3,653	1,218	618	4,331	0	1010
GENERAL SUPPORT EXP	GSFX	599,879	262,507	97,654	32,560	16,512	115,781	0	1010
COE EXPENSE	COEX	576,011	420,168	7,213	256,528	29,809	126,619	0	1010
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1010
C&WF EXPENSE	CWFX	312,441	98,790	68,730	0	2,383	27,678	0	1010
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1010
NETWORK OPERATIONS EXP	NETOPX	449,372	196,645	73,153	24,391	12,369	86,732	0	1010
DEPREC & AMORT EXP	DEPAMX	700,754	317,979	109,003	37,163	22,111	149,703	0	1010
MARKETING EXPENSE	MRKTX	22,131	7,949	2,957	986	500	3,506	0	1010
SERVICES EXPENSE	SERVX	418,168	150,424	23,502	15,319	7,514	39,439	64,650	1010
- CABSX EXPENSE	CABSX	109,099	54,550	0	10,774	5,464	38,312	0	1010
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1010
GENERAL & ADMIN EXP	GENADX	1,328,385	682,194	185,910	188,939	39,788	230,655	36,903	1010
OTHER TAXES (EXCL FIT & ITC)	OTAXES	172,348	76,106	28,312	9,440	4,787	33,567	0	1010
INVESTMENT TAX CREDITS (ITC)	ITC	3,768	1,649	613	205	104	727	0	1010
NON-OPERATING INC & EXP	NONOPX	7,386	3,793	1,411	470	239	1,673	0	1010
INTEREST & RELATED ITEMS(IRI)	INTREL	101,742	43,793	16,291	5,432	2,755	19,315	0	1010

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	343,984	106,069	30,491	44,120	4,809	26,650	0	1011
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1011
- GENERAL SUPPORT FACILITIES	GSF	3,808,995	1,638,284	470,941	681,449	74,273	411,621	0	1011
- CENTRAL OFFICE EQUIPMENT	COE	12,554,484	6,812,298	474,618	4,320,923	282,476	1,734,281	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	8,173,767	4,320,923	0	4,320,923	0	0	0	1011
-- COE CAT 4.11	COE411	1,325,879	1,325,879	0	0	0	1,325,879	0	1011
-- COE CAT 4.12	COE412	69,467	0	0	0	0	0	0	1011
-- COE CAT 4.13	COE413	1,930,698	486,960	474,618	0	0	12,342	0	1011
-- COE CAT 4.2	COE42	865,501	615,126	0	0	219,067	396,059	0	1011
-- COE CAT 4.3	COE43	189,172	63,410	0	0	63,410	0	0	1011
- INFORMATION ORIG/TERM	IOT	7,400	1,850	1,850	0	0	0	0	1011
- CABLE & WIRE FACILITIES	CWF	11,590,131	3,573,860	2,509,667	0	188,474	875,718	0	1011
-- C&WF CAT 1.1	CWF11	105,145	0	0	0	0	0	0	1011
-- C&WF CAT 1.2	CWF12	65,263	65,263	0	0	0	65,263	0	1011
-- C&WF CAT 1.3	CWF13	10,038,670	2,509,667	2,509,667	0	0	0	0	1011
-- C&WF CAT 2	CWF2	874,671	793,015	0	0	0	793,015	0	1011
-- C&WF CAT 3	CWF3	227,211	112,338	0	0	94,897	17,441	0	1011
-- C&WF CAT 4	CWF4	279,171	93,577	0	0	93,577	0	0	1011
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1011
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1011
TELCOM PLANT-OTHER	PLTOTH	51,569	22,180	6,376	9,226	1,006	5,573	0	1011
ACCUM DEPRECIATION	ACCDEP	15,447,266	6,415,688	2,000,763	2,780,710	257,054	1,377,161	0	1011
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1011
NET DEFERRED FIT	NTDFIT	1,990,538	856,174	246,095	356,131	38,817	215,130	0	1011
NETWORK SUPPORT EXP	NETSPX	16	7	2	3	0	2	0	1011
GENERAL SUPPORT EXP	GSFX	341,780	147,003	42,257	61,146	6,665	36,935	0	1011
COE EXPENSE	COEX	590,341	320,330	5,132	253,421	43,024	18,754	0	1011
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1011
C&WF EXPENSE	CWFX	554,916	171,110	120,159	0	9,024	41,928	0	1011
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1011
NETWORK OPERATIONS EXP	NETOPX	359,742	154,728	44,478	64,360	7,015	38,876	0	1011
DEPREC & AMORT EXP	DEPAMX	1,795,540	824,041	178,916	412,449	34,756	197,921	0	1011
MARKETING EXPENSE	MRKTX	340,360	136,033	39,104	56,583	6,167	34,178	0	1011
SERVICES EXPENSE	SERVX	812,986	235,178	49,418	52,415	5,713	16,155	111,476	1011
- CABSX EXPENSE	CABSX	62,391	31,196	0	18,211	1,985	11,000	0	1011
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1011
GENERAL & ADMIN EXP	GENADX	1,966,467	778,456	257,926	294,014	46,764	112,578	67,173	1011
OTHER TAXES (EXCL FIT & ITC)	OTAXES	488,069	211,880	60,907	88,132	9,606	53,235	0	1011
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1011
NON-OPERATING INC & EXP	NONOPX	10,747	4,254	1,223	1,770	193	1,069	0	1011
INTEREST & RELATED ITEMS(IRI)	INTREL	20,610	9,216	2,649	3,834	418	2,316	0	1011

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	467,037	123,605	53,315	44,858	2,922	22,265	245	1012
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1012
- GENERAL SUPPORT FACILITIES	GSF	5,779,134	1,967,878	842,981	709,273	46,207	352,039	17,377	1012
- CENTRAL OFFICE EQUIPMENT	COE	7,689,499	3,550,547	214,890	2,473,766	75,158	786,734	0	1012
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1012
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1012
-- COE CAT 3	COE3	5,321,517	2,473,766	0	2,473,766	0	0	0	1012
-- COE CAT 4.11	COE411	485,618	485,618	0	0	0	485,618	0	1012
-- COE CAT 4.12	COE412	197,941	0	0	0	0	0	0	1012
-- COE CAT 4.13	COE413	860,988	215,439	214,890	0	0	550	0	1012
-- COE CAT 4.2	COE42	453,093	338,917	0	0	38,350	300,566	0	1012
-- COE CAT 4.3	COE43	370,342	36,808	0	0	36,808	0	0	1012
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1012
- CABLE & WIRE FACILITIES	CWF	12,288,683	3,252,309	2,725,218	0	86,002	441,090	0	1012
-- C&WF CAT 1.1	CWF11	11,150	0	0	0	0	0	0	1012
-- C&WF CAT 1.2	CWF12	6,969	6,969	0	0	0	6,969	0	1012
-- C&WF CAT 1.3	CWF13	10,900,871	2,725,218	2,725,218	0	0	0	0	1012
-- C&WF CAT 2	CWF2	819,643	433,437	0	0	0	433,437	0	1012
-- C&WF CAT 3	CWF3	157,724	47,693	0	0	47,009	684	0	1012
-- C&WF CAT 4	CWF4	392,326	38,992	0	0	38,992	0	0	1012
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1012
- INTANGIBLES	INTANG	264	90	39	33	2	16	0	1012
TELCOM PLANT-OTHER	PLTOTH	1,758,471	597,880	258,274	217,308	14,157	107,858	282	1012
ACCUM DEPRECIATION	ACCDEP	14,678,337	5,225,276	1,865,312	2,557,701	94,839	697,524	9,901	1012
ACCUM AMORTIZATION	ACCAMO	237,664	80,768	34,907	29,370	1,913	14,577	0	1012
NET DEFERRED FIT	NTDFIT	2,157,042	733,036	316,809	266,558	17,366	132,303	0	1012
NETWORK SUPPORT EXP	NETSPX	27,851	9,484	4,091	3,442	224	1,708	19	1012
GENERAL SUPPORT EXP	GSFX	303,095	103,208	44,211	37,199	2,423	18,463	911	1012
COE EXPENSE	COEX	628,951	290,412	1,957	280,603	685	7,166	0	1012
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1012
C&WF EXPENSE	CWFX	516,525	136,703	114,548	0	3,615	18,540	0	1012
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1012
NETWORK OPERATIONS EXP	NETOPX	595,399	202,742	87,622	73,724	4,803	36,592	0	1012
DEPREC & AMORT EXP	DEPAMX	1,352,976	492,117	163,977	240,385	9,786	77,252	717	1012
MARKETING EXPENSE	MRKTX	9,731	1,489	642	540	35	268	3	1012
SERVICES EXPENSE	SERVX	462,514	136,123	11,909	49,541	3,228	23,025	48,420	1012
- CABSX EXPENSE	CABSX	140,289	70,145	0	44,922	2,927	22,296	0	1012
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1012
GENERAL & ADMIN EXP	GENADX	714,267	274,476	98,673	127,185	4,290	30,225	14,104	1012
OTHER TAXES (EXCL FIT & ITC)	OTAXES	390,210	130,525	56,411	47,464	3,092	23,558	0	1012
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1012
NON-OPERATING INC & EXP	NONOPX	7,690	2,955	1,275	1,072	70	532	6	1012
INTEREST & RELATED ITEMS(IRI)	INTREL	21,601	6,886	3,781	1,118	223	1,749	15	1012

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	23,505	5,944	1,598	3,596	370	380	0	1013
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1013
- GENERAL SUPPORT FACILITIES	GSF	217,321	111,989	30,106	67,752	6,968	7,163	0	1013
- CENTRAL OFFICE EQUIPMENT	COE	924,308	727,978	24,009	587,143	55,220	61,606	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	690,757	587,143	0	587,143	0	0	0	1013
-- COE CAT 4.11	COE411	61,169	61,169	0	0	0	61,169	0	1013
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1013
-- COE CAT 4.13	COE413	96,474	24,053	24,009	0	0	44	0	1013
-- COE CAT 4.2	COE42	75,908	55,613	0	0	55,220	393	0	1013
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1013
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1013
- CABLE & WIRE FACILITIES	CWF	959,021	242,533	236,895	0	5,167	470	0	1013
-- C&WF CAT 1.1	CWF11	3,903	0	0	0	0	0	0	1013
-- C&WF CAT 1.2	CWF12	434	434	0	0	0	434	0	1013
-- C&WF CAT 1.3	CWF13	947,581	236,895	236,895	0	0	0	0	1013
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1013
-- C&WF CAT 3	CWF3	7,103	5,204	0	0	5,167	37	0	1013
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1013
- TANGIBLES	TANGIB	33,808	17,421	4,683	10,539	1,084	1,114	0	1013
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1013
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1013
ACCUM DEPRECIATION	ACCDEP	1,062,165	584,841	131,647	375,832	37,795	39,567	0	1013
ACCUM AMORTIZATION	ACCAMO	11,659	6,008	1,615	3,635	374	384	0	1013
NET DEFERRED FIT	NTDFIT	60,359	28,840	9,297	16,516	1,523	1,504	0	1013
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1013
GENERAL SUPPORT EXP	GSFX	60,369	31,109	8,363	18,821	1,936	1,990	0	1013
COE EXPENSE	COEX	175,892	138,531	4,380	112,840	10,073	11,238	0	1013
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1013
C&WF EXPENSE	CWFX	126,655	32,031	31,286	0	682	62	0	1013
OTHER PROP & PL EXP	OTHPX	3,924	2,022	544	1,223	126	129	0	1013
NETWORK OPERATIONS EXP	NETOPX	51,260	26,415	7,101	15,981	1,644	1,690	0	1013
DEPREC & AMORT EXP	DEPAMX	94,368	53,365	11,115	35,169	3,449	3,631	0	1013
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1013
SERVICES EXPENSE	SERVX	27,983	11,055	225	9,341	263	270	955	1013
- CABSX EXPENSE	CABSX	5,961	2,981	0	2,467	254	261	0	1013
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1013
GENERAL & ADMIN EXP	GENADX	172,922	108,876	23,430	71,424	6,647	6,943	431	1013
OTHER TAXES (EXCL FIT & ITC)	OTAXES	24,490	12,718	3,419	7,694	791	813	0	1013
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1013
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1013
INTEREST & RELATED ITEMS(IRI)	INTREL	4,648	2,232	600	1,350	139	143	0	1013

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	46,032	13,850	4,473	6,024	200	3,153	0	1014
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1014
- GENERAL SUPPORT FACILITIES	GSF	1,147,093	543,066	175,380	236,213	7,840	123,632	0	1014
- CENTRAL OFFICE EQUIPMENT	COE	1,427,643	962,365	80,674	643,628	5,459	232,604	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	792,237	603,523	0	603,523	0	0	0	1014
-- COE CAT 4.11	COE411	187,499	187,499	0	0	0	187,499	0	1014
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1014
-- COE CAT 4.13	COE413	327,199	83,737	80,674	0	0	3,063	0	1014
-- COE CAT 4.2	COE42	60,453	47,501	0	0	5,459	42,042	0	1014
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1014
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1014
- CABLE & WIRE FACILITIES	CWF	1,892,690	569,467	426,976	0	17,235	125,257	0	1014
-- C&WF CAT 1.1	CWF11	7,629	0	0	0	0	0	0	1014
-- C&WF CAT 1.2	CWF12	16,211	16,211	0	0	0	16,211	0	1014
-- C&WF CAT 1.3	CWF13	1,707,904	426,976	426,976	0	0	0	0	1014
-- C&WF CAT 2	CWF2	118,861	106,194	0	0	0	106,194	0	1014
-- C&WF CAT 3	CWF3	42,085	20,086	0	0	17,235	2,851	0	1014
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	58,025	27,471	8,872	11,949	397	6,254	0	1014
ACCUM DEPRECIATION	ACCDEP	2,906,829	1,375,407	443,646	613,293	19,686	298,783	0	1014
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1014
NET DEFERRED FIT	NTDFIT	221,400	104,817	33,850	45,591	1,513	23,862	0	1014
NETWORK SUPPORT EXP	NETSPX	12,230	5,790	1,870	2,518	84	1,318	0	1014
GENERAL SUPPORT EXP	GSFX	90,439	42,816	13,827	18,623	618	9,747	0	1014
COE EXPENSE	COEX	346,262	243,140	269	242,078	18	775	0	1014
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1014
C&WF EXPENSE	CWFX	238,687	71,816	53,846	0	2,173	15,796	0	1014
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1014
NETWORK OPERATIONS EXP	NETOPX	20,452	9,683	3,127	4,212	140	2,204	0	1014
DEPREC & AMORT EXP	DEPAMX	248,556	120,540	36,586	57,538	1,625	24,791	0	1014
MARKETING EXPENSE	MRKTX	18,860	4,958	1,601	2,157	72	1,129	0	1014
SERVICES EXPENSE	SERVX	150,975	62,219	11,943	19,298	565	5,341	25,072	1014
- CABSX EXPENSE	CABSX	29,163	14,582	0	9,368	311	4,903	0	1014
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1014
GENERAL & ADMIN EXP	GENADX	606,958	317,564	78,979	194,734	2,474	24,476	16,901	1014
OTHER TAXES (EXCL FIT & ITC)	OTAXES	67,356	31,139	10,056	13,544	450	7,089	0	1014
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1014
NON-OPERATING INC & EXP	NONOPX	15,754	8,243	2,662	3,585	119	1,876	0	1014
INTEREST & RELATED ITEMS(IRI)	INTREL	21,997	10,426	3,367	4,535	151	2,374	0	1014

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	50,689	15,773	4,035	5,595	332	5,785	26	1015
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1015
- GENERAL SUPPORT FACILITIES	GSF	940,066	462,890	117,724	163,222	9,687	168,764	3,492	1015
- CENTRAL OFFICE EQUIPMENT	COE	1,842,307	1,180,962	85,547	586,013	19,391	490,012	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	892,223	569,757	0	569,757	0	0	0	1015
-- COE CAT 4.11	COE411	360,669	360,669	0	0	0	360,669	0	1015
-- COE CAT 4.12	COE412	48,469	0	0	0	0	0	0	1015
-- COE CAT 4.13	COE413	348,657	87,876	85,547	0	0	2,330	0	1015
-- COE CAT 4.2	COE42	153,866	141,135	0	0	14,122	127,013	0	1015
-- COE CAT 4.3	COE43	17,519	5,269	0	0	5,269	0	0	1015
- INFORMATION ORIG/TERM	IOT	996	249	249	0	0	0	0	1015
- CABLE & WIRE FACILITIES	CWF	1,599,255	497,651	348,591	0	16,353	132,707	0	1015
-- C&WF CAT 1.1	CWF11	16,876	0	0	0	0	0	0	1015
-- C&WF CAT 1.2	CWF12	9,493	9,493	0	0	0	9,493	0	1015
-- C&WF CAT 1.3	CWF13	1,394,363	348,591	348,591	0	0	0	0	1015
-- C&WF CAT 2	CWF2	129,775	124,172	0	0	1,120	123,052	0	1015
-- C&WF CAT 3	CWF3	2,929	1,615	0	0	1,452	163	0	1015
-- C&WF CAT 4	CWF4	45,820	13,781	0	0	13,781	0	0	1015
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1015
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1015
TELCOM PLANT-OTHER	PLTOTH	80,471	39,560	10,137	14,056	834	14,533	0	1015
ACCUM DEPRECIATION	ACCDEP	2,980,048	1,456,415	350,697	747,302	23,147	333,510	1,759	1015
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1015
NET DEFERRED FIT	NTDFIT	309,650	152,225	39,009	54,085	3,210	55,922	0	1015
NETWORK SUPPORT EXP	NETSPX	6,557	3,229	826	1,145	68	1,184	5	1015
GENERAL SUPPORT EXP	GSFX	57,197	28,164	7,163	9,931	589	10,268	212	1015
COE EXPENSE	COEX	224,135	145,654	6,692	99,115	1,517	38,330	0	1015
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1015
C&WF EXPENSE	CWFX	103,542	32,220	22,569	0	1,059	8,592	0	1015
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1015
NETWORK OPERATIONS EXP	NETOPX	71,097	35,008	8,971	12,438	738	12,861	0	1015
DEPREC & AMORT EXP	DEPAMX	276,990	145,782	29,794	60,315	2,789	52,746	138	1015
MARKETING EXPENSE	MRKTX	4,641	829	212	294	17	304	1	1015
SERVICES EXPENSE	SERVX	150,308	50,749	7,567	18,030	735	8,198	16,220	1015
- CABSX EXPENSE	CABSX	32,686	16,343	0	7,807	463	8,072	0	1015
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1015
GENERAL & ADMIN EXP	GENADX	596,104	304,815	66,723	138,762	4,650	78,497	16,183	1015
OTHER TAXES (EXCL FIT & ITC)	OTAXES	63,666	30,340	7,775	10,780	640	11,146	0	1015
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1015
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1015
INTEREST & RELATED ITEMS(IRI)	INTREL	2,830	1,420	412	-11	47	968	4	1015



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	48,985	15,222	4,670	5,929	1,172	3,412	39	1016
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1016
- GENERAL SUPPORT FACILITIES	GSF	1,200,702	576,648	174,333	221,322	43,734	127,355	9,904	1016
- CENTRAL OFFICE EQUIPMENT	COE	2,788,484	2,018,153	131,599	1,274,210	129,237	483,106	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	1,499,071	1,274,210	0	1,274,210	0	0	0	1016
-- COE CAT 4.11	COE411	397,736	397,736	0	0	0	397,736	0	1016
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1016
-- COE CAT 4.13	COE413	529,073	133,071	131,599	0	0	1,472	0	1016
-- COE CAT 4.2	COE42	176,443	136,265	0	0	52,367	83,899	0	1016
-- COE CAT 4.3	COE43	186,161	76,870	0	0	76,870	0	0	1016
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1016
- CABLE & WIRE FACILITIES	CWF	4,005,556	1,244,747	872,086	0	122,549	250,112	0	1016
-- C&WF CAT 1.1	CWF11	7,980	0	0	0	0	0	0	1016
-- C&WF CAT 1.2	CWF12	9,754	9,754	0	0	0	9,754	0	1016
-- C&WF CAT 1.3	CWF13	3,488,345	872,086	872,086	0	0	0	0	1016
-- C&WF CAT 2	CWF2	213,886	213,886	0	0	0	213,886	0	1016
-- C&WF CAT 3	CWF3	127,200	83,618	0	0	57,146	26,472	0	1016
-- C&WF CAT 4	CWF4	158,391	65,403	0	0	65,403	0	0	1016
- TANGIBLES	TANGIB	9,296	4,464	1,350	1,714	339	986	77	1016
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1016
TELCOM PLANT-OTHER	PLTOTH	86,316	41,346	12,718	16,146	3,191	9,291	0	1016
ACCUM DEPRECIATION	ACCDEP	5,890,246	2,788,455	888,146	1,207,097	186,236	501,761	5,216	1016
ACCUM AMORTIZATION	ACCAMO	6,340	2,993	921	1,169	231	672	0	1016
NET DEFERRED FIT	NTDFIT	225,265	107,929	33,182	42,180	8,325	24,242	0	1016
NETWORK SUPPORT EXP	NETSPX	6,863	3,296	1,011	1,284	254	739	9	1016
GENERAL SUPPORT EXP	GSFX	69,296	33,280	10,061	12,773	2,524	7,350	572	1016
COE EXPENSE	COEX	300,867	217,751	25,337	67,908	31,491	93,015	0	1016
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1016
C&WF EXPENSE	CWFX	133,025	41,338	28,962	0	4,070	8,306	0	1016
OTHER PROP & PL EXP	OTHPX	4,811	2,311	711	902	178	519	0	1016
NETWORK OPERATIONS EXP	NETOPX	93,957	45,124	13,880	17,621	3,482	10,140	0	1016
DEPREC & AMORT EXP	DEPAMX	558,201	321,686	59,711	144,192	26,611	90,397	775	1016
MARKETING EXPENSE	MRKTX	23,334	9,788	3,003	3,813	753	2,194	25	1016
SERVICES EXPENSE	SERVX	162,637	58,174	11,702	12,112	2,393	2,500	29,466	1016
- CABSX EXPENSE	CABSX	14,668	7,334	0	4,136	817	2,380	0	1016
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1016
GENERAL & ADMIN EXP	GENADX	686,247	373,368	115,854	94,750	36,744	101,546	24,476	1016
OTHER TAXES (EXCL FIT & ITC)	OTAXES	138,805	33,339	9,623	10,701	3,110	9,829	75	1016
INVESTMENT TAX CREDITS (ITC)	ITC	4,692	2,248	691	878	173	505	0	1016
NON-OPERATING INC & EXP	NONOPX	2,982	1,622	498	632	125	364	4	1016
INTEREST & RELATED ITEMS(IRI)	INTREL	31,827	15,791	4,845	6,151	1,215	3,539	41	1016

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	86,674	22,763	9,793	8,909	1,281	2,780	0	1017
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1017
- GENERAL SUPPORT FACILITIES	GSF	3,685,645	1,461,766	628,869	572,142	82,240	178,515	0	1017
- CENTRAL OFFICE EQUIPMENT	COE	5,927,967	3,637,499	346,098	2,410,405	305,439	575,557	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	3,113,981	2,410,405	0	2,410,405	0	0	0	1017
-- COE CAT 4.11	COE411	287,040	287,040	0	0	0	287,040	0	1017
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1017
-- COE CAT 4.13	COE413	1,396,853	350,376	346,098	0	0	4,278	0	1017
-- COE CAT 4.2	COE42	835,462	533,678	0	0	249,438	284,239	0	1017
-- COE CAT 4.3	COE43	294,631	56,001	0	0	56,001	0	0	1017
- INFORMATION ORIG/TERM	IOT	16,881	4,220	4,220	0	0	0	0	1017
- CABLE & WIRE FACILITIES	CWF	9,582,587	2,516,626	2,299,075	0	41,034	176,517	0	1017
-- C&WF CAT 1.1	CWF11	54,365	0	0	0	0	0	0	1017
-- C&WF CAT 1.2	CWF12	28,418	28,418	0	0	0	28,418	0	1017
-- C&WF CAT 1.3	CWF13	9,196,299	2,299,075	2,299,075	0	0	0	0	1017
-- C&WF CAT 2	CWF2	159,866	146,628	0	0	0	146,628	0	1017
-- C&WF CAT 3	CWF3	50,711	24,842	0	0	23,371	1,471	0	1017
-- C&WF CAT 4	CWF4	92,928	17,663	0	0	17,663	0	0	1017
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1017
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1017
TELCOM PLANT-OTHER	PLTOTH	38,596	15,308	6,586	5,991	861	1,869	0	1017
ACCUM DEPRECIATION	ACCDEP	9,694,955	4,230,676	1,485,422	2,177,567	177,277	390,411	0	1017
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1017
NET DEFERRED FIT	NTDFIT	1,883,837	747,204	321,420	292,619	41,995	91,170	0	1017
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1017
GENERAL SUPPORT EXP	GSFX	197,922	78,498	33,771	30,724	4,416	9,586	0	1017
COE EXPENSE	COEX	346,012	212,318	12,418	153,110	26,138	20,652	0	1017
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1017
C&WF EXPENSE	CWFX	716,268	188,110	171,849	0	3,067	13,194	0	1017
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1017
NETWORK OPERATIONS EXP	NETOPX	548,470	217,529	93,584	85,142	12,238	26,565	0	1017
DEPREC & AMORT EXP	DEPAMX	1,342,933	578,921	205,493	264,336	35,297	73,795	0	1017
MARKETING EXPENSE	MRKTX	12,103	5,281	2,272	2,067	297	645	0	1017
SERVICES EXPENSE	SERVX	485,077	223,985	39,364	114,224	16,418	26,543	27,436	1017
- CABSX EXPENSE	CABSX	243,788	121,894	0	83,733	12,036	26,126	0	1017
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1017
GENERAL & ADMIN EXP	GENADX	1,671,286	692,311	289,587	271,032	44,021	68,369	19,301	1017
OTHER TAXES (EXCL FIT & ITC)	OTAXES	180,006	72,783	34,860	22,956	4,739	10,228	0	1017
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1017
NON-OPERATING INC & EXP	NONOPX	3,730	1,545	665	605	87	189	0	1017
INTEREST & RELATED ITEMS(IRI)	INTREL	246,226	85,051	36,590	33,289	4,785	10,387	0	1017

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## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	62,039	16,052	11,157	2,318	383	2,194	0	1018
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1018
- GENERAL SUPPORT FACILITIES	GSF	1,940,695	563,417	391,605	81,354	13,446	77,013	0	1018
- CENTRAL OFFICE EQUIPMENT	COE	6,048,203	2,216,323	645,975	864,712	123,416	582,220	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	2,385,248	864,712	0	864,712	0	0	0	1018
-- COE CAT 4.11	COE411	538,599	538,599	0	0	0	538,599	0	1018
-- COE CAT 4.12	COE412	42,099	0	0	0	0	0	0	1018
-- COE CAT 4.13	COE413	2,621,430	653,413	645,975	0	0	7,439	0	1018
-- COE CAT 4.2	COE42	315,076	145,032	0	0	108,850	36,183	0	1018
-- COE CAT 4.3	COE43	145,751	14,566	0	0	14,566	0	0	1018
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1018
- CABLE & WIRE FACILITIES	CWF	14,579,450	3,772,242	3,516,393	0	19,502	236,347	0	1018
-- C&WF CAT 1.1	CWF11	163,810	0	0	0	0	0	0	1018
-- C&WF CAT 1.2	CWF12	40,492	40,492	0	0	0	40,492	0	1018
-- C&WF CAT 1.3	CWF13	14,065,572	3,516,393	3,516,393	0	0	0	0	1018
-- C&WF CAT 2	CWF2	220,897	195,566	0	0	0	195,566	0	1018
-- C&WF CAT 3	CWF3	35,677	14,494	0	0	14,205	288	0	1018
-- C&WF CAT 4	CWF4	53,002	5,297	0	0	5,297	0	0	1018
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1018
- INTANGIBLES	INTANG	477,812	138,717	96,416	20,030	3,311	18,961	0	1018
TELCOM PLANT-OTHER	PLTOTH	71,807	20,847	14,490	3,010	498	2,850	0	1018
ACCUM DEPRECIATION	ACCDEP	14,576,954	4,257,699	2,905,093	653,694	104,816	594,096	0	1018
ACCUM AMORTIZATION	ACCAMO	463,229	134,483	93,473	19,419	3,209	18,382	0	1018
NET DEFERRED FIT	NTDFIT	977,479	283,773	197,211	41,045	6,765	38,753	0	1018
NETWORK SUPPORT EXP	NETSPX	2,703	785	545	113	19	107	0	1018
GENERAL SUPPORT EXP	GSFX	253,257	73,525	51,104	10,617	1,755	10,050	0	1018
COE EXPENSE	COEX	346,837	127,096	1,167	123,135	1,743	1,052	0	1018
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1018
C&WF EXPENSE	CWFX	374,006	96,769	90,206	0	500	6,063	0	1018
OTHER PROP & PL EXP	OTHPPX	15,656	4,545	3,159	656	108	621	0	1018
NETWORK OPERATIONS EXP	NETOPX	306,939	89,110	61,936	12,867	2,127	12,180	0	1018
DEPREC & AMORT EXP	DEPAMX	1,551,442	483,287	275,962	100,784	17,262	89,279	0	1018
MARKETING EXPENSE	MRKTX	92,639	19,345	13,446	2,793	462	2,644	0	1018
SERVICES EXPENSE	SERVX	567,485	193,940	77,686	21,087	3,485	8,080	83,601	1018
- CABSX EXPENSE	CABSX	35,190	17,595	0	8,331	1,377	7,887	0	1018
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1018
GENERAL & ADMIN EXP	GENADX	1,031,054	343,857	185,944	88,423	5,265	21,063	43,162	1018
OTHER TAXES (EXCL FIT & ITC)	OTAXES	121,183	53,270	37,637	7,252	1,235	7,145	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	1,394	399	278	58	10	55	0	1018

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	64,991	16,708	11,403	3,988	153	1,164	0	1019
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1019
- GENERAL SUPPORT FACILITIES	GSF	1,905,888	486,701	332,172	116,166	4,456	33,908	0	1019
- CENTRAL OFFICE EQUIPMENT	COE	2,919,991	739,067	262,502	415,332	12,422	48,812	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	1,644,194	415,332	0	415,332	0	0	0	1019
-- COE CAT 4.11	COE411	4,687	4,687	0	0	0	4,687	0	1019
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1019
-- COE CAT 4.13	COE413	1,069,399	272,374	262,502	0	0	9,872	0	1019
-- COE CAT 4.2	COE42	182,744	45,141	0	0	10,889	34,252	0	1019
-- COE CAT 4.3	COE43	18,967	1,532	0	0	1,532	0	0	1019
- INFORMATION ORIG/TERM	IOT	8,193	2,048	2,048	0	0	0	0	1019
- CABLE & WIRE FACILITIES	CWF	3,886,019	999,009	923,078	0	3,509	72,421	0	1019
-- C&WF CAT 1.1	CWF11	33,476	0	0	0	0	0	0	1019
-- C&WF CAT 1.2	CWF12	34,716	34,716	0	0	0	34,716	0	1019
-- C&WF CAT 1.3	CWF13	3,692,314	923,078	923,078	0	0	0	0	1019
-- C&WF CAT 2	CWF2	88,807	36,775	0	0	0	36,775	0	1019
-- C&WF CAT 3	CWF3	26,428	3,609	0	0	2,679	930	0	1019
-- C&WF CAT 4	CWF4	10,278	830	0	0	830	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	1,750	447	305	107	4	31	0	1019
ACCUM DEPRECIATION	ACCDEP	4,986,280	1,272,969	863,797	306,564	12,423	90,185	0	1019
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1019
NET DEFERRED FIT	NTDFIT	539,886	137,869	94,069	32,935	1,262	9,603	0	1019
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1019
GENERAL SUPPORT EXP	GSFX	81,529	20,820	14,209	4,969	191	1,451	0	1019
COE EXPENSE	COEX	201,958	51,117	3,384	46,943	160	629	0	1019
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1019
C&WF EXPENSE	CWFX	227,982	58,609	54,154	0	206	4,249	0	1019
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1019
NETWORK OPERATIONS EXP	NETOPX	289,609	73,957	50,475	17,652	677	5,152	0	1019
DEPREC & AMORT EXP	DEPAMX	516,212	131,771	87,305	34,218	1,216	9,032	0	1019
MARKETING EXPENSE	MRKTX	4,038	1,108	756	264	10	77	0	1019
SERVICES EXPENSE	SERVX	235,210	95,626	9,078	32,394	1,243	9,087	43,825	1019
- CABSX EXPENSE	CABSX	81,626	40,813	0	30,681	1,177	8,956	0	1019
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1019
GENERAL & ADMIN EXP	GENADX	979,750	305,301	146,131	96,174	2,339	19,424	41,232	1019
OTHER TAXES (EXCL FIT & ITC)	OTAXES	117,341	38,495	26,360	9,140	339	2,656	0	1019
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1019
NON-OPERATING INC & EXP	NONOPX	6,075	1,893	1,292	452	17	132	0	1019
INTEREST & RELATED ITEMS(IRI)	INTREL	125,463	32,057	21,879	7,651	293	2,233	0	1019

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	29,942	7,843	3,672	3,548	310	312	0	1020
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1020
- GENERAL SUPPORT FACILITIES	GSF	712,189	271,992	127,353	123,043	10,760	10,836	0	1020
- CENTRAL OFFICE EQUIPMENT	COE	2,005,053	1,119,150	196,337	855,267	20,308	47,238	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	1,085,942	855,267	0	855,267	0	0	0	1020
-- COE CAT 4.11	COE411	38,818	28,933	0	0	0	28,933	0	1020
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1020
-- COE CAT 4.13	COE413	798,050	200,571	196,337	0	0	4,234	0	1020
-- COE CAT 4.2	COE42	82,243	34,379	0	0	20,308	14,071	0	1020
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1020
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1020
- CABLE & WIRE FACILITIES	CWF	2,945,347	771,455	688,891	0	54,483	28,081	0	1020
-- C&WF CAT 1.1	CWF11	29,710	0	0	0	0	0	0	1020
-- C&WF CAT 1.2	CWF12	14,855	14,855	0	0	0	14,855	0	1020
-- C&WF CAT 1.3	CWF13	2,755,566	688,891	688,891	0	0	0	0	1020
-- C&WF CAT 2	CWF2	63,888	12,372	0	0	0	12,372	0	1020
-- C&WF CAT 3	CWF3	81,329	55,337	0	0	54,483	854	0	1020
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	0	0	0	0	0	0	0	1020
ACCUM DEPRECIATION	ACCDEP	2,756,594	1,009,933	513,484	418,272	42,417	35,760	0	1020
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1020
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1020
NETWORK SUPPORT EXP	NETSPX	24,015	9,172	4,294	4,149	363	365	0	1020
GENERAL SUPPORT EXP	GSFX	29,236	11,166	5,228	5,051	442	445	0	1020
COE EXPENSE	COEX	101,733	56,784	9,588	43,897	992	2,307	0	1020
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1020
C&WF EXPENSE	CWFX	52,858	13,845	12,363	0	978	504	0	1020
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1020
NETWORK OPERATIONS EXP	NETOPX	38,078	14,542	6,809	6,579	575	579	0	1020
DEPREC & AMORT EXP	DEPAMX	319,999	123,207	56,649	56,237	4,864	5,457	0	1020
MARKETING EXPENSE	MRKTX	1,230	359	168	162	14	14	0	1020
SERVICES EXPENSE	SERVX	167,968	70,675	12,285	22,781	1,759	2,156	31,695	1020
- CABSX EXPENSE	CABSX	31,281	15,641	0	13,305	1,164	1,172	0	1020
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1020
GENERAL & ADMIN EXP	GENADX	270,498	129,500	41,451	57,823	3,585	4,458	22,183	1020
OTHER TAXES (EXCL FIT & ITC)	OTAXES	29,441	11,244	5,265	5,086	445	448	0	1020
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1020
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1020
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1020

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	276,870	75,958	34,623	26,462	4,771	10,102	0	1021
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1021
- GENERAL SUPPORT FACILITIES	GSF	2,521,145	963,201	439,046	335,557	60,500	128,099	0	1021
- CENTRAL OFFICE EQUIPMENT	COE	4,839,732	2,601,203	462,801	1,573,679	230,325	334,398	0	1021
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1021
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1021
-- COE CAT 3	COE3	2,034,754	1,573,679	0	1,573,679	0	0	0	1021
-- COE CAT 4.11	COE411	106,787	106,787	0	0	0	106,787	0	1021
-- COE CAT 4.12	COE412	84,162	45,592	0	0	0	45,592	0	1021
-- COE CAT 4.13	COE413	1,876,523	470,303	462,801	0	0	7,502	0	1021
-- COE CAT 4.2	COE42	737,506	404,842	0	0	230,325	174,517	0	1021
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1021
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1021
- CABLE & WIRE FACILITIES	CWF	6,983,823	1,915,977	1,596,218	0	53,406	266,353	0	1021
-- C&WF CAT 1.1	CWF11	61,455	0	0	0	0	0	0	1021
-- C&WF CAT 1.2	CWF12	25,876	25,876	0	0	0	25,876	0	1021
-- C&WF CAT 1.3	CWF13	6,384,872	1,596,218	1,596,218	0	0	0	0	1021
-- C&WF CAT 2	CWF2	405,799	238,345	0	0	0	238,345	0	1021
-- C&WF CAT 3	CWF3	105,821	55,538	0	0	53,406	2,132	0	1021
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	36,345	13,886	6,329	4,837	872	1,847	0	1021
ACCUM DEPRECIATION	ACCDEP	9,880,924	3,719,794	1,746,697	1,234,191	235,498	503,408	0	1021
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1021
NET DEFERRED FIT	NTDFIT	582,159	222,412	101,381	77,481	13,970	29,579	0	1021
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1021
GENERAL SUPPORT EXP	GSFX	363,968	139,054	63,383	48,443	8,734	18,493	0	1021
COE EXPENSE	COEX	102,026	54,836	2,514	39,857	10,648	1,817	0	1021
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1021
C&WF EXPENSE	CWFX	278,703	76,461	63,700	0	2,131	10,629	0	1021
OTHER PROP & PL EXP	OTHPXX	598	228	104	80	14	30	0	1021
NETWORK OPERATIONS EXP	NETOPX	391,763	149,673	68,224	52,142	9,401	19,905	0	1021
DEPREC & AMORT EXP	DEPAMX	731,025	287,872	122,829	106,983	19,336	38,723	0	1021
MARKETING EXPENSE	MRKTX	5,868	2,087	951	727	131	278	0	1021
SERVICES EXPENSE	SERVX	447,705	139,983	11,888	45,758	8,250	16,851	57,235	1021
- CABSX EXPENSE	CABSX	131,969	65,985	0	42,242	7,616	16,126	0	1021
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1021
GENERAL & ADMIN EXP	GENADX	1,341,887	498,468	208,890	154,039	32,380	56,015	47,144	1021
OTHER TAXES (EXCL FIT & ITC)	OTAXES	103,195	44,134	19,574	16,030	2,752	5,777	0	1021
INVESTMENT TAX CREDITS (ITC)	ITC	470	180	82	63	11	24	0	1021
NON-OPERATING INC & EXP	NONOPX	6,523	2,423	1,104	844	152	322	0	1021
INTEREST & RELATED ITEMS(IRI)	INTREL	202,887	78,741	35,892	27,431	4,946	10,472	0	1021

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## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	160,144	43,769	28,106	5,179	2,478	8,006	0	1022
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1022
- GENERAL SUPPORT FACILITIES	GSF	2,029,519	561,437	360,519	66,435	31,792	102,690	0	1022
- CENTRAL OFFICE EQUIPMENT	COE	5,231,386	1,500,171	458,624	692,553	145,116	203,877	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	2,375,964	692,553	0	692,553	0	0	0	1022
-- COE CAT 4.11	COE411	54,253	54,253	0	0	0	54,253	0	1022
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1022
-- COE CAT 4.13	COE413	1,935,226	466,704	458,624	0	0	8,080	0	1022
-- COE CAT 4.2	COE42	376,851	207,487	0	0	65,943	141,544	0	1022
-- COE CAT 4.3	COE43	489,092	79,174	0	0	79,174	0	0	1022
- INFORMATION ORIG/TERM	IOT	1,562	391	391	0	0	0	0	1022
- CABLE & WIRE FACILITIES	CWF	15,923,773	4,352,136	3,299,217	0	186,299	866,620	0	1022
-- C&WF CAT 1.1	CWF11	666,495	0	0	0	0	0	0	1022
-- C&WF CAT 1.2	CWF12	58,125	58,125	0	0	0	58,125	0	1022
-- C&WF CAT 1.3	CWF13	13,196,869	3,299,217	3,299,217	0	0	0	0	1022
-- C&WF CAT 2	CWF2	1,152,840	801,366	0	0	0	801,366	0	1022
-- C&WF CAT 3	CWF3	240,332	94,826	0	0	87,696	7,130	0	1022
-- C&WF CAT 4	CWF4	609,112	98,602	0	0	98,602	0	0	1022
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1022
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1022
TELCOM PLANT-OTHER	PLTOTH	364,338	100,789	64,720	11,926	5,707	18,435	0	1022
ACCUM DEPRECIATION	ACCDEP	14,594,883	4,027,587	2,701,200	329,115	232,126	765,145	0	1022
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1022
NET DEFERRED FIT	NTDFIT	1,228,857	346,306	136,297	165,577	8,250	36,182	0	1022
NETWORK SUPPORT EXP	NETSPX	62,260	17,223	11,060	2,038	975	3,150	0	1022
GENERAL SUPPORT EXP	GSFX	1,363,183	377,105	242,153	44,623	21,354	68,975	0	1022
COE EXPENSE	COEX	458,960	131,613	11,333	111,657	3,586	5,038	0	1022
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1022
C&WF EXPENSE	CWFX	1,126,502	307,885	233,398	0	13,179	61,308	0	1022
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1022
NETWORK OPERATIONS EXP	NETOPX	883,301	244,352	156,908	28,914	13,837	44,694	0	1022
DEPREC & AMORT EXP	DEPAMX	1,310,733	363,155	229,933	43,291	22,729	67,203	0	1022
MARKETING EXPENSE	MRKTX	164,870	35,917	23,063	4,250	2,034	6,569	0	1022
SERVICES EXPENSE	SERVX	815,882	188,896	36,397	9,893	4,519	12,396	125,692	1022
- CABSX EXPENSE	CABSX	41,060	20,530	0	6,788	3,249	10,493	0	1022
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1022
GENERAL & ADMIN EXP	GENADX	2,106,402	585,758	338,391	84,619	24,996	84,936	52,817	1022
OTHER TAXES (EXCL FIT & ITC)	OTAXES	237,371	80,146	51,194	9,698	4,607	14,647	0	1022
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1022
NON-OPERATING INC & EXP	NONOPX	9,121	2,536	1,629	300	144	464	0	1022
INTEREST & RELATED ITEMS(IRI)	INTREL	31,254	8,658	5,559	1,024	490	1,584	0	1022

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## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	521,433	142,748	95,590	8,535	7,847	30,578	197	1023
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1023
- GENERAL SUPPORT FACILITIES	GSF	8,190,843	2,479,298	1,641,000	146,525	134,714	524,941	32,117	1023
- CENTRAL OFFICE EQUIPMENT	COE	23,245,375	8,355,059	3,496,341	1,247,504	708,032	2,903,183	0	1023
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1023
-- COE CAT 2	COE2	35,808	19,710	0	0	19,710	0	0	1023
-- COE CAT 3	COE3	4,632,531	1,247,504	0	1,247,504	0	0	0	1023
-- COE CAT 4.11	COE411	2,193,039	2,193,039	0	0	0	2,193,039	0	1023
-- COE CAT 4.12	COE412	29,502	0	0	0	0	0	0	1023
-- COE CAT 4.13	COE413	14,326,469	3,645,402	3,496,341	0	0	149,062	0	1023
-- COE CAT 4.2	COE42	2,025,252	1,248,821	0	0	687,739	561,082	0	1023
-- COE CAT 4.3	COE43	2,774	583	0	0	583	0	0	1023
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1023
- CABLE & WIRE FACILITIES	CWF	45,587,333	12,480,009	10,474,979	0	438,913	1,566,118	0	1023
-- C&WF CAT 1.1	CWF11	575,363	0	0	0	0	0	0	1023
-- C&WF CAT 1.2	CWF12	446,586	446,586	0	0	0	446,586	0	1023
-- C&WF CAT 1.3	CWF13	41,899,916	10,474,979	10,474,979	0	0	0	0	1023
-- C&WF CAT 2	CWF2	55,788	0	0	0	0	0	0	1023
-- C&WF CAT 3	CWF3	2,608,522	1,558,201	0	0	438,669	1,119,532	0	1023
-- C&WF CAT 4	CWF4	1,158	243	0	0	243	0	0	1023
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1023
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1023
TELCOM PLANT-OTHER	PLTOTH	908,583	274,641	184,166	16,444	15,119	58,913	0	1023
ACCUM DEPRECIATION	ACCDEP	35,672,183	10,800,962	7,007,759	902,574	589,805	2,286,289	14,535	1023
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1023
NET DEFERRED FIT	NTDFIT	2,557,930	773,197	518,481	46,295	42,564	165,857	0	1023
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1023
GENERAL SUPPORT EXP	GSFX	1,497,997	453,431	300,117	26,798	24,637	96,005	5,874	1023
COE EXPENSE	COEX	2,620,805	941,993	227,868	472,588	52,327	189,210	0	1023
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1023
C&WF EXPENSE	CWFX	2,520,545	690,026	579,166	0	24,268	86,591	0	1023
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1023
NETWORK OPERATIONS EXP	NETOPX	2,257,511	683,329	458,218	40,914	37,616	146,580	0	1023
DEPREC & AMORT EXP	DEPAMX	5,944,485	1,832,836	1,149,699	156,808	106,564	417,542	2,223	1023
MARKETING EXPENSE	MRKTX	855,685	269,940	180,764	16,140	14,839	57,825	372	1023
SERVICES EXPENSE	SERVX	2,102,590	634,408	276,544	77,422	22,020	70,621	187,801	1023
- CABSX EXPENSE	CABSX	52,398	26,199	0	4,762	4,378	17,059	0	1023
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1023
GENERAL & ADMIN EXP	GENADX	4,798,550	1,605,791	947,087	252,978	70,126	258,154	77,445	1023
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,167,277	358,535	242,573	18,871	19,767	77,148	176	1023
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1023
NON-OPERATING INC & EXP	NONOPX	6,582	2,203	1,475	132	121	472	3	1023
INTEREST & RELATED ITEMS(IRI)	INTREL	1,290	0	0	0	0	0	0	1023



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	96,832	25,924	16,930	3,915	1,282	3,797	0	1024
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1024
- GENERAL SUPPORT FACILITIES	GSF	4,232,591	1,212,935	792,130	183,194	59,963	177,647	0	1024
- CENTRAL OFFICE EQUIPMENT	COE	4,260,870	1,469,916	264,200	755,748	167,411	282,557	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	2,326,897	755,748	0	755,748	0	0	0	1024
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1024
-- COE CAT 4.12	COE412	56,007	0	0	0	0	0	0	1024
-- COE CAT 4.13	COE413	1,088,883	273,742	264,200	0	0	9,542	0	1024
-- COE CAT 4.2	COE42	685,423	421,419	0	0	148,404	273,015	0	1024
-- COE CAT 4.3	COE43	103,660	19,007	0	0	19,007	0	0	1024
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1024
- CABLE & WIRE FACILITIES	CWF	13,200,214	3,533,914	3,003,646	0	79,961	450,307	0	1024
-- C&WF CAT 1.1	CWF11	256,265	0	0	0	0	0	0	1024
-- C&WF CAT 1.2	CWF12	108,480	108,480	0	0	0	108,480	0	1024
-- C&WF CAT 1.3	CWF13	12,014,583	3,003,646	3,003,646	0	0	0	0	1024
-- C&WF CAT 2	CWF2	511,840	325,578	0	0	0	325,578	0	1024
-- C&WF CAT 3	CWF3	176,148	71,841	0	0	55,592	16,249	0	1024
-- C&WF CAT 4	CWF4	132,898	24,368	0	0	24,368	0	0	1024
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1024
- INTANGIBLES	INTANG	1,207	346	226	52	17	51	0	1024
TELCOM PLANT-OTHER	PLTOTH	465,010	133,258	87,027	20,126	6,588	19,517	0	1024
ACCUM DEPRECIATION	ACCDEP	16,666,334	4,672,558	3,370,403	429,403	200,163	672,589	0	1024
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1024
NET DEFERRED FIT	NTDFIT	259,840	74,488	48,662	11,145	3,717	10,964	0	1024
NETWORK SUPPORT EXP	NETSPX	5,134	1,471	961	222	73	215	0	1024
GENERAL SUPPORT EXP	GSFX	288,741	82,745	54,038	12,497	4,091	12,119	0	1024
COE EXPENSE	COEX	397,883	137,261	9,625	84,352	32,992	10,293	0	1024
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1024
C&WF EXPENSE	CWFX	732,384	196,071	166,650	0	4,436	24,984	0	1024
OTHER PROP & PL EXP	OTHPPX	58,474	16,757	10,943	2,531	828	2,454	0	1024
NETWORK OPERATIONS EXP	NETOPX	258,056	73,951	48,295	11,169	3,656	10,831	0	1024
DEPREC & AMORT EXP	DEPAMX	1,019,353	308,289	148,131	95,955	19,074	45,129	0	1024
MARKETING EXPENSE	MRKTX	22,991	5,460	3,566	825	270	800	0	1024
SERVICES EXPENSE	SERVX	617,018	200,320	27,561	45,462	12,509	34,828	79,960	1024
- CABSX EXPENSE	CABSX	161,139	80,570	0	35,075	11,481	34,013	0	1024
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1024
GENERAL & ADMIN EXP	GENADX	1,692,533	554,731	275,089	111,927	41,943	68,789	56,983	1024
OTHER TAXES (EXCL FIT & ITC)	OTAXES	215,105	72,425	43,969	13,825	3,902	10,730	0	1024
INVESTMENT TAX CREDITS (ITC)	ITC	30,781	8,821	5,761	1,332	436	1,292	0	1024
NON-OPERATING INC & EXP	NONOPX	1,736	569	372	86	28	83	0	1024
INTEREST & RELATED ITEMS(IRI)	INTREL	111,439	34,061	22,244	5,144	1,684	4,989	0	1024

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	88,474	22,509	17,088	2,362	1,153	1,881	26	1025
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1025
- GENERAL SUPPORT FACILITIES	GSF	2,297,398	613,176	456,915	63,154	30,822	50,289	11,996	1025
- CENTRAL OFFICE EQUIPMENT	COE	12,703,495	3,693,837	1,739,949	1,037,382	331,778	584,728	0	1025
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1025
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1025
-- COE CAT 3	COE3	3,919,457	1,037,382	0	1,037,382	0	0	0	1025
-- COE CAT 4.11	COE411	501,943	462,709	0	0	0	462,709	0	1025
-- COE CAT 4.12	COE412	57,267	0	0	0	0	0	0	1025
-- COE CAT 4.13	COE413	7,041,588	1,760,861	1,739,949	0	0	20,912	0	1025
-- COE CAT 4.2	COE42	811,067	365,524	0	0	264,418	101,106	0	1025
-- COE CAT 4.3	COE43	372,173	67,360	0	0	67,360	0	0	1025
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1025
- CABLE & WIRE FACILITIES	CWF	24,295,869	6,181,295	5,765,450	0	174,510	241,336	0	1025
-- C&WF CAT 1.1	CWF11	201,727	0	0	0	0	0	0	1025
-- C&WF CAT 1.2	CWF12	69,294	69,294	0	0	0	69,294	0	1025
-- C&WF CAT 1.3	CWF13	23,061,799	5,765,450	5,765,450	0	0	0	0	1025
-- C&WF CAT 2	CWF2	344,010	119,125	0	0	0	119,125	0	1025
-- C&WF CAT 3	CWF3	399,638	187,717	0	0	134,801	52,917	0	1025
-- C&WF CAT 4	CWF4	219,401	39,709	0	0	39,709	0	0	1025
- TANGIBLES	TANGIB	313,108	312,137	268	37	18	311,813	0	1025
- INTANGIBLES	INTANG	242,345	66,080	50,166	6,934	3,384	5,521	76	1025
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1025
ACCUM DEPRECIATION	ACCDEP	19,803,098	5,484,634	3,963,958	527,131	278,299	706,244	9,002	1025
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1025
NET DEFERRED FIT	NTDFIT	2,416,693	644,602	490,993	67,061	32,905	53,644	0	1025
NETWORK SUPPORT EXP	NETSPX	13,306	3,551	2,696	373	182	297	4	1025
GENERAL SUPPORT EXP	GSFX	84,127	22,454	16,731	2,313	1,129	1,842	439	1025
COE EXPENSE	COEX	271,505	78,946	27,212	37,401	5,189	9,145	0	1025
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1025
C&WF EXPENSE	CWFX	722,575	183,836	171,468	0	5,190	7,177	0	1025
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1025
NETWORK OPERATIONS EXP	NETOPX	783,966	209,241	159,029	21,981	10,728	17,503	0	1025
DEPREC & AMORT EXP	DEPAMX	2,350,890	668,190	447,667	82,115	34,382	103,552	474	1025
MARKETING EXPENSE	MRKTX	445,775	193,814	147,136	20,337	9,925	16,194	222	1025
SERVICES EXPENSE	SERVX	749,927	210,607	35,475	35,041	17,078	25,857	97,156	1025
- CABSX EXPENSE	CABSX	127,938	63,971	0	28,004	13,667	22,299	0	1025
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1025
GENERAL & ADMIN EXP	GENADX	1,622,583	482,926	328,692	52,857	22,242	35,111	44,025	1025
OTHER TAXES (EXCL FIT & ITC)	OTAXES	453,148	125,775	95,016	13,428	6,263	11,036	32	1025
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1025
NON-OPERATING INC & EXP	NONOPX	1,400	417	316	44	21	35	0	1025
INTEREST & RELATED ITEMS(IRI)	INTREL	51,112	13,727	10,421	1,440	703	1,147	16	1025

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	139,472	37,239	20,959	7,545	1,807	6,873	55	1026
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1026
- GENERAL SUPPORT FACILITIES	GSF	5,873,326	1,729,975	969,707	349,068	83,614	317,978	9,609	1026
- CENTRAL OFFICE EQUIPMENT	COE	4,561,495	1,668,263	178,994	976,729	150,333	362,207	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	2,874,575	976,729	0	976,729	0	0	0	1026
-- COE CAT 4.11	COE411	311,405	311,405	0	0	0	311,405	0	1026
-- COE CAT 4.12	COE412	32,372	0	0	0	0	0	0	1026
-- COE CAT 4.13	COE413	729,670	179,952	178,994	0	0	959	0	1026
-- COE CAT 4.2	COE42	467,828	184,604	0	0	134,761	49,843	0	1026
-- COE CAT 4.3	COE43	145,645	15,572	0	0	15,572	0	0	1026
- INFORMATION ORIG/TERM	IOT	5,568	1,392	1,392	0	0	0	0	1026
- CABLE & WIRE FACILITIES	CWF	11,775,835	3,144,110	2,532,954	0	83,627	527,528	0	1026
-- C&WF CAT 1.1	CWF11	180,233	0	0	0	0	0	0	1026
-- C&WF CAT 1.2	CWF12	13,566	13,566	0	0	0	13,566	0	1026
-- C&WF CAT 1.3	CWF13	10,131,817	2,532,954	2,532,954	0	0	0	0	1026
-- C&WF CAT 2	CWF2	1,075,329	513,303	0	0	0	513,303	0	1026
-- C&WF CAT 3	CWF3	145,877	59,801	0	0	59,142	659	0	1026
-- C&WF CAT 4	CWF4	229,013	24,486	0	0	24,486	0	0	1026
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1026
- INTANGIBLES	INTANG	1,800	530	298	107	26	98	1	1026
TELCOM PLANT-OTHER	PLTOTH	81,869	24,079	13,572	4,886	1,170	4,451	0	1026
ACCUM DEPRECIATION	ACCDEP	19,237,182	5,677,534	3,132,914	1,250,196	266,798	1,019,806	7,820	1026
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1026
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1026
NETWORK SUPPORT EXP	NETSPX	313,073	92,215	51,902	18,683	4,475	17,019	135	1026
GENERAL SUPPORT EXP	GSFX	468,923	138,120	77,421	27,869	6,676	25,387	767	1026
COE EXPENSE	COEX	628,967	230,030	17,969	158,248	17,453	36,361	0	1026
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1026
C&WF EXPENSE	CWFX	723,754	193,240	155,678	0	5,140	32,422	0	1026
OTHER PROP & PL EXP	OTHPXX	67,482	19,877	11,204	4,033	966	3,674	0	1026
NETWORK OPERATIONS EXP	NETOPX	289,554	85,287	48,073	17,305	4,145	15,764	0	1026
DEPREC & AMORT EXP	DEPAMX	643,947	190,180	112,246	25,307	11,349	40,569	709	1026
MARKETING EXPENSE	MRKTX	19,100	3,840	2,161	778	186	709	6	1026
SERVICES EXPENSE	SERVX	650,119	167,836	76,092	24,806	5,942	3,555	57,442	1026
- CABSX EXPENSE	CABSX	16,466	8,233	0	3,828	917	3,487	0	1026
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1026
GENERAL & ADMIN EXP	GENADX	1,322,484	438,034	220,514	111,756	19,971	59,887	25,906	1026
OTHER TAXES (EXCL FIT & ITC)	OTAXES	143,484	49,261	28,358	9,038	2,477	9,371	18	1026
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1026
NON-OPERATING INC & EXP	NONOPX	31,968	10,588	5,960	2,145	514	1,954	16	1026
INTEREST & RELATED ITEMS(IRI)	INTREL	31,591	9,156	5,153	1,855	444	1,690	13	1026

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	237,685	61,254	31,920	3,302	3,091	22,918	23	1027
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1027
- GENERAL SUPPORT FACILITIES	GSF	16,560,765	5,579,410	2,891,466	299,084	280,040	2,076,089	32,730	1027
- CENTRAL OFFICE EQUIPMENT	COE	90,188,148	42,422,792	6,706,096	4,399,434	3,392,410	27,924,852	0	1027
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1027
-- COE CAT 2	COE2	2,539,332	1,101,897	0	7,110	1,094,787	0	0	1027
-- COE CAT 3	COE3	22,976,557	4,391,196	0	4,391,196	0	0	0	1027
-- COE CAT 4.11	COE411	22,230,294	21,845,505	0	0	0	21,845,505	0	1027
-- COE CAT 4.12	COE412	78,168	0	0	0	0	0	0	1027
-- COE CAT 4.13	COE413	27,560,740	6,790,509	6,706,096	0	0	84,412	0	1027
-- COE CAT 4.2	COE42	12,272,275	7,328,019	0	1,127	1,331,957	5,994,935	0	1027
-- COE CAT 4.3	COE43	2,530,785	965,666	0	0	965,666	0	0	1027
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1027
- CABLE & WIRE FACILITIES	CWF	152,006,384	39,173,833	35,829,964	364	727,228	2,616,277	0	1027
-- C&WF CAT 1.1	CWF11	3,483,258	0	0	0	0	0	0	1027
-- C&WF CAT 1.2	CWF12	451,005	451,005	0	0	0	451,005	0	1027
-- C&WF CAT 1.3	CWF13	143,319,858	35,829,964	35,829,964	0	0	0	0	1027
-- C&WF CAT 2	CWF2	2,811,597	2,139,141	0	0	0	2,139,141	0	1027
-- C&WF CAT 3	CWF3	1,121,561	441,179	0	364	414,684	26,131	0	1027
-- C&WF CAT 4	CWF4	819,104	312,544	0	0	312,544	0	0	1027
- TANGIBLES	TANGIB	53,543	18,039	9,400	972	910	6,749	6	1027
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1027
TELCOM PLANT-OTHER	PLTOTH	1,919,418	646,419	336,976	34,856	32,636	241,951	0	1027
ACCUM DEPRECIATION	ACCDEP	194,584,257	67,812,010	32,655,228	3,911,417	3,622,530	27,597,899	24,935	1027
ACCUM AMORTIZATION	ACCAMO	53,543	18,033	9,400	972	910	6,749	0	1027
NET DEFERRED FIT	NTDFIT	2,705,741	907,716	473,998	50,840	46,079	336,798	0	1027
NETWORK SUPPORT EXP	NETSPX	454,798	153,224	79,845	8,259	7,733	57,329	58	1027
GENERAL SUPPORT EXP	GSFX	1,682,814	566,949	293,815	30,391	28,456	210,961	3,326	1027
COE EXPENSE	COEX	3,161,961	2,101,779	23,744	649,248	169,739	1,259,048	0	1027
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1027
C&WF EXPENSE	CWFX	4,043,730	1,042,117	953,162	10	19,346	69,599	0	1027
OTHER PROP & PL EXP	OTHPXX	4,444	1,497	780	81	76	560	0	1027
NETWORK OPERATIONS EXP	NETOPX	2,341,172	997,506	355,884	36,812	34,468	570,343	0	1027
DEPREC & AMORT EXP	DEPAMX	13,151,965	4,759,002	2,032,876	332,815	278,886	2,113,351	1,074	1027
MARKETING EXPENSE	MRKTX	1,334,449	393,340	128,552	13,297	12,450	238,948	93	1027
SERVICES EXPENSE	SERVX	2,904,494	780,993	305,372	82,227	21,842	50,380	321,173	1027
- CABSX EXPENSE	CABSX	1,334	667	0	75	70	522	0	1027
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1027
GENERAL & ADMIN EXP	GENADX	4,211,938	1,624,101	692,012	196,244	70,359	587,822	77,665	1027
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,193,663	415,444	216,569	22,401	20,975	155,498	0	1027
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1027
NON-OPERATING INC & EXP	NONOPX	4,390	1,693	882	91	85	633	1	1027
INTEREST & RELATED ITEMS(IRI)	INTREL	11,254	3,390	1,766	183	171	1,268	1	1027

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	618,860	157,139	124,882	21,655	1,848	8,754	0	1028
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1028
- GENERAL SUPPORT FACILITIES	GSF	7,846,402	2,156,504	1,713,822	297,185	25,366	120,132	0	1028
- CENTRAL OFFICE EQUIPMENT	COE	16,655,988	5,648,168	2,316,044	2,568,581	179,950	583,593	0	1028
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1028
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1028
-- COE CAT 3	COE3	6,140,743	2,568,581	0	2,568,581	0	0	0	1028
-- COE CAT 4.11	COE411	318,151	318,151	0	0	0	318,151	0	1028
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1028
-- COE CAT 4.13	COE413	9,329,359	2,339,075	2,316,044	0	0	23,031	0	1028
-- COE CAT 4.2	COE42	867,735	422,361	0	0	179,950	242,411	0	1028
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1028
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1028
- CABLE & WIRE FACILITIES	CWF	51,160,739	12,990,573	12,496,576	0	39,288	454,709	0	1028
-- C&WF CAT 1.1	CWF11	227,434	0	0	0	0	0	0	1028
-- C&WF CAT 1.2	CWF12	124,268	124,268	0	0	0	124,268	0	1028
-- C&WF CAT 1.3	CWF13	49,986,303	12,496,576	12,496,576	0	0	0	0	1028
-- C&WF CAT 2	CWF2	743,144	326,355	0	0	0	326,355	0	1028
-- C&WF CAT 3	CWF3	79,590	43,374	0	0	39,288	4,086	0	1028
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1028
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1028
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1028
TELCOM PLANT-OTHER	PLTOTH	158,879	43,666	34,703	6,018	514	2,433	0	1028
ACCUM DEPRECIATION	ACCDEP	37,677,521	10,433,355	8,116,733	1,616,431	122,988	577,202	0	1028
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1028
NET DEFERRED FIT	NTDFIT	6,015,694	1,653,391	1,313,873	228,020	19,435	92,063	0	1028
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1028
GENERAL SUPPORT EXP	GSFX	880,182	241,909	192,251	33,337	2,845	13,476	0	1028
COE EXPENSE	COEX	661,139	224,198	130,429	38,985	21,919	32,865	0	1028
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1028
C&WF EXPENSE	CWFX	2,552,177	648,041	623,397	0	1,960	22,683	0	1028
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1028
NETWORK OPERATIONS EXP	NETOPX	548,568	150,768	119,819	20,777	1,773	8,399	0	1028
DEPREC & AMORT EXP	DEPAMX	3,697,550	1,026,180	800,907	141,764	15,840	67,668	0	1028
MARKETING EXPENSE	MRKTX	4,860	1,468	1,167	202	17	82	0	1028
SERVICES EXPENSE	SERVX	1,432,005	442,085	112,701	70,891	5,346	20,019	233,128	1028
- CABSX EXPENSE	CABSX	143,271	71,636	0	48,091	4,105	19,440	0	1028
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1028
GENERAL & ADMIN EXP	GENADX	2,009,437	590,151	429,806	49,796	10,269	29,577	70,702	1028
OTHER TAXES (EXCL FIT & ITC)	OTAXES	408,605	187,505	150,917	23,896	2,203	10,489	0	1028
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1028
NON-OPERATING INC & EXP	NONOPX	111,202	32,659	25,955	4,501	384	1,819	0	1028
INTEREST & RELATED ITEMS(IRI)	INTREL	615,694	167,505	136,347	19,787	1,966	9,406	0	1028

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	434,589	134,749	70,240	1,628	3,892	58,990	0	1029
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1029
- GENERAL SUPPORT FACILITIES	GSF	5,963,068	2,108,414	1,099,042	25,465	60,890	923,017	0	1029
- CENTRAL OFFICE EQUIPMENT	COE	14,129,284	6,283,086	1,602,718	186,665	340,087	4,153,616	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	1,050,372	186,665	0	186,665	0	0	0	1029
-- COE CAT 4.11	COE411	2,948,569	2,948,569	0	0	0	2,948,569	0	1029
-- COE CAT 4.12	COE412	877,620	0	0	0	0	0	0	1029
-- COE CAT 4.13	COE413	6,418,545	1,607,102	1,602,718	0	0	4,384	0	1029
-- COE CAT 4.2	COE42	2,573,879	1,520,100	0	0	319,436	1,200,664	0	1029
-- COE CAT 4.3	COE43	260,299	20,650	0	0	20,650	0	0	1029
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1029
- CABLE & WIRE FACILITIES	CWF	29,580,830	9,171,884	6,453,412	0	106,247	2,612,224	0	1029
-- C&WF CAT 1.1	CWF11	13,238	0	0	0	0	0	0	1029
-- C&WF CAT 1.2	CWF12	17,650	17,650	0	0	0	17,650	0	1029
-- C&WF CAT 1.3	CWF13	25,813,649	6,453,412	6,453,412	0	0	0	0	1029
-- C&WF CAT 2	CWF2	3,436,037	2,593,841	0	0	0	2,593,841	0	1029
-- C&WF CAT 3	CWF3	182,505	97,639	0	0	96,906	733	0	1029
-- C&WF CAT 4	CWF4	117,751	9,342	0	0	9,342	0	0	1029
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1029
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1029
TELCOM PLANT-OTHER	PLTOTH	853,962	301,943	157,392	3,647	8,720	132,184	0	1029
ACCUM DEPRECIATION	ACCDEP	24,645,119	8,644,183	4,534,359	135,361	244,244	3,730,219	0	1029
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1029
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1029
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1029
GENERAL SUPPORT EXP	GSFX	237,794	84,079	43,827	1,016	2,428	36,808	0	1029
COE EXPENSE	COEX	750,883	333,906	42,036	128,712	54,217	108,941	0	1029
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1029
C&WF EXPENSE	CWFX	801,888	248,635	174,941	0	2,880	70,813	0	1029
OTHER PROP & PL EXP	OTHPX	40	14	7	0	0	6	0	1029
NETWORK OPERATIONS EXP	NETOPX	553,904	195,849	102,089	2,365	5,656	85,738	0	1029
DEPREC & AMORT EXP	DEPAMX	4,466,840	1,648,237	745,109	40,441	57,353	805,334	0	1029
MARKETING EXPENSE	MRKTX	134,929	31,710	16,529	383	916	13,882	0	1029
SERVICES EXPENSE	SERVX	669,591	195,823	55,976	2,563	6,130	56,791	74,362	1029
- CABSX EXPENSE	CABSX	119,783	59,892	0	1,511	3,613	54,768	0	1029
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1029
GENERAL & ADMIN EXP	GENADX	1,801,105	683,829	317,280	75,616	40,444	208,850	41,639	1029
OTHER TAXES (EXCL FIT & ITC)	OTAXES	0	0	0	0	0	0	0	1029
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1029
NON-OPERATING INC & EXP	NONOPX	24,354	9,247	4,820	112	267	4,048	0	1029
INTEREST & RELATED ITEMS(IRI)	INTREL	314,198	111,701	58,226	1,349	3,226	48,900	0	1029

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	594,044	158,815	100,793	28,243	5,195	24,321	262	1030
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1030
- GENERAL SUPPORT FACILITIES	GSF	8,598,900	2,623,859	1,643,550	460,542	84,705	396,591	38,472	1030
- CENTRAL OFFICE EQUIPMENT	COE	21,165,983	8,218,297	1,989,664	3,681,344	586,728	1,960,561	0	1030
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1030
-- COE CAT 2	COE2	484,576	124,461	0	0	124,461	0	0	1030
-- COE CAT 3	COE3	9,566,902	3,681,344	0	3,681,344	0	0	0	1030
-- COE CAT 4.11	COE411	1,449,936	1,449,936	0	0	0	1,449,936	0	1030
-- COE CAT 4.12	COE412	25,934	0	0	0	0	0	0	1030
-- COE CAT 4.13	COE413	8,030,200	2,025,141	1,989,664	0	0	35,477	0	1030
-- COE CAT 4.2	COE42	1,288,969	885,179	0	0	410,031	475,148	0	1030
-- COE CAT 4.3	COE43	319,466	52,236	0	0	52,236	0	0	1030
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1030
- CABLE & WIRE FACILITIES	CWF	46,561,521	12,448,003	11,148,056	0	90,361	1,209,586	0	1030
-- C&WF CAT 1.1	CWF11	202,090	0	0	0	0	0	0	1030
-- C&WF CAT 1.2	CWF12	198,777	198,777	0	0	0	198,777	0	1030
-- C&WF CAT 1.3	CWF13	44,592,226	11,148,056	11,148,056	0	0	0	0	1030
-- C&WF CAT 2	CWF2	1,316,202	1,009,452	0	0	0	1,009,452	0	1030
-- C&WF CAT 3	CWF3	104,771	67,607	0	0	66,250	1,357	0	1030
-- C&WF CAT 4	CWF4	147,456	24,111	0	0	24,111	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	3,455,109	1,052,547	669,112	187,493	34,485	161,457	0	1030
ACCUM DEPRECIATION	ACCDEP	44,752,527	13,520,195	8,652,517	2,587,282	395,227	1,868,060	17,109	1030
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1030
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1030
NETWORK SUPPORT EXP	NETSPX	86,222	26,310	16,698	4,679	861	4,029	43	1030
GENERAL SUPPORT EXP	GSFX	319,243	97,413	61,018	17,098	3,145	14,724	1,428	1030
COE EXPENSE	COEX	1,284,351	498,686	52,232	313,236	81,749	51,468	0	1030
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1030
C&WF EXPENSE	CWFX	1,804,567	482,442	432,061	0	3,502	46,879	0	1030
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1030
NETWORK OPERATIONS EXP	NETOPX	543,216	165,756	105,373	29,527	5,431	25,427	0	1030
DEPREC & AMORT EXP	DEPAMX	5,295,409	1,665,921	959,752	369,642	62,852	270,632	3,043	1030
MARKETING EXPENSE	MRKTX	241,021	78,252	49,663	13,916	2,560	11,984	129	1030
SERVICES EXPENSE	SERVX	1,542,737	247,264	54,564	27,040	4,973	19,543	141,144	1030
- CABSX EXPENSE	CABSX	89,885	44,943	0	21,976	4,042	18,924	0	1030
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1030
GENERAL & ADMIN EXP	GENADX	1,797,229	542,131	284,122	126,889	31,987	54,465	44,668	1030
OTHER TAXES (EXCL FIT & ITC)	OTAXES	378,641	115,347	73,327	20,547	3,779	17,694	0	1030
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1030
NON-OPERATING INC & EXP	NONOPX	425	128	81	23	4	20	0	1030
INTEREST & RELATED ITEMS(IRI)	INTREL	1,017,120	313,592	199,023	55,769	10,257	48,025	518	1030

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	252,413	67,095	44,881	9,092	1,906	11,215	0	1031
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1031
- GENERAL SUPPORT FACILITIES	GSF	4,478,141	1,351,771	904,234	183,185	38,397	225,955	0	1031
- CENTRAL OFFICE EQUIPMENT	COE	16,774,101	6,663,685	1,916,229	2,502,184	435,624	1,809,649	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	5,849,490	2,502,184	0	2,502,184	0	0	0	1031
-- COE CAT 4.11	COE411	1,474,220	1,474,220	0	0	0	1,474,220	0	1031
-- COE CAT 4.12	COE412	4,307	0	0	0	0	0	0	1031
-- COE CAT 4.13	COE413	7,782,689	1,951,433	1,916,229	0	0	35,204	0	1031
-- COE CAT 4.2	COE42	1,637,495	730,513	0	0	430,289	300,225	0	1031
-- COE CAT 4.3	COE43	25,900	5,335	0	0	5,335	0	0	1031
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1031
- CABLE & WIRE FACILITIES	CWF	44,394,190	11,800,569	10,434,984	0	88,846	1,276,740	0	1031
-- C&WF CAT 1.1	CWF11	449,641	0	0	0	0	0	0	1031
-- C&WF CAT 1.2	CWF12	191,707	191,707	0	0	0	191,707	0	1031
-- C&WF CAT 1.3	CWF13	41,739,935	10,434,984	10,434,984	0	0	0	0	1031
-- C&WF CAT 2	CWF2	1,790,788	1,082,255	0	0	0	1,082,255	0	1031
-- C&WF CAT 3	CWF3	104,149	67,321	0	0	64,544	2,777	0	1031
-- C&WF CAT 4	CWF4	117,970	24,302	0	0	24,302	0	0	1031
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1031
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1031
TELCOM PLANT-OTHER	PLTOTH	3,175,142	958,448	641,130	129,884	27,224	160,209	0	1031
ACCUM DEPRECIATION	ACCDEP	28,603,386	8,796,773	5,654,148	1,275,548	285,102	1,581,976	0	1031
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1031
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1031
NETWORK SUPPORT EXP	NETSPX	65,997	19,922	13,326	2,700	566	3,330	0	1031
GENERAL SUPPORT EXP	GSFX	158,745	47,919	32,054	6,494	1,361	8,010	0	1031
COE EXPENSE	COEX	572,404	227,394	46,032	80,455	57,435	43,472	0	1031
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1031
C&WF EXPENSE	CWFX	1,139,258	302,830	267,786	0	2,280	32,764	0	1031
OTHER PROP & PL EXP	OTHPX	12,616	3,808	2,547	516	108	637	0	1031
NETWORK OPERATIONS EXP	NETOPX	564,281	170,334	113,941	23,083	4,838	28,472	0	1031
DEPREC & AMORT EXP	DEPAMX	3,687,068	1,182,970	676,401	240,916	42,999	222,655	0	1031
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1031
SERVICES EXPENSE	SERVX	1,382,783	375,738	96,352	25,801	5,408	26,947	221,229	1031
- CABSX EXPENSE	CABSX	94,887	47,444	0	19,420	4,070	23,954	0	1031
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1031
GENERAL & ADMIN EXP	GENADX	1,363,070	400,977	220,065	43,680	22,616	45,120	69,496	1031
OTHER TAXES (EXCL FIT & ITC)	OTAXES	49,129	14,830	9,920	2,010	421	2,479	0	1031
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1031
NON-OPERATING INC & EXP	NONOPX	7,040	2,071	1,385	281	59	346	0	1031
INTEREST & RELATED ITEMS(IRI)	INTREL	309,163	92,013	61,550	12,469	2,614	15,380	0	1031



## APPENDIX B1

2008 MODIFICATION OF AVERAGE SCHEDULES  
COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	40,653	13,223	5,698	1,137	1,080	5,309	0	1032
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1032
- GENERAL SUPPORT FACILITIES	GSF	1,712,588	607,188	262,018	51,415	49,655	244,101	0	1032
- CENTRAL OFFICE EQUIPMENT	COE	2,864,713	1,180,175	171,127	254,730	151,780	602,538	0	1032
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1032
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1032
-- COE CAT 3	COE3	787,642	249,648	0	249,648	0	0	0	1032
-- COE CAT 4.11	COE411	562,630	562,630	0	0	0	562,630	0	1032
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1032
-- COE CAT 4.13	COE413	689,959	173,580	171,127	0	0	2,453	0	1032
-- COE CAT 4.2	COE42	264,864	136,969	0	0	99,514	37,455	0	1032
-- COE CAT 4.3	COE43	559,618	52,266	0	0	52,266	0	0	1032
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1032
- CABLE & WIRE FACILITIES	CWF	5,620,208	1,828,105	1,127,026	0	94,231	606,848	0	1032
-- C&WF CAT 1.1	CWF11	19,749	0	0	0	0	0	0	1032
-- C&WF CAT 1.2	CWF12	16,158	16,158	0	0	0	16,158	0	1032
-- C&WF CAT 1.3	CWF13	4,508,105	1,127,026	1,127,026	0	0	0	0	1032
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1032
-- C&WF CAT 3	CWF3	908,628	669,271	0	0	78,581	590,690	0	1032
-- C&WF CAT 4	CWF4	167,568	15,650	0	0	15,650	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	0	0	0	0	0	0	0	1032
ACCUM DEPRECIATION	ACCDEP	5,313,777	1,890,585	746,541	255,329	152,456	736,259	0	1032
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1032
NET DEFERRED FIT	NTDFIT	477,664	167,252	74,776	14,572	12,912	64,991	0	1032
NETWORK SUPPORT EXP	NETSPX	61,629	21,850	9,416	1,878	1,784	8,772	0	1032
GENERAL SUPPORT EXP	GSFX	88,533	31,389	13,545	2,658	2,567	12,619	0	1032
COE EXPENSE	COEX	146,176	60,220	7,037	22,165	6,241	24,777	0	1032
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1032
C&WF EXPENSE	CWFX	210,249	68,388	42,161	0	3,525	22,702	0	1032
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1032
NETWORK OPERATIONS EXP	NETOPX	76,457	27,107	11,698	2,295	2,217	10,898	0	1032
DEPREC & AMORT EXP	DEPAMX	548,137	201,736	81,581	8,490	19,747	91,918	0	1032
MARKETING EXPENSE	MRKTX	8,183	2,329	1,004	200	190	935	0	1032
SERVICES EXPENSE	SERVX	476,947	93,181	31,712	19,437	20,334	5,760	15,937	1032
- CABSX EXPENSE	CABSX	16,257	8,129	0	1,231	1,166	5,731	0	1032
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1032
GENERAL & ADMIN EXP	GENADX	753,704	227,779	104,361	31,946	24,211	56,793	10,468	1032
OTHER TAXES (EXCL FIT & ITC)	OTAXES	160,624	56,852	25,161	3,930	4,673	23,088	0	1032
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1032
NON-OPERATING INC & EXP	NONOPX	8,317	2,644	1,139	227	216	1,061	0	1032
INTEREST & RELATED ITEMS(IRI)	INTREL	113,809	40,201	18,980	1,060	3,360	16,801	0	1032

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	187,352	46,971	42,040	2,097	887	1,842	104	1033
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1033
- GENERAL SUPPORT FACILITIES	GSF	2,848,717	739,179	651,941	32,516	13,762	28,572	12,388	1033
- CENTRAL OFFICE EQUIPMENT	COE	3,824,308	1,123,306	730,371	217,810	52,309	122,816	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	536,044	217,810	0	217,810	0	0	0	1033
-- COE CAT 4.11	COE411	102,025	102,025	0	0	0	102,025	0	1033
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1033
-- COE CAT 4.13	COE413	2,932,775	731,984	730,371	0	0	1,613	0	1033
-- COE CAT 4.2	COE42	140,813	54,716	0	0	35,538	19,178	0	1033
-- COE CAT 4.3	COE43	112,651	16,771	0	0	16,771	0	0	1033
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1033
- CABLE & WIRE FACILITIES	CWF	14,938,060	3,745,111	3,636,664	0	39,874	68,573	0	1033
-- C&WF CAT 1.1	CWF11	48,181	0	0	0	0	0	0	1033
-- C&WF CAT 1.2	CWF12	8,030	8,030	0	0	0	8,030	0	1033
-- C&WF CAT 1.3	CWF13	14,546,656	3,636,664	3,636,664	0	0	0	0	1033
-- C&WF CAT 2	CWF2	236,730	60,266	0	0	0	60,266	0	1033
-- C&WF CAT 3	CWF3	63,821	34,993	0	0	34,716	277	0	1033
-- C&WF CAT 4	CWF4	34,642	5,157	0	0	5,157	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	11,816,018	3,072,320	2,739,392	125,739	63,612	134,298	9,279	1033
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1033
NET DEFERRED FIT	NTDFIT	1,485,383	384,558	344,968	17,205	7,278	15,108	0	1033
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1033
GENERAL SUPPORT EXP	GSFX	92,236	23,933	21,109	1,053	446	925	401	1033
COE EXPENSE	COEX	779,451	228,947	43,050	175,574	3,083	7,239	0	1033
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1033
C&WF EXPENSE	CWFX	240,268	60,237	58,493	0	641	1,103	0	1033
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1033
NETWORK OPERATIONS EXP	NETOPX	187,210	48,577	43,574	2,173	920	1,910	0	1033
DEPREC & AMORT EXP	DEPAMX	1,272,348	336,753	287,523	23,436	7,941	17,208	645	1033
MARKETING EXPENSE	MRKTX	3,189	804	719	36	15	32	2	1033
SERVICES EXPENSE	SERVX	321,557	101,556	48,780	8,345	3,532	5,524	35,375	1033
- CABSX EXPENSE	CABSX	28,429	14,215	0	6,175	2,613	5,426	0	1033
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1033
GENERAL & ADMIN EXP	GENADX	860,973	272,244	136,968	101,966	4,705	9,115	19,490	1033
OTHER TAXES (EXCL FIT & ITC)	OTAXES	255,570	64,617	58,014	2,986	1,175	2,421	21	1033
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1033
NON-OPERATING INC & EXP	NONOPX	723	231	206	10	4	9	1	1033
INTEREST & RELATED ITEMS(IRI)	INTREL	4,224	1,092	977	49	21	43	2	1033

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	164,799	44,419	26,092	5,855	2,058	10,277	136	1034
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1034
- GENERAL SUPPORT FACILITIES	GSF	2,979,285	1,001,664	576,875	129,443	45,499	227,218	22,629	1034
- CENTRAL OFFICE EQUIPMENT	COE	8,595,324	3,580,879	1,279,264	842,776	246,180	1,212,659	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	1,499,743	842,776	0	842,776	0	0	0	1034
-- COE CAT 4.11	COE411	1,094,093	1,094,093	0	0	0	1,094,093	0	1034
-- COE CAT 4.12	COE412	21,849	0	0	0	0	0	0	1034
-- COE CAT 4.13	COE413	5,139,465	1,286,435	1,279,264	0	0	7,171	0	1034
-- COE CAT 4.2	COE42	505,259	294,839	0	0	183,443	111,396	0	1034
-- COE CAT 4.3	COE43	334,915	62,737	0	0	62,737	0	0	1034
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1034
- CABLE & WIRE FACILITIES	CWF	10,363,954	2,793,411	2,476,645	0	50,055	266,711	0	1034
-- C&WF CAT 1.1	CWF11	29,499	0	0	0	0	0	0	1034
-- C&WF CAT 1.2	CWF12	13,882	13,882	0	0	0	13,882	0	1034
-- C&WF CAT 1.3	CWF13	9,906,580	2,476,645	2,476,645	0	0	0	0	1034
-- C&WF CAT 2	CWF2	204,854	204,854	0	0	0	204,854	0	1034
-- C&WF CAT 3	CWF3	167,030	90,142	0	0	42,167	47,975	0	1034
-- C&WF CAT 4	CWF4	42,109	7,888	0	0	7,888	0	0	1034
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1034
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1034
TELCOM PLANT-OTHER	PLTOTH	1,174,491	393,664	231,958	52,048	18,295	91,363	0	1034
ACCUM DEPRECIATION	ACCDEP	9,045,398	3,148,138	1,694,426	631,538	135,514	676,531	10,129	1034
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1034
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1034
NETWORK SUPPORT EXP	NETSPX	21,488	7,224	4,244	952	335	1,672	22	1034
GENERAL SUPPORT EXP	GSFX	157,760	51,726	30,479	6,839	2,404	12,004	0	1034
COE EXPENSE	COEX	391,438	163,076	27,438	104,349	5,280	26,009	0	1034
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1034
C&WF EXPENSE	CWFX	496,023	133,694	118,533	0	2,396	12,765	0	1034
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1034
NETWORK OPERATIONS EXP	NETOPX	205,356	69,043	40,682	9,128	3,209	16,024	0	1034
DEPREC & AMORT EXP	DEPAMX	1,490,593	537,057	270,732	102,536	27,291	135,603	896	1034
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1034
SERVICES EXPENSE	SERVX	484,417	145,122	1,025	15,002	4,019	20,069	105,008	1034
- CABSX EXPENSE	CABSX	69,468	34,734	0	11,180	3,930	19,625	0	1034
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1034
GENERAL & ADMIN EXP	GENADXX	1,134,124	428,374	191,397	92,934	12,031	60,384	71,628	1034
OTHER TAXES (EXCL FIT & ITC)	OTAXES	144,090	46,667	27,498	6,170	2,169	10,831	0	1034
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1034
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1034
INTEREST & RELATED ITEMS(IRI)	INTREL	140,193	45,972	27,005	6,060	2,130	10,637	141	1034

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<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	572,048	144,902	103,446	20,551	8,911	11,874	120	1035
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1035
- GENERAL SUPPORT FACILITIES	GSF	9,032,662	2,481,910	1,758,230	349,289	151,465	201,813	21,114	1035
- CENTRAL OFFICE EQUIPMENT	COE	30,090,359	9,421,052	3,298,910	3,268,521	1,308,628	1,544,992	0	1035
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1035
-- COE CAT 2	COE2	694,319	527,296	0	0	527,296	0	0	1035
-- COE CAT 3	COE3	12,281,946	3,268,521	0	3,268,521	0	0	0	1035
-- COE CAT 4.11	COE411	1,280,616	1,280,616	0	0	0	1,280,616	0	1035
-- COE CAT 4.12	COE412	239,850	0	0	0	0	0	0	1035
-- COE CAT 4.13	COE413	13,238,728	3,308,568	3,298,910	0	0	9,657	0	1035
-- COE CAT 4.2	COE42	1,596,459	965,709	0	0	710,990	254,719	0	1035
-- COE CAT 4.3	COE43	758,441	70,342	0	0	70,342	0	0	1035
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1035
- CABLE & WIRE FACILITIES	CWF	53,715,004	13,606,202	13,153,976	0	108,723	343,503	0	1035
-- C&WF CAT 1.1	CWF11	133,295	0	0	0	0	0	0	1035
-- C&WF CAT 1.2	CWF12	38,507	38,507	0	0	0	38,507	0	1035
-- C&WF CAT 1.3	CWF13	52,615,905	13,153,976	13,153,976	0	0	0	0	1035
-- C&WF CAT 2	CWF2	635,064	304,489	0	0	0	304,489	0	1035
-- C&WF CAT 3	CWF3	126,018	93,813	0	0	93,307	506	0	1035
-- C&WF CAT 4	CWF4	166,215	15,416	0	0	15,416	0	0	1035
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1035
- INTANGIBLES	INTANG	50,465	13,866	9,899	1,967	853	1,136	11	1035
TELCOM PLANT-OTHER	PLTOTH	2,804,545	769,969	550,140	109,290	47,392	63,146	0	1035
ACCUM DEPRECIATION	ACCDEP	47,664,915	13,137,334	9,461,779	1,696,593	818,731	1,150,217	10,013	1035
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1035
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1035
NETWORK SUPPORT EXP	NETSPX	174,374	47,913	34,205	6,795	2,947	3,926	40	1035
GENERAL SUPPORT EXP	GSFX	342,474	94,102	66,663	13,243	5,743	7,652	801	1035
COE EXPENSE	COEX	1,255,158	392,980	24,540	264,632	92,316	11,493	0	1035
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1035
C&WF EXPENSE	CWFX	1,980,970	501,787	485,109	0	4,010	12,668	0	1035
OTHER PROP & PL EXP	OTHPX	48,789	13,406	9,578	1,903	825	1,099	0	1035
NETWORK OPERATIONS EXP	NETOPX	690,555	189,744	135,572	26,933	11,679	15,561	0	1035
DEPREC & AMORT EXP	DEPAMX	6,198,483	1,747,447	1,163,226	266,961	131,976	183,781	1,504	1035
MARKETING EXPENSE	MRKTX	591	164	117	23	10	13	0	1035
SERVICES EXPENSE	SERVX	860,518	202,661	97,283	16,431	7,125	6,129	75,694	1035
- CABSX EXPENSE	CABSX	40,089	20,045	0	9,965	4,321	5,758	0	1035
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1035
GENERAL & ADMIN EXP	GENADX	2,753,505	808,481	519,168	161,884	61,158	28,722	37,549	1035
OTHER TAXES (EXCL FIT & ITC)	OTAXES	544,770	149,563	106,862	21,229	9,206	12,266	0	1035
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1035
NON-OPERATING INC & EXP	NONOPX	35,110	10,309	7,360	1,462	634	845	9	1035
INTEREST & RELATED ITEMS(IRI)	INTREL	1,327,819	363,406	259,437	51,540	22,349	29,779	301	1035

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<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	17,698	4,521	3,099	656	135	632	0	1036
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1036
- GENERAL SUPPORT FACILITIES	GSF	374,139	108,779	74,553	15,779	3,246	15,201	0	1036
- CENTRAL OFFICE EQUIPMENT	COE	6,071,942	2,228,665	753,303	809,914	91,274	574,174	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	2,115,498	809,914	0	809,914	0	0	0	1036
-- COE CAT 4.11	COE411	534,376	534,376	0	0	0	534,376	0	1036
-- COE CAT 4.12	COE412	47,807	0	0	0	0	0	0	1036
-- COE CAT 4.13	COE413	3,049,438	764,449	753,303	0	0	11,146	0	1036
-- COE CAT 4.2	COE42	299,423	115,263	0	0	86,611	28,652	0	1036
-- COE CAT 4.3	COE43	25,400	4,663	0	0	4,663	0	0	1036
- INFORMATION ORIG/TERM	IOT	5,276	1,319	1,319	0	0	0	0	1036
- CABLE & WIRE FACILITIES	CWF	13,127,013	3,353,557	3,072,138	0	75,327	206,093	0	1036
-- C&WF CAT 1.1	CWF11	102,278	0	0	0	0	0	0	1036
-- C&WF CAT 1.2	CWF12	45,457	45,457	0	0	0	45,457	0	1036
-- C&WF CAT 1.3	CWF13	12,288,552	3,072,138	3,072,138	0	0	0	0	1036
-- C&WF CAT 2	CWF2	365,410	160,327	0	0	0	160,327	0	1036
-- C&WF CAT 3	CWF3	83,966	31,331	0	0	31,022	309	0	1036
-- C&WF CAT 4	CWF4	241,350	44,305	0	0	44,305	0	0	1036
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1036
- INTANGIBLES	INTANG	184,154	53,542	36,696	7,766	1,598	7,482	0	1036
TELCOM PLANT-OTHER	PLTOTH	25,744	7,485	5,130	1,086	223	1,046	0	1036
ACCUM DEPRECIATION	ACCDEP	9,999,749	2,949,988	1,878,024	627,013	79,345	365,606	0	1036
ACCUM AMORTIZATION	ACCAMO	182,329	53,011	36,332	7,689	1,582	7,408	0	1036
NET DEFERRED FIT	NTDFIT	576,000	167,469	114,778	24,292	4,997	23,403	0	1036
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1036
GENERAL SUPPORT EXP	GSFX	119,444	34,728	23,801	5,037	1,036	4,853	0	1036
COE EXPENSE	COEX	492,988	180,948	30,195	123,309	4,430	23,015	0	1036
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1036
C&WF EXPENSE	CWFX	775,762	198,184	181,553	0	4,452	12,179	0	1036
OTHER PROP & PL EXP	OTHPX	35,259	10,251	7,026	1,487	306	1,433	0	1036
NETWORK OPERATIONS EXP	NETOPX	199,575	58,026	39,769	8,417	1,731	8,109	0	1036
DEPREC & AMORT EXP	DEPAMX	998,524	307,215	185,221	56,142	10,508	55,345	0	1036
MARKETING EXPENSE	MRKTX	204,054	79,029	54,164	11,463	2,358	11,044	0	1036
SERVICES EXPENSE	SERVX	340,550	130,846	27,902	26,459	5,442	22,116	48,926	1036
- CABSX EXPENSE	CABSX	98,096	49,048	0	22,612	4,651	21,784	0	1036
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1036
GENERAL & ADMIN EXP	GENADX	696,330	251,439	137,740	61,143	6,856	28,719	16,981	1036
OTHER TAXES (EXCL FIT & ITC)	OTAXES	427,629	151,393	105,895	19,004	4,646	21,849	0	1036
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1036
NON-OPERATING INC & EXP	NONOPX	94	34	23	5	1	5	0	1036
INTEREST & RELATED ITEMS(IRI)	INTREL	44,676	12,776	8,756	1,853	381	1,785	0	1036

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	235,990	63,426	39,253	4,953	3,712	15,507	0	1037
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1037
- GENERAL SUPPORT FACILITIES	GSF	2,707,576	859,073	531,669	67,081	50,281	210,042	0	1037
- CENTRAL OFFICE EQUIPMENT	COE	4,140,386	1,871,872	346,689	387,602	133,536	1,004,045	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	1,518,786	387,602	0	387,602	0	0	0	1037
-- COE CAT 4.11	COE411	968,828	966,284	0	0	0	966,284	0	1037
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1037
-- COE CAT 4.13	COE413	1,410,891	353,772	346,689	0	0	7,083	0	1037
-- COE CAT 4.2	COE42	241,881	164,214	0	0	133,536	30,678	0	1037
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1037
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1037
- CABLE & WIRE FACILITIES	CWF	11,504,320	3,091,956	2,725,362	0	156,992	209,602	0	1037
-- C&WF CAT 1.1	CWF11	134,051	0	0	0	0	0	0	1037
-- C&WF CAT 1.2	CWF12	55,683	55,683	0	0	0	55,683	0	1037
-- C&WF CAT 1.3	CWF13	10,901,446	2,725,362	2,725,362	0	0	0	0	1037
-- C&WF CAT 2	CWF2	160,896	147,251	0	0	0	147,251	0	1037
-- C&WF CAT 3	CWF3	252,244	163,660	0	0	156,992	6,668	0	1037
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1037
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1037
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1037
TELCOM PLANT-OTHER	PLTOTH	142,505	45,215	27,983	3,531	2,646	11,055	0	1037
ACCUM DEPRECIATION	ACCDEP	11,527,825	3,414,883	2,303,687	333,517	181,400	596,280	0	1037
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1037
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1037
NETWORK SUPPORT EXP	NETSPX	17,060	5,413	3,350	423	317	1,323	0	1037
GENERAL SUPPORT EXP	GSFX	134,062	42,536	26,325	3,321	2,490	10,400	0	1037
COE EXPENSE	COEX	615,062	278,070	18,668	198,147	7,191	54,065	0	1037
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1037
C&WF EXPENSE	CWFX	365,617	98,265	86,614	0	4,989	6,661	0	1037
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1037
NETWORK OPERATIONS EXP	NETOPX	654,222	207,575	128,465	16,209	12,149	50,752	0	1037
DEPREC & AMORT EXP	DEPAMX	933,768	315,592	161,297	39,251	19,009	96,036	0	1037
MARKETING EXPENSE	MRKTX	102,260	35,731	22,114	2,790	2,091	8,736	0	1037
SERVICES EXPENSE	SERVX	651,077	161,448	68,167	10,108	7,622	15,823	59,727	1037
- CABSX EXPENSE	CABSX	47,997	23,999	0	4,917	3,686	15,396	0	1037
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1037
GENERAL & ADMIN EXP	GENADX	1,153,436	399,574	192,699	100,535	16,037	64,308	25,994	1037
OTHER TAXES (EXCL FIT & ITC)	OTAXES	345,962	114,829	68,022	7,898	7,011	31,897	0	1037
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1037
NON-OPERATING INC & EXP	NONOPX	11,734	4,065	2,516	317	238	994	0	1037
INTEREST & RELATED ITEMS(IRI)	INTREL	6,625	2,315	1,433	181	135	566	0	1037

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	179,515	44,069	32,204	7,819	1,336	2,711	0	1038
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1038
- GENERAL SUPPORT FACILITIES	GSF	5,152,153	1,351,470	987,607	239,772	40,958	83,133	0	1038
- CENTRAL OFFICE EQUIPMENT	COE	12,044,055	3,657,506	1,347,610	1,938,982	166,293	204,621	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	5,205,392	1,938,982	0	1,938,982	0	0	0	1038
-- COE CAT 4.11	COE411	108,569	108,569	0	0	0	108,569	0	1038
-- COE CAT 4.12	COE412	47,091	0	0	0	0	0	0	1038
-- COE CAT 4.13	COE413	5,531,589	1,357,344	1,347,610	0	0	9,734	0	1038
-- COE CAT 4.2	COE42	764,802	202,159	0	0	115,841	86,318	0	1038
-- COE CAT 4.3	COE43	386,613	50,452	0	0	50,452	0	0	1038
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1038
- CABLE & WIRE FACILITIES	CWF	29,620,241	7,271,527	6,638,947	0	164,923	467,657	0	1038
-- C&WF CAT 1.1	CWF11	647,410	0	0	0	0	0	0	1038
-- C&WF CAT 1.2	CWF12	47,956	47,956	0	0	0	47,956	0	1038
-- C&WF CAT 1.3	CWF13	26,555,788	6,638,947	6,638,947	0	0	0	0	1038
-- C&WF CAT 2	CWF2	1,593,326	414,028	0	0	1,270	412,758	0	1038
-- C&WF CAT 3	CWF3	526,408	138,056	0	0	131,113	6,943	0	1038
-- C&WF CAT 4	CWF4	249,353	32,540	0	0	32,540	0	0	1038
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1038
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1038
TELCOM PLANT-OTHER	PLTOTH	456,981	119,871	87,598	21,267	3,633	7,374	0	1038
ACCUM DEPRECIATION	ACCDEP	30,048,492	8,100,135	5,355,674	2,018,334	251,244	474,883	0	1038
ACCUM AMORTIZATION	ACCAMO	239,615	62,854	45,931	11,151	1,905	3,866	0	1038
NET DEFERRED FIT	NTDFIT	724,269	189,903	138,981	33,471	5,758	11,694	0	1038
NETWORK SUPPORT EXP	NETSPX	46,068	12,084	8,831	2,144	366	743	0	1038
GENERAL SUPPORT EXP	GSFX	585,925	153,695	112,315	27,268	4,658	9,454	0	1038
COE EXPENSE	COEX	842,421	255,824	24,372	224,744	3,007	3,701	0	1038
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1038
C&WF EXPENSE	CWFX	919,017	225,611	205,984	0	5,117	14,510	0	1038
OTHER PROP & PL EXP	OTHPXX	6,520	1,710	1,250	303	52	105	0	1038
NETWORK OPERATIONS EXP	NETOPX	824,149	216,184	157,980	38,354	6,552	13,298	0	1038
DEPREC & AMORT EXP	DEPAMX	4,215,329	1,128,479	761,790	256,737	39,389	70,563	0	1038
MARKETING EXPENSE	MRKTX	713	199	146	35	6	12	0	1038
SERVICES EXPENSE	SERVX	886,422	280,937	85,373	50,193	8,566	13,508	123,297	1038
- CABSX EXPENSE	CABSX	115,109	57,555	0	37,926	6,479	13,150	0	1038
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1038
GENERAL & ADMIN EXP	GENADXX	1,123,045	342,513	188,403	96,121	7,937	15,504	34,548	1038
OTHER TAXES (EXCL FIT & ITC)	OTAXES	767,198	224,854	168,454	35,625	6,772	14,003	0	1038
INVESTMENT TAX CREDITS (ITC)	ITC	6,483	1,701	1,243	302	52	105	0	1038
NON-OPERATING INC & EXP	NONOPX	12,639	3,855	2,817	684	117	237	0	1038
INTEREST & RELATED ITEMS(IRI)	INTREL	360,479	89,712	77,588	3,511	2,596	6,017	0	1038

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	96,783	24,496	14,109	4,106	419	5,862	0	1039
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1039
- GENERAL SUPPORT FACILITIES	GSF	1,724,027	549,092	316,264	92,047	9,387	131,394	0	1039
- CENTRAL OFFICE EQUIPMENT	COE	7,189,651	2,959,583	777,617	930,706	80,898	1,170,361	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	2,563,230	930,706	0	930,706	0	0	0	1039
-- COE CAT 4.11	COE411	1,107,517	1,107,517	0	0	0	1,107,517	0	1039
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1039
-- COE CAT 4.13	COE413	3,140,639	789,164	777,617	0	0	11,546	0	1039
-- COE CAT 4.2	COE42	369,796	130,767	0	0	79,469	51,297	0	1039
-- COE CAT 4.3	COE43	8,469	1,429	0	0	1,429	0	0	1039
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1039
- CABLE & WIRE FACILITIES	CWF	10,242,400	2,592,421	2,420,206	0	14,020	158,195	0	1039
-- C&WF CAT 1.1	CWF11	57,962	0	0	0	0	0	0	1039
-- C&WF CAT 1.2	CWF12	35,936	35,936	0	0	0	35,936	0	1039
-- C&WF CAT 1.3	CWF13	9,680,822	2,420,206	2,420,206	0	0	0	0	1039
-- C&WF CAT 2	CWF2	424,052	121,474	0	0	0	121,474	0	1039
-- C&WF CAT 3	CWF3	20,916	10,973	0	0	10,188	785	0	1039
-- C&WF CAT 4	CWF4	22,711	3,832	0	0	3,832	0	0	1039
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1039
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1039
TELCOM PLANT-OTHER	PLTOTH	179,315	57,111	32,894	9,574	976	13,666	0	1039
ACCUM DEPRECIATION	ACCDEP	15,379,004	4,609,057	2,906,401	860,273	57,436	784,948	0	1039
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1039
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1039
NETWORK SUPPORT EXP	NETSPX	23,674	7,540	4,343	1,264	129	1,804	0	1039
GENERAL SUPPORT EXP	GSFX	153,802	48,985	28,214	8,212	837	11,722	0	1039
COE EXPENSE	COEX	650,762	267,883	39,378	160,842	8,396	59,267	0	1039
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1039
C&WF EXPENSE	CWFX	649,641	164,429	153,506	0	889	10,034	0	1039
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1039
NETWORK OPERATIONS EXP	NETOPX	409,145	130,310	75,056	21,844	2,228	31,182	0	1039
DEPREC & AMORT EXP	DEPAMX	1,249,179	434,419	195,036	105,020	8,826	125,537	0	1039
MARKETING EXPENSE	MRKTX	3,086	872	502	146	15	209	0	1039
SERVICES EXPENSE	SERVX	884,438	185,046	22,012	58,430	5,959	81,007	17,638	1039
- CABSX EXPENSE	CABSX	281,290	140,645	0	55,603	5,671	79,371	0	1039
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1039
GENERAL & ADMIN EXP	GENADX	1,528,840	472,302	219,515	131,487	9,677	102,375	9,249	1039
OTHER TAXES (EXCL FIT & ITC)	OTAXES	246,063	46,987	25,812	7,441	909	12,824	0	1039
INVESTMENT TAX CREDITS (ITC)	ITC	22,527	7,175	4,132	1,203	123	1,717	0	1039
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1039
INTEREST & RELATED ITEMS(IRI)	INTREL	223,096	86,617	36,719	9,934	2,599	37,365	0	1039



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	60,572	15,298	8,846	1,329	419	4,705	0	1040
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1040
- GENERAL SUPPORT FACILITIES	GSF	846,130	270,999	156,696	23,548	7,414	83,341	0	1040
- CENTRAL OFFICE EQUIPMENT	COE	4,889,492	2,116,189	435,167	362,174	111,962	1,206,887	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	1,263,400	362,174	0	362,174	0	0	0	1040
-- COE CAT 4.11	COE411	258,216	258,216	0	0	0	258,216	0	1040
-- COE CAT 4.12	COE412	210,294	51,644	0	0	0	51,644	0	1040
-- COE CAT 4.13	COE413	1,768,729	437,230	435,167	0	0	2,063	0	1040
-- COE CAT 4.2	COE42	1,200,526	989,841	0	0	94,878	894,963	0	1040
-- COE CAT 4.3	COE43	188,327	17,084	0	0	17,084	0	0	1040
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1040
- CABLE & WIRE FACILITIES	CWF	8,124,210	2,051,840	1,974,857	0	2,070	74,913	0	1040
-- C&WF CAT 1.1	CWF11	117,986	0	0	0	0	0	0	1040
-- C&WF CAT 1.2	CWF12	9,364	9,364	0	0	0	9,364	0	1040
-- C&WF CAT 1.3	CWF13	7,899,427	1,974,857	1,974,857	0	0	0	0	1040
-- C&WF CAT 2	CWF2	20,098	5,862	0	0	0	5,862	0	1040
-- C&WF CAT 3	CWF3	62,092	60,375	0	0	687	59,687	0	1040
-- C&WF CAT 4	CWF4	15,243	1,383	0	0	1,383	0	0	1040
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1040
- INTANGIBLES	INTANG	3,940	1,262	730	110	35	388	0	1040
TELCOM PLANT-OTHER	PLTOTH	342,943	109,838	63,510	9,544	3,005	33,779	0	1040
ACCUM DEPRECIATION	ACCDEP	9,157,064	2,858,116	1,759,673	224,141	70,853	803,450	0	1040
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1040
NET DEFERRED FIT	NTDFIT	564,836	223,501	68,190	33,224	10,301	111,787	0	1040
NETWORK SUPPORT EXP	NETSPX	3,229	1,034	598	90	28	318	0	1040
GENERAL SUPPORT EXP	GSFX	44,502	14,253	8,241	1,238	390	4,383	0	1040
COE EXPENSE	COEX	393,694	170,392	16,519	103,809	4,250	45,814	0	1040
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1040
C&WF EXPENSE	CWFX	348,424	87,998	84,696	0	89	3,213	0	1040
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1040
NETWORK OPERATIONS EXP	NETOPX	130,342	41,746	24,138	3,627	1,142	12,838	0	1040
DEPREC & AMORT EXP	DEPAMX	852,177	302,987	132,126	36,066	11,242	123,553	0	1040
MARKETING EXPENSE	MRKTX	24,098	6,670	3,857	580	182	2,051	0	1040
SERVICES EXPENSE	SERVX	854,233	202,299	54,079	33,197	10,042	97,681	7,301	1040
- CABSX EXPENSE	CABSX	264,712	132,323	0	27,260	8,583	96,480	0	1040
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1040
GENERAL & ADMIN EXP	GENADX	851,566	281,993	119,812	69,576	7,870	81,172	3,564	1040
OTHER TAXES (EXCL FIT & ITC)	OTAXES	114,085	37,795	21,306	3,408	1,072	12,010	0	1040
INVESTMENT TAX CREDITS (ITC)	ITC	7,554	2,419	1,399	210	66	744	0	1040
NON-OPERATING INC & EXP	NONOPX	418	149	86	13	4	46	0	1040
INTEREST & RELATED ITEMS(IRI)	INTREL	86,270	28,162	16,284	2,447	770	8,661	0	1040

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	6,584	1,822	1,170	258	25	364	4	1041
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1041
- GENERAL SUPPORT FACILITIES	GSF	469,111	141,069	88,772	19,597	1,929	27,634	3,138	1041
- CENTRAL OFFICE EQUIPMENT	COE	1,265,280	450,393	123,385	178,797	10,296	137,914	0	1041
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1041
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1041
-- COE CAT 3	COE3	568,295	178,797	0	178,797	0	0	0	1041
-- COE CAT 4.11	COE411	88,541	76,152	0	0	0	76,152	0	1041
-- COE CAT 4.12	COE412	10,536	0	0	0	0	0	0	1041
-- COE CAT 4.13	COE413	532,584	151,780	123,385	0	0	28,395	0	1041
-- COE CAT 4.2	COE42	65,324	43,664	0	0	10,296	33,367	0	1041
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1041
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1041
- CABLE & WIRE FACILITIES	CWF	2,919,585	808,065	686,550	0	7,301	114,215	0	1041
-- C&WF CAT 1.1	CWF11	16,934	0	0	0	0	0	0	1041
-- C&WF CAT 1.2	CWF12	45,158	45,158	0	0	0	45,158	0	1041
-- C&WF CAT 1.3	CWF13	2,746,200	686,550	686,550	0	0	0	0	1041
-- C&WF CAT 2	CWF2	64,972	45,396	0	0	0	45,396	0	1041
-- C&WF CAT 3	CWF3	46,320	30,961	0	0	7,301	23,660	0	1041
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1041
- TANGIBLES	TANGIB	24,415	24,415	0	0	0	24,415	0	1041
- INTANGIBLES	INTANG	35,991	10,954	7,034	1,553	153	2,190	25	1041
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1041
ACCUM DEPRECIATION	ACCDEP	2,922,264	895,625	532,336	159,405	12,930	188,799	2,156	1041
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1041
NET DEFERRED FIT	NTDFIT	-25,541	-7,696	-4,858	-1,159	-110	-1,569	0	1041
NETWORK SUPPORT EXP	NETSPX	4,459	1,341	861	190	19	268	3	1041
GENERAL SUPPORT EXP	GSFX	10,910	3,281	2,065	456	45	643	73	1041
COE EXPENSE	COEX	55,227	19,659	5,087	8,461	425	5,686	0	1041
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1041
C&WF EXPENSE	CWFX	67,017	18,549	15,759	0	168	2,622	0	1041
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1041
NETWORK OPERATIONS EXP	NETOPX	180,949	54,414	35,021	7,731	761	10,902	0	1041
DEPREC & AMORT EXP	DEPAMX	312,183	98,222	53,908	21,057	969	22,079	208	1041
MARKETING EXPENSE	MRKTX	56,575	16,810	10,795	2,383	235	3,360	38	1041
SERVICES EXPENSE	SERVX	105,627	27,795	5,063	4,258	419	5,115	12,940	1041
- CABSX EXPENSE	CABSX	14,834	7,417	0	2,957	291	4,169	0	1041
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1041
GENERAL & ADMIN EXP	GENADX	236,213	70,849	41,611	10,215	901	12,442	5,680	1041
OTHER TAXES (EXCL FIT & ITC)	OTAXES	60,763	18,696	12,737	1,691	240	4,002	25	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	22,740	6,841	4,393	970	95	1,368	15	1041

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	870,669	251,279	137,511	30,517	20,126	62,649	477	1042
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1042
- GENERAL SUPPORT FACILITIES	GSF	12,766,596	4,125,935	2,216,130	491,807	324,357	1,009,651	83,990	1042
- CENTRAL OFFICE EQUIPMENT	COE	31,542,414	13,396,364	1,775,887	4,882,357	2,676,142	4,061,979	0	1042
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1042
-- COE CAT 2	COE2	1,452,257	997,393	0	0	997,393	0	0	1042
-- COE CAT 3	COE3	13,381,562	4,882,357	0	4,882,357	0	0	0	1042
-- COE CAT 4.11	COE411	1,201,004	469,647	0	0	0	469,647	0	1042
-- COE CAT 4.12	COE412	3,674,811	3,556,597	0	0	0	3,556,597	0	1042
-- COE CAT 4.13	COE413	7,190,164	1,793,698	1,775,887	0	0	17,810	0	1042
-- COE CAT 4.2	COE42	1,809,180	1,110,503	0	0	1,092,579	17,924	0	1042
-- COE CAT 4.3	COE43	2,833,436	586,170	0	0	586,170	0	0	1042
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1042
- CABLE & WIRE FACILITIES	CWF	92,616,428	26,729,546	20,224,466	0	543,877	5,961,203	0	1042
-- C&WF CAT 1.1	CWF11	783,571	0	0	0	0	0	0	1042
-- C&WF CAT 1.2	CWF12	202,832	202,832	0	0	0	202,832	0	1042
-- C&WF CAT 1.3	CWF13	80,897,865	20,224,466	20,224,466	0	0	0	0	1042
-- C&WF CAT 2	CWF2	9,058,687	5,744,556	0	0	0	5,744,556	0	1042
-- C&WF CAT 3	CWF3	534,306	322,026	0	0	308,211	13,815	0	1042
-- C&WF CAT 4	CWF4	1,139,167	235,666	0	0	235,666	0	0	1042
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1042
- INTANGIBLES	INTANG	17,707	5,723	3,132	695	458	1,427	11	1042
TELCOM PLANT-OTHER	PLTOTH	4,064,143	1,310,965	718,780	159,513	105,202	327,470	0	1042
ACCUM DEPRECIATION	ACCDEP	77,189,740	25,376,451	13,196,202	3,376,155	2,247,714	6,499,896	56,484	1042
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1042
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1042
NETWORK SUPPORT EXP	NETSPX	36,399	11,764	6,437	1,429	942	2,933	22	1042
GENERAL SUPPORT EXP	GSFX	855,084	276,348	148,432	32,940	21,725	67,625	5,626	1042
COE EXPENSE	COEX	2,320,504	985,540	59,853	608,001	180,785	136,902	0	1042
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1042
C&WF EXPENSE	CWFX	3,629,268	1,047,424	792,516	0	21,312	233,596	0	1042
OTHER PROP & PL EXP	OTHPPX	162,268	52,442	28,753	6,381	4,208	13,100	0	1042
NETWORK OPERATIONS EXP	NETOPX	467,649	151,136	82,865	18,390	12,128	37,753	0	1042
DEPREC & AMORT EXP	DEPAMX	7,595,967	2,583,391	1,115,500	617,583	270,299	576,425	3,584	1042
MARKETING EXPENSE	MRKTX	340,041	119,504	65,398	14,513	9,572	29,795	227	1042
SERVICES EXPENSE	SERVX	1,856,560	567,034	78,103	129,231	19,872	53,518	286,312	1042
- CABSX EXPENSE	CABSX	191,996	95,998	0	25,858	17,054	53,086	0	1042
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1042
GENERAL & ADMIN EXP	GENADX	3,562,904	1,233,009	569,207	276,199	92,151	195,929	99,523	1042
OTHER TAXES (EXCL FIT & ITC)	OTAXES	585,259	188,786	103,508	22,971	15,150	47,158	0	1042
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1042
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1042
INTEREST & RELATED ITEMS(IRI)	INTREL	343	108	59	13	9	27	0	1042

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	577,841	145,915	104,460	25,618	4,047	11,122	668	1043
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1043
- GENERAL SUPPORT FACILITIES	GSF	6,692,658	1,818,810	1,245,302	305,404	48,251	132,587	87,267	1043
- CENTRAL OFFICE EQUIPMENT	COE	26,317,314	7,866,267	3,548,133	3,040,451	289,444	988,239	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	9,938,777	3,040,451	0	3,040,451	0	0	0	1043
-- COE CAT 4.11	COE411	954,773	954,773	0	0	0	954,773	0	1043
-- COE CAT 4.12	COE412	196,693	0	0	0	0	0	0	1043
-- COE CAT 4.13	COE413	14,307,383	3,579,759	3,548,133	0	0	31,626	0	1043
-- COE CAT 4.2	COE42	305,298	161,046	0	0	159,206	1,840	0	1043
-- COE CAT 4.3	COE43	614,390	130,238	0	0	130,238	0	0	1043
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1043
- CABLE & WIRE FACILITIES	CWF	37,114,611	9,372,121	8,849,471	0	190,921	331,728	0	1043
-- C&WF CAT 1.1	CWF11	207,576	0	0	0	0	0	0	1043
-- C&WF CAT 1.2	CWF12	78,879	78,879	0	0	0	78,879	0	1043
-- C&WF CAT 1.3	CWF13	35,397,886	8,849,471	8,849,471	0	0	0	0	1043
-- C&WF CAT 2	CWF2	592,331	0	0	0	0	0	0	1043
-- C&WF CAT 3	CWF3	502,385	372,640	0	0	119,790	252,850	0	1043
-- C&WF CAT 4	CWF4	335,555	71,131	0	0	71,131	0	0	1043
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1043
- INTANGIBLES	INTANG	1,765,919	479,910	343,564	84,257	13,312	36,579	2,198	1043
TELCOM PLANT-OTHER	PLTOTH	7,026,575	1,900,812	1,367,037	335,259	52,968	145,548	0	1043
ACCUM DEPRECIATION	ACCDEP	20,741,816	5,654,190	3,802,299	1,327,405	138,715	370,237	15,533	1043
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1043
NET DEFERRED FIT	NTDFIT	5,183,267	1,402,753	1,007,978	248,224	39,091	107,460	0	1043
NETWORK SUPPORT EXP	NETSPX	48,074	13,065	9,353	2,294	362	996	60	1043
GENERAL SUPPORT EXP	GSFX	210,929	57,322	39,248	9,625	1,521	4,179	2,750	1043
COE EXPENSE	COEX	403,548	120,621	11,800	104,571	963	3,287	0	1043
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1043
C&WF EXPENSE	CWFX	999,289	252,339	238,267	0	5,140	8,932	0	1043
OTHER PROP & PL EXP	OTHPXX	64,565	17,546	12,619	3,095	489	1,344	0	1043
NETWORK OPERATIONS EXP	NETOPX	452,459	122,961	88,432	21,687	3,426	9,415	0	1043
DEPREC & AMORT EXP	DEPAMX	4,050,416	1,151,355	633,064	381,803	32,680	100,146	3,662	1043
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1043
SERVICES EXPENSE	SERVX	1,153,872	226,843	3,767	1,719	272	746	220,340	1043
- CABSX EXPENSE	CABSX	4,106	2,053	0	1,289	204	560	0	1043
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1043
GENERAL & ADMIN EXP	GENADX	1,210,691	356,376	203,067	53,834	4,583	10,879	84,012	1043
OTHER TAXES (EXCL FIT & ITC)	OTAXES	941,150	256,329	186,345	42,068	7,299	20,156	461	1043
INVESTMENT TAX CREDITS (ITC)	ITC	14,621	3,955	2,845	698	110	303	0	1043
NON-OPERATING INC & EXP	NONOPX	15,322	4,510	3,229	792	125	344	21	1043
INTEREST & RELATED ITEMS(IRI)	INTREL	2,579,800	700,236	501,294	122,940	19,423	53,373	3,207	1043

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	743,741	196,119	134,236	36,223	17,581	8,078	0	1044
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1044
- GENERAL SUPPORT FACILITIES	GSF	4,028,492	1,227,681	840,305	226,753	110,057	50,567	0	1044
- CENTRAL OFFICE EQUIPMENT	COE	7,515,311	3,120,669	929,043	1,556,838	489,699	145,089	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	2,926,492	1,556,838	0	1,556,838	0	0	0	1044
-- COE CAT 4.11	COE411	124,177	124,177	0	0	0	124,177	0	1044
-- COE CAT 4.12	COE412	183,593	1	0	0	0	1	0	1044
-- COE CAT 4.13	COE413	3,791,350	949,953	929,043	0	0	20,911	0	1044
-- COE CAT 4.2	COE42	489,699	489,699	0	0	489,699	0	0	1044
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1044
- INFORMATION ORIG/TERM	IOT	31,453	0	0	0	0	0	0	1044
- CABLE & WIRE FACILITIES	CWF	20,111,975	5,308,320	4,840,305	0	265,925	202,090	0	1044
-- C&WF CAT 1.1	CWF11	282,740	0	0	0	0	0	0	1044
-- C&WF CAT 1.2	CWF12	108,946	108,946	0	0	0	108,946	0	1044
-- C&WF CAT 1.3	CWF13	19,361,220	4,840,305	4,840,305	0	0	0	0	1044
-- C&WF CAT 2	CWF2	251,492	251,492	0	0	224,370	27,122	0	1044
-- C&WF CAT 3	CWF3	107,577	107,577	0	0	41,555	66,022	0	1044
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1044
- TANGIBLES	TANGIB	453,048	266,793	189,875	0	26,894	50,024	0	1044
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1044
TELCOM PLANT-OTHER	PLTOTH	1,295,266	399,919	274,024	71,879	35,971	18,045	0	1044
ACCUM DEPRECIATION	ACCDEP	14,662,971	4,680,471	2,893,192	1,103,049	484,535	199,694	0	1044
ACCUM AMORTIZATION	ACCAMO	104,786	61,707	43,916	0	6,220	11,570	0	1044
NET DEFERRED FIT	NTDFIT	711,133	220,638	144,729	49,537	17,915	8,457	0	1044
NETWORK SUPPORT EXP	NETSPX	61,320	18,687	12,791	3,452	1,675	770	0	1044
GENERAL SUPPORT EXP	GSFX	352,289	107,360	73,484	19,829	9,624	4,422	0	1044
COE EXPENSE	COEX	261,434	108,558	35,555	48,709	18,741	5,553	0	1044
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1044
C&WF EXPENSE	CWFX	245,882	64,898	59,176	0	3,251	2,471	0	1044
OTHER PROP & PL EXP	OTHPXX	3,998	3,998	3,998	0	0	0	0	1044
NETWORK OPERATIONS EXP	NETOPX	365,509	111,389	76,242	20,574	9,986	4,588	0	1044
DEPREC & AMORT EXP	DEPAMX	1,585,032	505,562	300,704	124,512	54,883	25,463	0	1044
MARKETING EXPENSE	MRKTX	26,417	0	0	0	0	0	0	1044
SERVICES EXPENSE	SERVX	682,031	447,986	102,668	45,847	19,831	8,402	271,237	1044
- CABSX EXPENSE	CABSX	106,041	53,021	0	31,036	15,064	6,921	0	1044
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1044
GENERAL & ADMIN EXP	GENADX	1,069,116	495,964	207,171	78,795	35,927	14,918	159,153	1044
OTHER TAXES (EXCL FIT & ITC)	OTAXES	305,014	93,646	64,612	16,839	8,298	3,897	0	1044
INVESTMENT TAX CREDITS (ITC)	ITC	674	208	142	38	19	9	0	1044
NON-OPERATING INC & EXP	NONOPX	5,970	2,784	1,905	514	250	115	0	1044
INTEREST & RELATED ITEMS(IRI)	INTREL	725,866	215,658	147,610	39,832	19,333	8,883	0	1044

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	36,287	8,838	3,797	4,755	201	85	0	1045
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1045
- GENERAL SUPPORT FACILITIES	GSF	709,306	252,019	108,273	135,596	5,729	2,421	0	1045
- CENTRAL OFFICE EQUIPMENT	COE	2,025,962	896,515	170,134	696,499	17,271	12,611	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	1,215,001	686,783	0	686,783	0	0	0	1045
-- COE CAT 4.11	COE411	14,963	12,304	0	0	0	12,304	0	1045
-- COE CAT 4.12	COE412	49,346	0	0	0	0	0	0	1045
-- COE CAT 4.13	COE413	684,288	170,134	170,134	0	0	0	0	1045
-- COE CAT 4.2	COE42	40,574	17,578	0	0	17,270	307	0	1045
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1045
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1045
- CABLE & WIRE FACILITIES	CWF	1,668,270	406,344	393,774	0	12,569	0	0	1045
-- C&WF CAT 1.1	CWF11	8,681	0	0	0	0	0	0	1045
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1045
-- C&WF CAT 1.3	CWF13	1,575,098	393,774	393,774	0	0	0	0	1045
-- C&WF CAT 2	CWF2	55,406	0	0	0	0	0	0	1045
-- C&WF CAT 3	CWF3	29,085	12,569	0	0	12,569	0	0	1045
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1045
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1045
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1045
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1045
ACCUM DEPRECIATION	ACCDEP	3,068,781	1,144,634	431,622	684,307	21,005	7,699	0	1045
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1045
NET DEFERRED FIT	NTDFIT	412,506	123,301	80,090	38,744	3,481	985	0	1045
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1045
GENERAL SUPPORT EXP	GSFX	41,248	14,656	6,296	7,885	333	141	0	1045
COE EXPENSE	COEX	134,167	60,014	7,997	50,613	812	593	0	1045
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1045
C&WF EXPENSE	CWFX	305,437	74,396	72,095	0	2,301	0	0	1045
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1045
NETWORK OPERATIONS EXP	NETOPX	112,216	39,871	17,129	21,452	906	383	0	1045
DEPREC & AMORT EXP	DEPAMX	242,987	76,511	44,157	29,300	2,205	848	0	1045
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1045
SERVICES EXPENSE	SERVX	170,236	65,411	44,271	14,232	595	4,034	2,280	1045
- CABSX EXPENSE	CABSX	20,675	10,338	0	9,751	412	174	0	1045
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1045
GENERAL & ADMIN EXP	GENADX	233,316	103,652	60,226	38,381	2,016	2,099	929	1045
OTHER TAXES (EXCL FIT & ITC)	OTAXES	61,431	27,329	11,741	14,704	621	263	0	1045
INVESTMENT TAX CREDITS (ITC)	ITC	3,330	1,183	508	637	27	11	0	1045
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1045
INTEREST & RELATED ITEMS(IRI)	INTREL	19,364	6,172	2,651	3,321	140	59	0	1045

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	10,561	2,718	839	966	370	544	0	1046
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1046
- GENERAL SUPPORT FACILITIES	GSF	1,618,413	621,550	192,008	220,750	84,581	124,212	0	1046
- CENTRAL OFFICE EQUIPMENT	COE	2,259,828	1,161,197	3,628	626,871	166,535	364,163	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	1,278,182	606,551	0	606,551	0	0	0	1046
-- COE CAT 4.11	COE411	377,023	365,096	0	0	933	364,163	0	1046
-- COE CAT 4.12	COE412	65,898	0	0	0	0	0	0	1046
-- COE CAT 4.13	COE413	14,733	3,628	3,628	0	0	0	0	1046
-- COE CAT 4.2	COE42	224,592	104,840	0	0	104,840	0	0	1046
-- COE CAT 4.3	COE43	258,214	60,763	0	0	60,763	0	0	1046
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1046
- CABLE & WIRE FACILITIES	CWF	2,483,483	639,195	557,758	0	81,438	0	0	1046
-- C&WF CAT 1.1	CWF11	33,692	0	0	0	0	0	0	1046
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1046
-- C&WF CAT 1.3	CWF13	2,231,550	557,758	557,758	0	0	0	0	1046
-- C&WF CAT 2	CWF2	89,948	4,682	0	0	4,682	0	0	1046
-- C&WF CAT 3	CWF3	62,918	61,371	0	0	61,371	0	0	1046
-- C&WF CAT 4	CWF4	65,375	15,384	0	0	15,384	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	1,192	458	141	163	62	92	0	1046
ACCUM DEPRECIATION	ACCDEP	4,008,771	1,520,339	473,816	664,423	167,130	214,969	0	1046
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1046
NET DEFERRED FIT	NTDFIT	345,438	135,568	40,989	29,048	24,627	40,904	0	1046
NETWORK SUPPORT EXP	NETSPX	11,802	4,533	1,398	1,611	617	906	0	1046
GENERAL SUPPORT EXP	GSFX	111,458	42,805	13,223	15,203	5,825	8,554	0	1046
COE EXPENSE	COEX	211,815	110,744	433	46,959	19,880	43,472	0	1046
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1046
C&WF EXPENSE	CWFX	143,698	36,985	32,273	0	4,712	0	0	1046
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1046
NETWORK OPERATIONS EXP	NETOPX	349,963	134,333	41,419	47,750	18,295	26,868	0	1046
DEPREC & AMORT EXP	DEPAMX	447,083	185,660	41,438	73,906	26,169	44,147	0	1046
MARKETING EXPENSE	MRKTX	20,944	6,671	2,058	2,371	908	1,334	0	1046
SERVICES EXPENSE	SERVX	176,574	53,099	6,676	22,418	7,505	10,162	6,338	1046
- CABSX EXPENSE	CABSX	56,499	28,250	0	14,518	5,563	8,169	0	1046
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1046
GENERAL & ADMIN EXP	GENADX	727,093	316,811	96,241	103,077	43,665	69,037	4,793	1046
OTHER TAXES (EXCL FIT & ITC)	OTAXES	50,357	19,332	5,964	6,870	2,632	3,866	0	1046
INVESTMENT TAX CREDITS (ITC)	ITC	34,500	13,224	13,224	0	0	0	0	1046
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1046
INTEREST & RELATED ITEMS(IRI)	INTREL	63,943	44	14	16	6	9	0	1046

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	88,164	22,601	14,770	5,218	779	1,834	0	1047
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1047
- GENERAL SUPPORT FACILITIES	GSF	3,857,870	1,196,968	782,235	276,361	41,257	97,115	0	1047
- CENTRAL OFFICE EQUIPMENT	COE	2,438,970	1,257,807	134,688	840,498	117,793	164,827	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	1,320,911	840,498	0	840,498	0	0	0	1047
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1047
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1047
-- COE CAT 4.13	COE413	546,442	134,688	134,688	0	0	0	0	1047
-- COE CAT 4.2	COE42	470,091	263,169	0	0	98,342	164,827	0	1047
-- COE CAT 4.3	COE43	101,526	19,452	0	0	19,452	0	0	1047
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1047
- CABLE & WIRE FACILITIES	CWF	9,293,988	2,382,537	2,244,326	0	7,681	130,529	0	1047
-- C&WF CAT 1.1	CWF11	128,146	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	8,977,304	2,244,326	2,244,326	0	0	0	0	1047
-- C&WF CAT 2	CWF2	165,750	130,426	0	0	0	130,426	0	1047
-- C&WF CAT 3	CWF3	18,084	6,883	0	0	6,780	103	0	1047
-- C&WF CAT 4	CWF4	4,704	901	0	0	901	0	0	1047
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1047
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1047
TELCOM PLANT-OTHER	PLTOTH	50,082	15,539	10,155	3,588	536	1,261	0	1047
ACCUM DEPRECIATION	ACCDEP	7,597,775	2,217,059	1,631,023	314,873	78,601	192,562	0	1047
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1047
NET DEFERRED FIT	NTDFIT	922,765	286,302	187,106	66,110	9,863	23,222	0	1047
NETWORK SUPPORT EXP	NETSPX	6,992	2,169	1,418	501	75	176	0	1047
GENERAL SUPPORT EXP	GSFX	284,279	88,202	57,641	20,365	3,040	7,156	0	1047
COE EXPENSE	COEX	162,462	83,784	2,545	68,192	9,931	3,115	0	1047
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1047
C&WF EXPENSE	CWFX	643,949	165,078	155,502	0	532	9,044	0	1047
OTHER PROP & PL EXP	OTHPPX	2,409	747	488	173	26	61	0	1047
NETWORK OPERATIONS EXP	NETOPX	163,821	50,828	33,217	11,735	1,752	4,124	0	1047
DEPREC & AMORT EXP	DEPAMX	949,004	307,698	182,546	84,089	13,380	27,684	0	1047
MARKETING EXPENSE	MRKTX	57,660	13,330	8,711	3,078	459	1,081	0	1047
SERVICES EXPENSE	SERVX	222,127	60,000	12,741	14,858	2,218	4,714	25,469	1047
- CABSX EXPENSE	CABSX	39,446	19,723	0	13,143	1,962	4,618	0	1047
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1047
GENERAL & ADMIN EXP	GENADX	574,051	199,802	120,554	49,108	7,448	12,172	10,519	1047
OTHER TAXES (EXCL FIT & ITC)	OTAXES	187,815	58,633	38,318	13,538	2,021	4,757	0	1047
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1047
NON-OPERATING INC & EXP	NONOPX	7,024	2,445	1,598	564	84	198	0	1047
INTEREST & RELATED ITEMS(IRI)	INTREL	5,203	1,712	1,119	395	59	139	0	1047



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	366,171	116,817	42,950	39,692	2,271	31,903	0	1048
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1048
- GENERAL SUPPORT FACILITIES	GSF	3,920,761	1,729,159	635,765	587,539	33,610	472,244	0	1048
- CENTRAL OFFICE EQUIPMENT	COE	5,884,980	4,014,828	377,155	2,629,043	58,547	950,083	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	3,095,063	2,612,560	0	2,612,560	0	0	0	1048
-- COE CAT 4.11	COE411	81,826	75,735	0	0	0	75,735	0	1048
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1048
-- COE CAT 4.13	COE413	1,539,074	385,364	377,155	0	0	8,209	0	1048
-- COE CAT 4.2	COE42	1,104,696	914,233	0	0	48,094	866,139	0	1048
-- COE CAT 4.3	COE43	35,730	10,453	0	0	10,453	0	0	1048
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1048
- CABLE & WIRE FACILITIES	CWF	11,769,117	3,754,610	2,485,517	0	92,791	1,176,302	0	1048
-- C&WF CAT 1.1	CWF11	146,592	0	0	0	0	0	0	1048
-- C&WF CAT 1.2	CWF12	54,099	54,099	0	0	0	54,099	0	1048
-- C&WF CAT 1.3	CWF13	9,942,067	2,485,517	2,485,517	0	0	0	0	1048
-- C&WF CAT 2	CWF2	539,248	499,110	0	0	0	499,110	0	1048
-- C&WF CAT 3	CWF3	966,751	680,671	0	0	57,578	623,093	0	1048
-- C&WF CAT 4	CWF4	120,360	35,213	0	0	35,213	0	0	1048
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1048
- INTANGIBLES	INTANG	14,794	6,525	2,399	2,217	127	1,782	0	1048
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1048
ACCUM DEPRECIATION	ACCDEP	9,486,901	4,100,885	1,571,335	1,240,773	85,169	1,203,607	0	1048
ACCUM AMORTIZATION	ACCAMO	14,794	6,525	2,399	2,217	127	1,782	0	1048
NET DEFERRED FIT	NTDFIT	1,952,413	861,086	316,582	292,555	16,740	235,210	0	1048
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1048
GENERAL SUPPORT EXP	GSFX	340,069	149,979	55,143	50,960	2,915	40,960	0	1048
COE EXPENSE	COEX	224,413	153,727	18,816	84,589	2,921	47,400	0	1048
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1048
C&WF EXPENSE	CWFX	327,368	104,438	69,137	0	2,581	32,720	0	1048
OTHER PROP & PL EXP	OTHPPX	413	182	67	62	4	50	0	1048
NETWORK OPERATIONS EXP	NETOPX	451,273	199,023	73,175	67,625	3,869	54,355	0	1048
DEPREC & AMORT EXP	DEPAMX	1,213,239	571,655	181,999	221,250	10,907	157,498	0	1048
MARKETING EXPENSE	MRKTX	57,536	1,157	425	393	22	316	0	1048
SERVICES EXPENSE	SERVX	316,886	50,810	12,050	6,170	353	4,959	27,277	1048
- CABSX EXPENSE	CABSX	21,538	10,769	0	5,787	331	4,651	0	1048
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1048
GENERAL & ADMIN EXP	GENADX	858,739	300,447	120,044	87,917	5,307	75,748	11,431	1048
OTHER TAXES (EXCL FIT & ITC)	OTAXES	443,767	196,844	72,113	67,513	3,804	53,415	0	1048
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1048
NON-OPERATING INC & EXP	NONOPX	4,809	1,683	619	572	33	460	0	1048
INTEREST & RELATED ITEMS(IRI)	INTREL	514	231	85	78	4	63	0	1048

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	93,726	24,196	15,899	5,771	198	2,328	0	1049
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1049
- GENERAL SUPPORT FACILITIES	GSF	1,074,800	325,205	213,692	77,566	2,654	31,293	0	1049
- CENTRAL OFFICE EQUIPMENT	COE	1,093,383	483,316	87,752	326,688	6,163	62,713	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	628,544	326,688	0	326,688	0	0	0	1049
-- COE CAT 4.11	COE411	33,118	33,118	0	0	0	33,118	0	1049
-- COE CAT 4.12	COE412	16,529	0	0	0	0	0	0	1049
-- COE CAT 4.13	COE413	357,467	89,905	87,752	0	0	2,153	0	1049
-- COE CAT 4.2	COE42	52,830	32,884	0	0	5,442	27,442	0	1049
-- COE CAT 4.3	COE43	4,895	721	0	0	721	0	0	1049
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1049
- CABLE & WIRE FACILITIES	CWF	3,433,403	886,366	812,263	0	5,017	69,086	0	1049
-- C&WF CAT 1.1	CWF11	39,866	0	0	0	0	0	0	1049
-- C&WF CAT 1.2	CWF12	19,933	19,933	0	0	0	19,933	0	1049
-- C&WF CAT 1.3	CWF13	3,249,052	812,263	812,263	0	0	0	0	1049
-- C&WF CAT 2	CWF2	105,675	48,705	0	0	0	48,705	0	1049
-- C&WF CAT 3	CWF3	12,047	4,459	0	0	4,011	448	0	1049
-- C&WF CAT 4	CWF4	6,830	1,006	0	0	1,006	0	0	1049
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1049
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1049
TELCOM PLANT-OTHER	PLTOTH	45,312	13,710	9,009	3,270	112	1,319	0	1049
ACCUM DEPRECIATION	ACCDEP	3,089,155	891,079	653,544	136,847	7,829	92,859	0	1049
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1049
NET DEFERRED FIT	NTDFIT	351,155	106,239	69,824	25,339	866	10,210	0	1049
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1049
GENERAL SUPPORT EXP	GSFX	30,563	9,248	6,077	2,206	75	890	0	1049
COE EXPENSE	COEX	107,602	47,564	7,994	31,268	2,589	5,713	0	1049
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1049
C&WF EXPENSE	CWFX	487,463	125,843	115,322	0	712	9,809	0	1049
OTHER PROP & PL EXP	OTHPX	39,470	11,943	7,847	2,848	97	1,149	0	1049
NETWORK OPERATIONS EXP	NETOPX	63,319	19,159	12,589	4,570	156	1,844	0	1049
DEPREC & AMORT EXP	DEPAMX	404,558	127,801	75,834	38,064	1,113	12,790	0	1049
MARKETING EXPENSE	MRKTX	329	86	56	20	1	8	0	1049
SERVICES EXPENSE	SERVX	129,265	47,893	15,967	6,518	223	2,067	23,117	1049
- CABSX EXPENSE	CABSX	14,403	7,202	0	5,009	171	2,021	0	1049
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1049
GENERAL & ADMIN EXP	GENADX	621,761	211,997	139,283	35,970	2,924	16,289	17,531	1049
OTHER TAXES (EXCL FIT & ITC)	OTAXES	85,218	26,104	17,153	6,226	213	2,512	0	1049
INVESTMENT TAX CREDITS (ITC)	ITC	1,926	583	383	139	5	56	0	1049
NON-OPERATING INC & EXP	NONOPX	3,746	1,277	839	305	10	123	0	1049
INTEREST & RELATED ITEMS(IRI)	INTREL	31,611	10,107	6,641	2,411	82	973	0	1049

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## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	75,886	20,800	11,066	5,395	1,427	2,912	0	1050
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1050
- GENERAL SUPPORT FACILITIES	GSF	1,708,787	560,168	298,017	145,293	38,433	78,426	0	1050
- CENTRAL OFFICE EQUIPMENT	COE	7,336,627	2,968,404	768,541	1,515,336	243,868	440,659	0	1050
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1050
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1050
-- COE CAT 3	COE3	2,925,111	1,515,336	0	1,515,336	0	0	0	1050
-- COE CAT 4.11	COE411	132,314	132,314	0	0	0	132,314	0	1050
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1050
-- COE CAT 4.13	COE413	3,177,480	814,401	768,541	0	0	45,859	0	1050
-- COE CAT 4.2	COE42	672,499	373,246	0	0	110,760	262,486	0	1050
-- COE CAT 4.3	COE43	429,223	133,108	0	0	133,108	0	0	1050
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1050
- CABLE & WIRE FACILITIES	CWF	10,485,236	2,873,890	2,339,639	0	156,967	377,285	0	1050
-- C&WF CAT 1.1	CWF11	174,911	0	0	0	0	0	0	1050
-- C&WF CAT 1.2	CWF12	139,608	139,608	0	0	0	139,608	0	1050
-- C&WF CAT 1.3	CWF13	9,358,556	2,339,639	2,339,639	0	0	0	0	1050
-- C&WF CAT 2	CWF2	285,255	224,422	0	0	0	224,422	0	1050
-- C&WF CAT 3	CWF3	78,150	31,057	0	0	17,802	13,255	0	1050
-- C&WF CAT 4	CWF4	448,756	139,165	0	0	139,165	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	982,103	321,949	171,281	83,505	22,089	45,074	0	1050
ACCUM DEPRECIATION	ACCDEP	13,035,832	4,311,241	2,238,404	1,219,293	279,533	574,012	0	1050
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1050
NET DEFERRED FIT	NTDFIT	1,062,988	348,481	185,372	90,471	23,887	48,751	0	1050
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1050
GENERAL SUPPORT EXP	GSFX	181,779	59,590	31,703	15,456	4,088	8,343	0	1050
COE EXPENSE	COEX	548,959	222,109	12,655	174,098	28,101	7,256	0	1050
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1050
C&WF EXPENSE	CWFX	270,074	74,024	60,263	0	4,043	9,718	0	1050
OTHER PROP & PL EXP	OTHPX	46,547	15,259	8,118	3,958	1,047	2,136	0	1050
NETWORK OPERATIONS EXP	NETOPX	175,424	57,507	30,594	14,916	3,945	8,051	0	1050
DEPREC & AMORT EXP	DEPAMX	857,580	290,398	141,219	83,099	22,256	43,824	0	1050
MARKETING EXPENSE	MRKTX	269	109	58	28	7	15	0	1050
SERVICES EXPENSE	SERVX	476,012	166,147	36,573	51,843	13,445	22,483	41,802	1050
- CABSX EXPENSE	CABSX	147,176	73,588	0	40,785	10,788	22,015	0	1050
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1050
GENERAL & ADMIN EXP	GENADX	1,331,012	506,106	184,901	201,574	42,342	44,917	32,372	1050
OTHER TAXES (EXCL FIT & ITC)	OTAXES	199,907	66,535	35,398	17,257	4,565	9,315	0	1050
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1050
NON-OPERATING INC & EXP	NONOPX	23,513	8,941	4,757	2,319	613	1,252	0	1050
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1050

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	8,036	2,032	968	732	50	283	0	1051
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1051
- GENERAL SUPPORT FACILITIES	GSF	908,491	330,550	157,422	119,072	8,075	45,981	0	1051
- CENTRAL OFFICE EQUIPMENT	COE	2,389,207	1,131,553	244,454	622,904	39,110	225,085	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	1,071,025	622,904	0	622,904	0	0	0	1051
-- COE CAT 4.11	COE411	210,513	210,513	0	0	0	210,513	0	1051
-- COE CAT 4.12	COE412	18,444	0	0	0	0	0	0	1051
-- COE CAT 4.13	COE413	979,120	244,454	244,454	0	0	0	0	1051
-- COE CAT 4.2	COE42	110,105	53,682	0	0	39,110	14,572	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	2,363,410	597,663	579,075	0	3,134	15,454	0	1051
-- C&WF CAT 1.1	CWF11	3,090	0	0	0	0	0	0	1051
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1051
-- C&WF CAT 1.3	CWF13	2,316,299	579,075	579,075	0	0	0	0	1051
-- C&WF CAT 2	CWF2	37,855	15,454	0	0	0	15,454	0	1051
-- C&WF CAT 3	CWF3	6,166	3,134	0	0	3,134	0	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	387	141	67	51	3	20	0	1051
TELCOM PLANT-OTHER	PLTOTH	35	13	6	5	0	2	0	1051
ACCUM DEPRECIATION	ACCDEP	4,379,602	1,627,488	734,522	628,409	39,496	225,061	0	1051
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1051
NET DEFERRED FIT	NTDFIT	6,398	2,325	1,111	834	57	324	0	1051
NETWORK SUPPORT EXP	NETSPX	24,214	8,810	4,196	3,174	215	1,226	0	1051
GENERAL SUPPORT EXP	GSFX	34,218	12,450	5,929	4,485	304	1,732	0	1051
COE EXPENSE	COEX	78,244	37,057	5,084	19,840	7,453	4,681	0	1051
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1051
C&WF EXPENSE	CWFX	62,929	15,914	15,419	0	83	411	0	1051
OTHER PROP & PL EXP	OTHPPX	-3,573	-1,300	-619	-468	-32	-181	0	1051
NETWORK OPERATIONS EXP	NETOPX	62,289	22,664	10,793	8,164	554	3,153	0	1051
DEPREC & AMORT EXP	DEPAMX	441,655	181,039	63,242	82,715	5,214	29,868	0	1051
MARKETING EXPENSE	MRKTX	1,873	583	278	210	14	81	0	1051
SERVICES EXPENSE	SERVX	129,304	45,767	10,544	10,701	717	2,054	21,751	1051
- CABSX EXPENSE	CABSX	15,086	7,543	0	5,188	352	2,003	0	1051
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1051
GENERAL & ADMIN EXP	GENADX	276,190	114,742	50,399	32,844	6,632	9,373	15,495	1051
OTHER TAXES (EXCL FIT & ITC)	OTAXES	49,187	18,207	8,671	6,559	445	2,533	0	1051
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1051
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1051
INTEREST & RELATED ITEMS(IRI)	INTREL	55,801	18,787	8,947	6,767	459	2,613	0	1051

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	989,087	241,495	137,209	44,699	31,847	27,740	0	1052
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1052
- GENERAL SUPPORT FACILITIES	GSF	4,080,703	1,229,011	693,849	222,876	160,842	151,445	0	1052
- CENTRAL OFFICE EQUIPMENT	COE	11,200,407	4,824,644	1,112,694	2,004,179	505,556	1,202,215	0	1052
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1052
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1052
-- COE CAT 3	COE3	3,417,511	2,004,179	0	2,004,179	0	0	0	1052
-- COE CAT 4.11	COE411	1,113,178	1,113,178	0	0	0	1,113,178	0	1052
-- COE CAT 4.12	COE412	1,229,450	239,089	0	0	162,377	76,712	0	1052
-- COE CAT 4.13	COE413	4,488,968	1,115,497	1,112,694	0	0	2,803	0	1052
-- COE CAT 4.2	COE42	951,300	352,701	0	0	343,179	9,522	0	1052
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1052
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1052
- CABLE & WIRE FACILITIES	CWF	24,453,405	5,978,519	5,029,725	0	920,320	28,475	0	1052
-- C&WF CAT 1.1	CWF11	159,963	0	0	0	0	0	0	1052
-- C&WF CAT 1.2	CWF12	12,670	12,670	0	0	0	12,670	0	1052
-- C&WF CAT 1.3	CWF13	20,118,900	5,029,725	5,029,725	0	0	0	0	1052
-- C&WF CAT 2	CWF2	1,792,753	252,531	0	0	252,531	0	0	1052
-- C&WF CAT 3	CWF3	2,369,119	683,593	0	0	667,789	15,804	0	1052
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1052
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1052
- INTANGIBLES	INTANG	3,796	1,149	653	213	152	132	0	1052
TELCOM PLANT-OTHER	PLTOTH	2,038,519	617,292	350,724	114,256	81,404	70,908	0	1052
ACCUM DEPRECIATION	ACCDEP	22,143,175	6,945,615	3,670,667	1,473,042	893,455	908,451	0	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	103,567	13,739	0	5,757	4,066	3,916	0	1052
GENERAL SUPPORT EXP	GSFX	174,873	23,199	0	9,721	6,865	6,612	0	1052
COE EXPENSE	COEX	1,047,849	451,367	93,282	214,916	42,383	100,787	0	1052
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1052
C&WF EXPENSE	CWFX	563,449	137,755	115,894	0	21,206	656	0	1052
OTHER PROP & PL EXP	OTHPX	53,111	16,104	9,157	2,988	2,126	1,835	0	1052
NETWORK OPERATIONS EXP	NETOPX	495,977	150,282	85,447	27,880	19,835	17,120	0	1052
DEPREC & AMORT EXP	DEPAMX	2,671,295	880,531	418,578	210,411	111,110	140,432	0	1052
MARKETING EXPENSE	MRKTX	66,679	16,647	9,459	3,081	2,195	1,912	0	1052
SERVICES EXPENSE	SERVX	674,927	106,155	4,799	16,174	975	60,118	24,089	1052
- CABSX EXPENSE	CABSX	6,349	3,175	0	1,365	971	838	0	1052
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1052
GENERAL & ADMIN EXP	GENADX	1,573,045	536,410	283,934	118,591	42,128	81,573	10,184	1052
OTHER TAXES (EXCL FIT & ITC)	OTAXES	311,678	94,381	53,624	17,469	12,446	10,841	0	1052
INVESTMENT TAX CREDITS (ITC)	ITC	1,918	581	330	108	77	67	0	1052
NON-OPERATING INC & EXP	NONOPX	9,265	3,286	1,867	608	433	378	0	1052
INTEREST & RELATED ITEMS(IRI)	INTREL	24,139	574	326	106	76	66	0	1052

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	32,674	9,027	2,962	4,499	455	1,110	0	1053
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1053
- GENERAL SUPPORT FACILITIES	GSF	1,488,396	590,506	193,785	294,330	29,752	72,638	0	1053
- CENTRAL OFFICE EQUIPMENT	COE	2,953,759	1,501,902	120,535	1,126,146	87,693	167,528	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	1,838,602	1,126,146	0	1,126,146	0	0	0	1053
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1053
-- COE CAT 4.12	COE412	202,450	0	0	0	0	0	0	1053
-- COE CAT 4.13	COE413	488,793	122,531	120,535	0	0	1,996	0	1053
-- COE CAT 4.2	COE42	423,914	253,225	0	0	87,693	165,532	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	2,741,039	757,452	620,914	0	26,142	110,396	0	1053
-- C&WF CAT 1.1	CWF11	23,991	0	0	0	0	0	0	1053
-- C&WF CAT 1.2	CWF12	10,282	10,282	0	0	0	10,282	0	1053
-- C&WF CAT 1.3	CWF13	2,483,655	620,914	620,914	0	0	0	0	1053
-- C&WF CAT 2	CWF2	166,147	98,615	0	0	0	98,615	0	1053
-- C&WF CAT 3	CWF3	56,964	27,642	0	0	26,142	1,499	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	0	0	0	0	0	0	0	1053
TELCOM PLANT-OTHER	PLTOTH	2,763	1,096	360	546	55	135	0	1053
ACCUM DEPRECIATION	ACCDEP	4,427,356	1,787,122	571,099	953,060	73,670	189,293	0	1053
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1053
NET DEFERRED FIT	NTDFIT	384,738	152,658	50,079	76,111	7,692	18,777	0	1053
NETWORK SUPPORT EXP	NETSPX	218	86	28	43	4	11	0	1053
GENERAL SUPPORT EXP	GSFX	99,043	39,294	12,895	19,586	1,980	4,834	0	1053
COE EXPENSE	COEX	632,190	321,249	67,554	85,827	73,977	93,891	0	1053
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1053
C&WF EXPENSE	CWFX	208,414	57,593	47,211	0	1,988	8,394	0	1053
OTHER PROP & PL EXP	OTHPPX	-378	-150	-49	-75	-8	-18	0	1053
NETWORK OPERATIONS EXP	NETOPX	100,007	39,677	13,021	19,776	1,999	4,881	0	1053
DEPREC & AMORT EXP	DEPAMX	421,506	189,081	40,039	123,006	7,910	18,126	0	1053
MARKETING EXPENSE	MRKTX	13,080	4,222	1,386	2,105	213	519	0	1053
SERVICES EXPENSE	SERVX	344,569	114,677	14,589	29,596	2,991	9,521	57,980	1053
- CABSX EXPENSE	CABSX	67,785	33,893	0	25,145	2,542	6,206	0	1053
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1053
GENERAL & ADMIN EXP	GENADX	563,324	253,573	70,219	68,475	36,296	53,272	25,311	1053
OTHER TAXES (EXCL FIT & ITC)	OTAXES	95,316	25,361	8,323	12,641	1,278	3,120	0	1053
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1053
NON-OPERATING INC & EXP	NONOPX	1,709	770	253	384	39	95	0	1053
INTEREST & RELATED ITEMS(IRI)	INTREL	51,506	19,697	6,464	9,818	992	2,423	0	1053

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	356,502	91,268	42,869	36,381	8,104	3,777	137	1054
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1054
- GENERAL SUPPORT FACILITIES	GSF	7,311,830	2,500,596	1,167,584	990,861	220,711	102,879	18,561	1054
- CENTRAL OFFICE EQUIPMENT	COE	13,688,474	5,960,086	1,245,791	3,909,126	488,319	316,851	0	1054
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1054
-- COE CAT 2	COE2	368,537	188,857	0	0	188,857	0	0	1054
-- COE CAT 3	COE3	6,843,588	3,891,747	0	3,891,747	0	0	0	1054
-- COE CAT 4.11	COE411	334,479	275,997	0	0	0	275,997	0	1054
-- COE CAT 4.12	COE412	224,491	0	0	0	0	0	0	1054
-- COE CAT 4.13	COE413	5,082,411	1,278,170	1,245,791	0	0	32,379	0	1054
-- COE CAT 4.2	COE42	709,436	284,852	0	0	276,378	8,475	0	1054
-- COE CAT 4.3	COE43	92,820	23,084	0	0	23,084	0	0	1054
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1054
- CABLE & WIRE FACILITIES	CWF	15,073,291	3,858,146	3,381,017	0	386,297	90,832	0	1054
-- C&WF CAT 1.1	CWF11	181,480	0	0	0	0	0	0	1054
-- C&WF CAT 1.2	CWF12	87,874	87,874	0	0	0	87,874	0	1054
-- C&WF CAT 1.3	CWF13	13,679,456	3,381,017	3,381,017	0	0	0	0	1054
-- C&WF CAT 2	CWF2	764,858	250,073	0	0	250,073	0	0	1054
-- C&WF CAT 3	CWF3	193,878	97,961	0	0	95,003	2,957	0	1054
-- C&WF CAT 4	CWF4	165,745	41,221	0	0	41,221	0	0	1054
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1054
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1054
TELCOM PLANT-OTHER	PLTOTH	875,358	299,349	140,606	119,324	26,579	12,389	450	1054
ACCUM DEPRECIATION	ACCDEP	21,167,216	7,121,447	3,489,125	2,740,128	619,998	255,252	16,945	1054
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1054
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1054
NETWORK SUPPORT EXP	NETSPX	12,306	4,208	1,977	1,677	374	174	6	1054
GENERAL SUPPORT EXP	GSFX	1,400,353	478,911	223,614	189,769	42,270	19,703	3,555	1054
COE EXPENSE	COEX	682,574	298,189	59,496	199,656	23,905	15,132	0	1054
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1054
C&WF EXPENSE	CWFX	717,650	183,689	160,973	0	18,392	4,325	0	1054
OTHER PROP & PL EXP	OTHPX	145,420	49,729	23,393	19,852	4,422	2,061	0	1054
NETWORK OPERATIONS EXP	NETOPX	338,504	115,758	54,454	46,212	10,294	4,798	0	1054
DEPREC & AMORT EXP	DEPAMX	1,748,622	655,644	238,948	334,448	54,662	26,754	832	1054
MARKETING EXPENSE	MRKTX	91,418	41,381	19,437	16,495	3,674	1,713	62	1054
SERVICES EXPENSE	SERVX	365,832	103,125	34,789	32,347	4,083	3,299	28,607	1054
- CABSX EXPENSE	CABSX	27,489	13,745	0	10,361	2,308	1,076	0	1054
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1054
GENERAL & ADMIN EXP	GENADX	2,485,388	927,789	466,259	335,131	71,140	33,913	21,346	1054
OTHER TAXES (EXCL FIT & ITC)	OTAXES	359,131	129,473	60,906	51,687	11,513	5,367	0	1054
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1054
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1054
INTEREST & RELATED ITEMS(IRI)	INTREL	436	152	71	60	13	6	0	1054

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	284,627	76,143	37,129	20,133	5,891	12,724	267	1055
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1055
- GENERAL SUPPORT FACILITIES	GSF	4,056,907	1,483,507	713,130	386,679	113,151	244,380	26,167	1055
- CENTRAL OFFICE EQUIPMENT	COE	5,966,426	3,204,157	453,299	1,589,520	355,164	806,174	0	1055
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1055
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1055
-- COE CAT 3	COE3	2,559,659	1,589,520	0	1,589,520	0	0	0	1055
-- COE CAT 4.11	COE411	638,716	638,716	0	0	0	638,716	0	1055
-- COE CAT 4.12	COE412	34,586	0	0	0	0	0	0	1055
-- COE CAT 4.13	COE413	1,830,249	459,741	453,299	0	0	6,442	0	1055
-- COE CAT 4.2	COE42	903,216	516,180	0	0	355,164	161,016	0	1055
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1055
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1055
- CABLE & WIRE FACILITIES	CWF	10,416,120	2,786,522	2,478,158	0	109,965	198,398	0	1055
-- C&WF CAT 1.1	CWF11	58,005	0	0	0	0	0	0	1055
-- C&WF CAT 1.2	CWF12	35,217	35,217	0	0	0	35,217	0	1055
-- C&WF CAT 1.3	CWF13	9,912,634	2,478,158	2,478,158	0	0	0	0	1055
-- C&WF CAT 2	CWF2	183,027	161,231	0	0	0	161,231	0	1055
-- C&WF CAT 3	CWF3	227,237	111,915	0	0	109,965	1,950	0	1055
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1055
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1055
- INTANGIBLES	INTANG	55,346	20,239	9,869	5,351	1,566	3,382	71	1055
TELCOM PLANT-OTHER	PLTOTH	849,291	309,477	151,438	82,114	24,028	51,896	0	1055
ACCUM DEPRECIATION	ACCDEP	9,566,078	3,500,558	1,697,227	980,473	255,880	550,790	16,188	1055
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1055
NET DEFERRED FIT	NTDFIT	2,281,421	831,344	406,776	220,647	64,537	139,385	0	1055
NETWORK SUPPORT EXP	NETSPX	5,661	2,070	1,009	547	160	346	7	1055
GENERAL SUPPORT EXP	GSFX	368,681	134,817	64,807	35,140	10,283	22,209	2,378	1055
COE EXPENSE	COEX	505,429	271,431	46,249	101,979	40,951	82,252	0	1055
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1055
C&WF EXPENSE	CWFX	235,475	62,994	56,023	0	2,486	4,485	0	1055
OTHER PROP & PL EXP	OTHPX	1,497	547	268	145	43	92	0	1055
NETWORK OPERATIONS EXP	NETOPX	359,609	131,500	64,348	34,891	10,210	22,051	0	1055
DEPREC & AMORT EXP	DEPAMX	1,003,430	398,788	158,673	139,939	31,022	67,807	1,349	1055
MARKETING EXPENSE	MRKTX	147,871	43,764	21,340	11,571	3,386	7,313	153	1055
SERVICES EXPENSE	SERVX	512,401	151,863	35,287	19,785	5,789	7,529	83,473	1055
- CABSX EXPENSE	CABSX	45,291	22,646	0	11,766	3,443	7,436	0	1055
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1055
GENERAL & ADMIN EXP	GENADX	1,751,253	687,490	267,613	168,113	60,394	120,508	70,860	1055
OTHER TAXES (EXCL FIT & ITC)	OTAXES	205,987	75,568	36,978	20,051	5,867	12,672	0	1055
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1055
NON-OPERATING INC & EXP	NONOPX	8,129	3,191	1,556	844	247	533	11	1055
INTEREST & RELATED ITEMS(IRI)	INTREL	216,668	78,555	38,305	20,770	6,078	13,127	275	1055



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	66,655	18,516	9,970	3,079	1,184	4,283	0	1056
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1056
- GENERAL SUPPORT FACILITIES	GSF	1,240,201	423,537	228,050	70,426	27,082	97,979	0	1056
- CENTRAL OFFICE EQUIPMENT	COE	1,633,996	775,356	168,585	284,838	23,250	298,684	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	537,772	269,969	0	269,969	0	0	0	1056
-- COE CAT 4.11	COE411	14,458	12,975	0	0	0	12,975	0	1056
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1056
-- COE CAT 4.13	COE413	688,426	179,706	168,585	0	0	11,122	0	1056
-- COE CAT 4.2	COE42	368,804	297,838	0	0	23,250	274,588	0	1056
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1056
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1056
- CABLE & WIRE FACILITIES	CWF	3,643,829	1,012,188	801,908	0	92,003	118,277	0	1056
-- C&WF CAT 1.1	CWF11	14,107	0	0	0	0	0	0	1056
-- C&WF CAT 1.2	CWF12	52,902	52,902	0	0	0	52,902	0	1056
-- C&WF CAT 1.3	CWF13	3,207,634	801,908	801,908	0	0	0	0	1056
-- C&WF CAT 2	CWF2	68,773	61,719	0	0	0	61,719	0	1056
-- C&WF CAT 3	CWF3	300,413	95,658	0	0	92,003	3,655	0	1056
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	0	0	0	0	0	0	0	1056
ACCUM DEPRECIATION	ACCDEP	4,555,399	1,578,641	829,579	258,966	99,013	391,082	0	1056
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1056
NET DEFERRED FIT	NTDFIT	37,898	12,997	6,913	2,300	821	2,963	0	1056
NETWORK SUPPORT EXP	NETSPX	-336	-115	-62	-19	-7	-27	0	1056
GENERAL SUPPORT EXP	GSFX	44,921	15,341	8,260	2,551	981	3,549	0	1056
COE EXPENSE	COEX	94,280	45,595	2,150	39,340	296	3,809	0	1056
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1056
C&WF EXPENSE	CWFX	48,787	13,552	10,737	0	1,232	1,584	0	1056
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1056
NETWORK OPERATIONS EXP	NETOPX	50,157	17,129	9,223	2,848	1,095	3,963	0	1056
DEPREC & AMORT EXP	DEPAMX	430,053	158,360	72,551	34,662	8,776	42,371	0	1056
MARKETING EXPENSE	MRKTX	1,354	268	145	45	17	62	0	1056
SERVICES EXPENSE	SERVX	131,026	80,845	55,525	8,172	3,142	10,481	3,525	1056
- CABSX EXPENSE	CABSX	41,355	20,678	0	7,449	2,865	10,364	0	1056
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1056
GENERAL & ADMIN EXP	GENADX	371,948	205,877	96,396	59,351	7,576	26,258	16,296	1056
OTHER TAXES (EXCL FIT & ITC)	OTAXES	31,273	10,936	5,888	1,818	699	2,530	0	1056
INVESTMENT TAX CREDITS (ITC)	ITC	3,917	1,338	720	222	86	309	0	1056
NON-OPERATING INC & EXP	NONOPX	1,655	916	493	152	59	212	0	1056
INTEREST & RELATED ITEMS(IRI)	INTREL	44,521	49	26	8	3	11	0	1056

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	243,284	94,966	28,899	21,961	2,546	41,560	0	1057
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1057
- GENERAL SUPPORT FACILITIES	GSF	7,926,028	3,810,065	1,159,447	881,070	102,137	1,667,411	0	1057
- CENTRAL OFFICE EQUIPMENT	COE	15,106,139	9,454,457	976,713	4,394,436	252,157	3,831,152	0	1057
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1057
-- COE CAT 2	COE2	106,468	60,888	0	0	60,888	0	0	1057
-- COE CAT 3	COE3	6,004,580	4,319,268	0	4,319,268	0	0	0	1057
-- COE CAT 4.11	COE411	401,750	396,246	0	0	0	396,246	0	1057
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1057
-- COE CAT 4.13	COE413	3,946,005	991,183	976,713	0	0	14,470	0	1057
-- COE CAT 4.2	COE42	4,377,615	3,537,578	0	0	117,142	3,420,436	0	1057
-- COE CAT 4.3	COE43	142,871	74,127	0	0	74,127	0	0	1057
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1057
- CABLE & WIRE FACILITIES	CWF	25,102,023	9,798,557	4,905,079	0	265,978	4,627,500	0	1057
-- C&WF CAT 1.1	CWF11	123,963	0	0	0	0	0	0	1057
-- C&WF CAT 1.2	CWF12	72,668	72,668	0	0	0	72,668	0	1057
-- C&WF CAT 1.3	CWF13	19,620,315	4,905,079	4,905,079	0	0	0	0	1057
-- C&WF CAT 2	CWF2	2,017,601	1,989,817	0	0	0	1,989,817	0	1057
-- C&WF CAT 3	CWF3	3,157,949	2,774,167	0	0	209,151	2,565,016	0	1057
-- C&WF CAT 4	CWF4	109,527	56,827	0	0	56,827	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	1,783,149	857,165	260,845	198,218	22,978	375,124	0	1057
ACCUM DEPRECIATION	ACCDEP	28,248,453	14,177,090	3,807,161	3,876,386	379,160	6,114,382	0	1057
ACCUM AMORTIZATION	ACCAMO	130,713	62,834	19,121	14,530	1,684	27,498	0	1057
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1057
NETWORK SUPPORT EXP	NETSPX	8,541	4,106	1,249	949	110	1,797	0	1057
GENERAL SUPPORT EXP	GSFX	88,120	42,360	12,891	9,796	1,136	18,538	0	1057
COE EXPENSE	COEX	972,228	613,325	34,951	428,595	12,683	137,096	0	1057
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1057
C&WF EXPENSE	CWFX	104,985	40,981	20,515	0	1,112	19,354	0	1057
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1057
NETWORK OPERATIONS EXP	NETOPX	404,948	194,660	59,237	45,015	5,218	85,190	0	1057
DEPREC & AMORT EXP	DEPAMX	3,480,463	1,768,982	457,507	492,621	47,660	771,194	0	1057
MARKETING EXPENSE	MRKTX	44,290	10,716	3,261	2,478	287	4,690	0	1057
SERVICES EXPENSE	SERVX	1,014,662	224,881	55,083	32,161	4,467	53,838	79,333	1057
- CABSX EXPENSE	CABSX	167,818	83,909	0	27,891	3,233	52,784	0	1057
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1057
GENERAL & ADMIN EXP	GENADX	1,378,373	689,774	146,626	301,080	9,576	172,705	59,788	1057
OTHER TAXES (EXCL FIT & ITC)	OTAXES	282,256	135,681	41,289	31,376	3,637	59,379	0	1057
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1057
NON-OPERATING INC & EXP	NONOPX	24,685	12,567	3,824	2,906	337	5,500	0	1057
INTEREST & RELATED ITEMS(IRI)	INTREL	1,100,828	497,839	151,498	115,124	13,346	217,871	0	1057

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	413,347	124,735	73,692	7,491	22,274	21,278	0	1058
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1058
- GENERAL SUPPORT FACILITIES	GSF	6,601,813	1,943,787	1,148,362	116,735	347,101	331,589	0	1058
- CENTRAL OFFICE EQUIPMENT	COE	10,728,607	3,004,178	1,288,193	464,144	386,616	865,226	0	1058
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1058
-- COE CAT 2	COE2	322,182	176,485	0	0	176,485	0	0	1058
-- COE CAT 3	COE3	2,940,336	435,308	0	435,308	0	0	0	1058
-- COE CAT 4.11	COE411	252,645	252,645	0	0	0	252,645	0	1058
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1058
-- COE CAT 4.13	COE413	5,606,851	1,295,021	1,288,193	0	0	6,828	0	1058
-- COE CAT 4.2	COE42	1,493,930	785,389	0	0	179,636	605,753	0	1058
-- COE CAT 4.3	COE43	61,192	30,494	0	0	30,494	0	0	1058
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1058
- CABLE & WIRE FACILITIES	CWF	17,151,332	5,175,739	3,561,424	0	1,079,217	535,098	0	1058
-- C&WF CAT 1.1	CWF11	1,236,499	0	0	0	0	0	0	1058
-- C&WF CAT 1.2	CWF12	18,878	18,878	0	0	0	18,878	0	1058
-- C&WF CAT 1.3	CWF13	14,245,698	3,561,424	3,561,424	0	0	0	0	1058
-- C&WF CAT 2	CWF2	698,480	698,480	0	0	698,480	0	0	1058
-- C&WF CAT 3	CWF3	927,675	884,946	0	0	368,726	516,220	0	1058
-- C&WF CAT 4	CWF4	24,102	12,011	0	0	12,011	0	0	1058
- TANGIBLES	TANGIB	453,048	432,180	0	0	180,074	252,106	0	1058
- INTANGIBLES	INTANG	17,217	5,216	3,082	313	932	890	0	1058
TELCOM PLANT-OTHER	PLTOTH	1,062,385	321,887	182,405	18,542	60,607	60,332	0	1058
ACCUM DEPRECIATION	ACCDEP	17,558,123	5,146,721	2,945,638	366,925	889,159	945,000	0	1058
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1058
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1058
NETWORK SUPPORT EXP	NETSPX	4,909	1,445	854	87	258	247	0	1058
GENERAL SUPPORT EXP	GSFX	289,154	85,136	50,297	5,113	15,203	14,523	0	1058
COE EXPENSE	COEX	215,117	60,814	0	44,782	16,032	0	0	1058
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1058
C&WF EXPENSE	CWFX	213,037	64,288	44,237	0	13,405	6,646	0	1058
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1058
NETWORK OPERATIONS EXP	NETOPX	218,449	64,318	37,998	3,863	11,485	10,972	0	1058
DEPREC & AMORT EXP	DEPAMX	2,229,091	654,247	371,661	46,809	110,842	124,936	0	1058
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1058
SERVICES EXPENSE	SERVX	753,643	189,525	101,955	10,866	28,826	27,538	20,340	1058
- CABSX EXPENSE	CABSX	129,023	64,512	0	9,468	28,151	26,893	0	1058
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1058
GENERAL & ADMIN EXP	GENADX	1,206,368	391,499	197,917	54,420	71,659	50,397	17,105	1058
OTHER TAXES (EXCL FIT & ITC)	OTAXES	301,221	91,265	53,918	5,481	16,297	15,569	0	1058
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1058
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1058
INTEREST & RELATED ITEMS(IRI)	INTREL	368,050	114,881	67,870	6,899	20,514	19,597	0	1058

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	28,795	7,500	3,877	2,133	498	992	0	1059
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1059
- GENERAL SUPPORT FACILITIES	GSF	967,458	320,910	165,903	91,275	21,300	42,433	0	1059
- CENTRAL OFFICE EQUIPMENT	COE	4,171,171	2,203,745	307,230	1,479,557	100,334	316,623	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	2,336,266	1,479,557	0	1,479,557	0	0	0	1059
-- COE CAT 4.11	COE411	258,205	258,205	0	0	0	258,205	0	1059
-- COE CAT 4.12	COE412	7,932	7,932	0	0	0	7,932	0	1059
-- COE CAT 4.13	COE413	1,280,970	328,535	307,230	0	0	21,305	0	1059
-- COE CAT 4.2	COE42	214,057	111,001	0	0	81,820	29,181	0	1059
-- COE CAT 4.3	COE43	73,741	18,515	0	0	18,515	0	0	1059
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1059
- CABLE & WIRE FACILITIES	CWF	11,511,292	2,998,200	2,382,044	0	244,941	371,214	0	1059
-- C&WF CAT 1.1	CWF11	238,392	0	0	0	0	0	0	1059
-- C&WF CAT 1.2	CWF12	165,185	165,185	0	0	0	165,185	0	1059
-- C&WF CAT 1.3	CWF13	9,528,176	2,382,044	2,382,044	0	0	0	0	1059
-- C&WF CAT 2	CWF2	224,671	158,093	0	0	0	158,093	0	1059
-- C&WF CAT 3	CWF3	939,273	188,532	0	0	140,596	47,936	0	1059
-- C&WF CAT 4	CWF4	415,595	104,346	0	0	104,346	0	0	1059
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1059
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1059
TELCOM PLANT-OTHER	PLTOTH	16,969	5,629	2,910	1,601	374	744	0	1059
ACCUM DEPRECIATION	ACCDEP	11,468,105	3,783,330	1,982,796	1,016,010	259,218	525,306	0	1059
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1059
NET DEFERRED FIT	NTDFIT	338,065	112,138	57,972	31,895	7,443	14,828	0	1059
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1059
GENERAL SUPPORT EXP	GSFX	59,639	19,783	10,227	5,627	1,313	2,616	0	1059
COE EXPENSE	COEX	182,196	96,259	11,349	69,507	3,706	11,696	0	1059
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1059
C&WF EXPENSE	CWFX	113,587	29,585	23,505	0	2,417	3,663	0	1059
OTHER PROP & PL EXP	OTHPXX	198	66	34	19	4	9	0	1059
NETWORK OPERATIONS EXP	NETOPX	90,821	30,126	15,574	8,568	2,000	3,983	0	1059
DEPREC & AMORT EXP	DEPAMX	1,096,404	403,606	166,794	165,148	22,960	48,704	0	1059
MARKETING EXPENSE	MRKTX	2,430	1,031	533	293	68	136	0	1059
SERVICES EXPENSE	SERVX	322,956	83,032	14,557	22,402	3,397	4,874	37,801	1059
- CABSX EXPENSE	CABSX	34,538	17,269	0	10,169	2,373	4,727	0	1059
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1059
GENERAL & ADMIN EXP	GENADX	237,327	102,492	39,450	36,440	4,419	9,238	12,944	1059
OTHER TAXES (EXCL FIT & ITC)	OTAXES	172,917	57,354	29,252	17,201	3,687	7,213	0	1059
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1059
NON-OPERATING INC & EXP	NONOPX	2,760	1,192	616	339	79	158	0	1059
INTEREST & RELATED ITEMS(IRI)	INTREL	71,577	24,015	12,415	6,831	1,594	3,175	0	1059

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	63,375	16,269	10,247	3,437	114	2,463	8	1060
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1060
- GENERAL SUPPORT FACILITIES	GSF	2,755,677	837,079	525,306	176,190	5,852	126,237	3,495	1060
- CENTRAL OFFICE EQUIPMENT	COE	7,274,383	2,796,444	729,198	1,276,095	43,155	747,997	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	3,184,504	1,252,816	0	1,252,816	0	0	0	1060
-- COE CAT 4.11	COE411	604,580	568,467	0	0	0	568,467	0	1060
-- COE CAT 4.12	COE412	21,254	0	0	0	0	0	0	1060
-- COE CAT 4.13	COE413	3,019,886	751,668	729,198	0	0	22,470	0	1060
-- COE CAT 4.2	COE42	406,964	200,214	0	0	43,155	157,059	0	1060
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1060
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1060
- CABLE & WIRE FACILITIES	CWF	12,963,399	3,327,817	3,144,838	0	0	182,980	0	1060
-- C&WF CAT 1.1	CWF11	75,852	0	0	0	0	0	0	1060
-- C&WF CAT 1.2	CWF12	16,254	16,254	0	0	0	16,254	0	1060
-- C&WF CAT 1.3	CWF13	12,579,350	3,144,838	3,144,838	0	0	0	0	1060
-- C&WF CAT 2	CWF2	221,261	128,844	0	0	0	128,844	0	1060
-- C&WF CAT 3	CWF3	70,682	37,882	0	0	0	37,882	0	1060
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1060
- TANGIBLES	TANGIB	153,610	153,610	0	0	0	153,610	0	1060
- INTANGIBLES	INTANG	213,923	65,971	41,552	13,937	463	9,986	33	1060
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1060
ACCUM DEPRECIATION	ACCDEP	13,547,247	4,209,225	2,543,058	920,935	25,866	717,136	2,230	1060
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1060
NET DEFERRED FIT	NTDFIT	1,682,186	510,976	323,049	107,301	3,564	77,062	0	1060
NETWORK SUPPORT EXP	NETSPX	25,211	7,658	4,824	1,618	54	1,159	4	1060
GENERAL SUPPORT EXP	GSFX	56,696	17,222	10,808	3,625	120	2,597	72	1060
COE EXPENSE	COEX	116,996	45,350	5,788	33,283	343	5,937	0	1060
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1060
C&WF EXPENSE	CWFX	465,600	119,524	112,952	0	0	6,572	0	1060
OTHER PROP & PL EXP	OTHPPX	-1	0	0	0	0	0	0	1060
NETWORK OPERATIONS EXP	NETOPX	601,096	182,592	115,065	38,594	1,282	27,652	0	1060
DEPREC & AMORT EXP	DEPAMX	1,511,026	501,374	185,587	299,441	-73	16,290	129	1060
MARKETING EXPENSE	MRKTX	462,137	95,496	60,149	20,174	670	14,455	48	1060
SERVICES EXPENSE	SERVX	681,770	151,129	37,985	25,561	849	12,308	74,427	1060
- CABSX EXPENSE	CABSX	48,852	24,426	0	13,960	464	10,002	0	1060
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1060
GENERAL & ADMIN EXP	GENADX	1,257,826	327,082	208,996	53,453	1,443	30,753	32,436	1060
OTHER TAXES (EXCL FIT & ITC)	OTAXES	314,583	98,116	61,966	19,844	725	15,568	13	1060
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1060
NON-OPERATING INC & EXP	NONOPX	750	195	123	41	1	30	0	1060
INTEREST & RELATED ITEMS(IRI)	INTREL	87,846	26,799	16,880	5,662	188	4,056	13	1060

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	19,691	4,864	1,203	2,162	595	904	0	1061
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1061
- GENERAL SUPPORT FACILITIES	GSF	844,635	366,345	90,623	162,822	44,837	68,063	0	1061
- CENTRAL OFFICE EQUIPMENT	COE	843,403	563,352	11,019	366,558	35,902	149,873	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	573,832	366,558	0	366,558	0	0	0	1061
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1061
-- COE CAT 4.12	COE412	149,053	149,053	0	0	0	149,053	0	1061
-- COE CAT 4.13	COE413	44,310	11,176	11,019	0	0	157	0	1061
-- COE CAT 4.2	COE42	76,208	36,565	0	0	35,902	663	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	1,058,112	261,396	192,999	0	65,040	3,356	0	1061
-- C&WF CAT 1.1	CWF11	1,371	0	0	0	0	0	0	1061
-- C&WF CAT 1.2	CWF12	2,742	2,742	0	0	0	2,742	0	1061
-- C&WF CAT 1.3	CWF13	771,996	192,999	192,999	0	0	0	0	1061
-- C&WF CAT 2	CWF2	160,011	7,140	0	0	7,140	0	0	1061
-- C&WF CAT 3	CWF3	121,991	58,514	0	0	57,900	614	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	158	69	17	30	8	13	0	1061
TELCOM PLANT-OTHER	PLTOTH	17,689	7,672	1,898	3,410	939	1,425	0	1061
ACCUM DEPRECIATION	ACCDEP	1,636,685	753,941	158,751	352,763	86,448	155,980	0	1061
ACCUM AMORTIZATION	ACCAMO	158	69	17	30	8	13	0	1061
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1061
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1061
GENERAL SUPPORT EXP	GSFX	11,684	5,068	1,254	2,252	620	942	0	1061
COE EXPENSE	COEX	78,834	52,657	421	45,133	1,373	5,730	0	1061
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1061
C&WF EXPENSE	CWFX	82,849	20,467	15,112	0	5,093	263	0	1061
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1061
NETWORK OPERATIONS EXP	NETOPX	49,600	21,513	5,322	9,561	2,633	3,997	0	1061
DEPREC & AMORT EXP	DEPAMX	151,797	67,272	15,047	37,004	6,821	8,400	0	1061
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1061
SERVICES EXPENSE	SERVX	107,078	21,180	5,946	6,226	1,652	2,579	4,777	1061
- CABSX EXPENSE	CABSX	16,514	8,257	0	4,876	1,343	2,038	0	1061
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1061
GENERAL & ADMIN EXP	GENADX	150,291	63,983	14,849	33,437	6,018	7,151	2,528	1061
OTHER TAXES (EXCL FIT & ITC)	OTAXES	7,355	3,190	789	1,418	390	593	0	1061
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1061
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1061
INTEREST & RELATED ITEMS(IRI)	INTREL	162	64	16	28	8	12	0	1061

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	31,725	7,606	3,217	3,130	637	622	0	1062
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1062
- GENERAL SUPPORT FACILITIES	GSF	420,636	140,451	59,401	57,795	11,770	11,485	0	1062
- CENTRAL OFFICE EQUIPMENT	COE	701,943	332,339	14,832	239,377	31,788	46,342	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	454,812	239,377	0	239,377	0	0	0	1062
-- COE CAT 4.11	COE411	35,361	35,361	0	0	0	35,361	0	1062
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1062
-- COE CAT 4.13	COE413	59,684	14,832	14,832	0	0	0	0	1062
-- COE CAT 4.2	COE42	152,086	42,769	0	0	31,788	10,981	0	1062
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1062
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1062
- CABLE & WIRE FACILITIES	CWF	1,040,266	249,387	231,196	0	16,962	1,229	0	1062
-- C&WF CAT 1.1	CWF11	5,554	0	0	0	0	0	0	1062
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1062
-- C&WF CAT 1.3	CWF13	924,784	231,196	231,196	0	0	0	0	1062
-- C&WF CAT 2	CWF2	35,987	0	0	0	0	0	0	1062
-- C&WF CAT 3	CWF3	73,941	18,191	0	0	16,962	1,229	0	1062
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1062
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1062
- INTANGIBLES	INTANG	70	23	10	10	2	2	0	1062
TELCOM PLANT-OTHER	PLTOTH	380,712	127,120	53,763	52,309	10,653	10,395	0	1062
ACCUM DEPRECIATION	ACCDEP	1,293,208	497,336	127,941	280,891	40,675	47,829	0	1062
ACCUM AMORTIZATION	ACCAMO	70	23	10	10	2	2	0	1062
NET DEFERRED FIT	NTDFIT	189,763	64,208	26,179	27,794	5,182	5,054	0	1062
NETWORK SUPPORT EXP	NETSPX	3,525	1,177	498	484	99	96	0	1062
GENERAL SUPPORT EXP	GSFX	18,594	6,209	2,626	2,555	520	508	0	1062
COE EXPENSE	COEX	43,656	20,669	816	15,555	1,749	2,549	0	1062
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1062
C&WF EXPENSE	CWFX	44,744	10,727	9,944	0	730	53	0	1062
OTHER PROP & PL EXP	OTHPPX	2,498	834	353	343	70	68	0	1062
NETWORK OPERATIONS EXP	NETOPX	9,308	3,108	1,314	1,279	260	254	0	1062
DEPREC & AMORT EXP	DEPAMX	156,067	47,819	25,950	16,148	3,371	2,349	0	1062
MARKETING EXPENSE	MRKTX	7,182	1,742	737	717	146	142	0	1062
SERVICES EXPENSE	SERVX	39,837	18,927	6,704	5,148	1,050	92	5,933	1062
- CABSX EXPENSE	CABSX	1,300	650	0	464	94	92	0	1062
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1062
GENERAL & ADMIN EXP	GENADX	149,160	67,389	24,442	27,726	4,915	4,000	6,307	1062
OTHER TAXES (EXCL FIT & ITC)	OTAXES	31,663	10,403	4,605	4,090	875	834	0	1062
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1062
NON-OPERATING INC & EXP	NONOPX	25	11	5	5	1	1	0	1062
INTEREST & RELATED ITEMS(IRI)	INTREL	13,495	3,661	2,559	566	321	215	0	1062

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	53,553	20,232	6,083	7,933	1,445	4,750	21	1063
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1063
- GENERAL SUPPORT FACILITIES	GSF	981,663	488,561	146,889	191,569	34,889	114,715	498	1063
- CENTRAL OFFICE EQUIPMENT	COE	1,297,142	878,834	95,952	632,795	21,392	128,695	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	741,023	632,795	0	632,795	0	0	0	1063
-- COE CAT 4.11	COE411	15,305	15,305	0	0	0	15,305	0	1063
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1063
-- COE CAT 4.13	COE413	396,757	108,902	95,952	0	0	12,951	0	1063
-- COE CAT 4.2	COE42	144,057	121,832	0	0	21,392	100,439	0	1063
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1063
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1063
- CABLE & WIRE FACILITIES	CWF	1,945,508	734,990	389,255	0	93,854	250,236	1,645	1063
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1063
-- C&WF CAT 1.2	CWF12	52,538	52,538	0	0	0	52,538	0	1063
-- C&WF CAT 1.3	CWF13	1,557,021	389,255	389,255	0	0	0	0	1063
-- C&WF CAT 2	CWF2	61,710	61,710	0	0	0	61,710	0	1063
-- C&WF CAT 3	CWF3	274,239	229,842	0	0	93,854	135,988	0	1063
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1063
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1063
- INTANGIBLES	INTANG	1,860	926	278	363	66	217	1	1063
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1063
ACCUM DEPRECIATION	ACCDEP	2,228,687	1,119,525	329,157	458,114	78,291	252,822	1,142	1063
ACCUM AMORTIZATION	ACCAMO	1,860	925	278	363	66	217	0	1063
NET DEFERRED FIT	NTDFIT	251,094	124,973	37,516	49,127	8,907	29,423	0	1063
NETWORK SUPPORT EXP	NETSPX	3,380	1,682	506	660	120	395	2	1063
GENERAL SUPPORT EXP	GSFX	25,504	12,693	3,816	4,977	906	2,980	13	1063
COE EXPENSE	COEX	142,338	96,436	1,328	93,030	296	1,782	0	1063
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1063
C&WF EXPENSE	CWFX	41,355	15,623	8,274	0	1,995	5,319	35	1063
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1063
NETWORK OPERATIONS EXP	NETOPX	14,478	7,206	2,166	2,825	515	1,692	7	1063
DEPREC & AMORT EXP	DEPAMX	277,212	148,959	36,849	70,403	8,643	32,964	100	1063
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1063
SERVICES EXPENSE	SERVX	74,914	21,768	8,629	3,928	715	2,352	6,143	1063
- CABSX EXPENSE	CABSX	13,674	6,837	0	3,839	699	2,299	0	1063
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1063
GENERAL & ADMIN EXP	GENADX	305,249	181,343	28,845	123,013	5,307	16,943	7,235	1063
OTHER TAXES (EXCL FIT & ITC)	OTAXES	67,748	33,617	10,236	12,871	2,429	8,064	17	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	20,128	9,897	3,055	3,678	724	2,429	10	1063



## APPENDIX B1

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## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	2,342	788	158	480	134	15	1	1064
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1064
- GENERAL SUPPORT FACILITIES	GSF	1,416,336	780,566	156,005	475,039	132,716	14,708	2,098	1064
- CENTRAL OFFICE EQUIPMENT	COE	674,737	555,766	1,783	515,274	37,694	1,014	0	1064
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1064
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1064
-- COE CAT 3	COE3	606,205	515,274	0	515,274	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	7,225	1,849	1,783	0	0	66	0	1064
-- COE CAT 4.2	COE42	61,307	38,642	0	0	37,694	948	0	1064
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1064
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1064
- CABLE & WIRE FACILITIES	CWF	857,432	288,637	167,436	0	106,262	14,940	0	1064
-- C&WF CAT 1.1	CWF11	2,467	0	0	0	0	0	0	1064
-- C&WF CAT 1.2	CWF12	6,167	6,167	0	0	0	6,167	0	1064
-- C&WF CAT 1.3	CWF13	669,742	167,436	167,436	0	0	0	0	1064
-- C&WF CAT 2	CWF2	5,969	5,969	0	0	0	5,969	0	1064
-- C&WF CAT 3	CWF3	173,087	109,066	0	0	106,262	2,803	0	1064
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1064
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1064
- INTANGIBLES	INTANG	701	386	77	235	66	7	0	1064
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1064
ACCUM DEPRECIATION	ACCDEP	2,104,266	1,120,823	247,525	646,000	202,800	23,154	1,344	1064
ACCUM AMORTIZATION	ACCAMO	676	372	75	227	63	7	0	1064
NET DEFERRED FIT	NTDFIT	11,364	6,826	657	2,546	3,492	130	0	1064
NETWORK SUPPORT EXP	NETSPX	8,089	4,458	892	2,717	759	84	6	1064
GENERAL SUPPORT EXP	GSFX	20,278	11,176	2,234	6,801	1,900	211	30	1064
COE EXPENSE	COEX	218,669	180,113	2,530	122,664	53,481	1,438	0	1064
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1064
C&WF EXPENSE	CWFX	23,015	7,748	4,494	0	2,852	401	0	1064
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1064
NETWORK OPERATIONS EXP	NETOPX	11,203	6,174	1,237	3,768	1,053	117	0	1064
DEPREC & AMORT EXP	DEPAMX	164,784	109,880	10,602	85,040	13,035	1,093	110	1064
MARKETING EXPENSE	MRKTX	25,050	10,655	2,132	6,493	1,814	201	14	1064
SERVICES EXPENSE	SERVX	84,611	33,199	4,094	16,958	4,738	352	7,057	1064
- CABSX EXPENSE	CABSX	29,555	14,778	0	11,278	3,151	349	0	1064
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1064
GENERAL & ADMIN EXP	GENADX	318,484	218,704	15,195	137,509	57,451	2,418	6,131	1064
OTHER TAXES (EXCL FIT & ITC)	OTAXES	51,361	28,730	5,507	17,956	4,738	520	8	1064
INVESTMENT TAX CREDITS (ITC)	ITC	3,600	1,981	397	1,209	338	37	0	1064
NON-OPERATING INC & EXP	NONOPX	2,803	1,925	385	1,173	328	36	2	1064
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1064

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	298,001	110,536	36,064	32,906	1,186	39,686	693	1065
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1065
- GENERAL SUPPORT FACILITIES	GSF	2,397,210	1,102,964	346,796	316,425	11,405	381,623	46,714	1065
- CENTRAL OFFICE EQUIPMENT	COE	5,733,680	3,356,200	449,357	1,900,236	39,179	967,429	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	2,801,790	1,900,236	0	1,900,236	0	0	0	1065
-- COE CAT 4.11	COE411	99,163	97,649	0	0	0	97,649	0	1065
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1065
-- COE CAT 4.13	COE413	1,817,489	459,198	449,357	0	0	9,841	0	1065
-- COE CAT 4.2	COE42	910,349	873,771	0	0	13,832	859,939	0	1065
-- COE CAT 4.3	COE43	104,889	25,346	0	0	25,346	0	0	1065
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1065
- CABLE & WIRE FACILITIES	CWF	8,052,635	2,986,928	1,633,268	0	29,315	1,324,346	0	1065
-- C&WF CAT 1.1	CWF11	37,143	0	0	0	0	0	0	1065
-- C&WF CAT 1.2	CWF12	35,767	35,767	0	0	0	35,767	0	1065
-- C&WF CAT 1.3	CWF13	6,533,071	1,633,268	1,633,268	0	0	0	0	1065
-- C&WF CAT 2	CWF2	360,426	354,923	0	0	0	354,923	0	1065
-- C&WF CAT 3	CWF3	1,022,442	947,556	0	0	13,901	933,655	0	1065
-- C&WF CAT 4	CWF4	63,785	15,414	0	0	15,414	0	0	1065
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1065
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1065
TELCOM PLANT-OTHER	PLTOTH	86,865	39,716	13,040	11,898	429	14,349	0	1065
ACCUM DEPRECIATION	ACCDEP	12,793,701	5,922,114	1,886,248	1,937,365	58,574	2,008,599	31,327	1065
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1065
NET DEFERRED FIT	NTDFIT	-168,800	-78,073	-24,597	-26,356	-772	-26,348	0	1065
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1065
GENERAL SUPPORT EXP	GSFX	77,916	35,849	11,272	10,285	371	12,404	1,518	1065
COE EXPENSE	COEX	173,795	101,731	13,357	58,454	1,165	28,755	0	1065
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1065
C&WF EXPENSE	CWFX	164,673	61,081	33,400	0	599	27,082	0	1065
OTHER PROP & PL EXP	OTHPPX	2,704	1,244	408	373	13	450	0	1065
NETWORK OPERATIONS EXP	NETOPX	243,666	112,112	36,809	33,586	1,211	40,506	0	1065
DEPREC & AMORT EXP	DEPAMX	1,482,834	711,552	205,719	246,140	7,839	247,174	4,681	1065
MARKETING EXPENSE	MRKTX	54,986	10,788	3,520	3,212	116	3,873	68	1065
SERVICES EXPENSE	SERVX	283,312	77,562	14,761	4,866	175	5,869	51,891	1065
- CABSX EXPENSE	CABSX	21,023	10,512	0	4,688	169	5,654	0	1065
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1065
GENERAL & ADMIN EXP	GENADX	525,371	226,231	82,651	55,449	1,827	59,535	26,768	1065
OTHER TAXES (EXCL FIT & ITC)	OTAXES	116,421	53,884	17,692	16,142	582	19,468	0	1065
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1065
NON-OPERATING INC & EXP	NONOPX	17,888	7,703	2,513	2,293	83	2,766	48	1065
INTEREST & RELATED ITEMS(IRI)	INTREL	2,959	1,315	462	265	18	557	13	1065

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	728,246	268,289	78,707	74,349	6,261	107,423	1,548	1066
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1066
- GENERAL SUPPORT FACILITIES	GSF	6,067,306	3,059,517	868,950	820,838	69,123	1,185,987	114,619	1066
- CENTRAL OFFICE EQUIPMENT	COE	14,675,919	9,933,305	1,165,542	4,683,093	266,450	3,818,221	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	5,513,809	4,683,093	0	4,683,093	0	0	0	1066
-- COE CAT 4.11	COE411	340,840	340,037	0	0	0	340,037	0	1066
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1066
-- COE CAT 4.13	COE413	4,732,423	1,196,856	1,165,542	0	0	31,314	0	1066
-- COE CAT 4.2	COE42	3,798,256	3,641,105	0	0	194,235	3,446,870	0	1066
-- COE CAT 4.3	COE43	290,591	72,215	0	0	72,215	0	0	1066
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1066
- CABLE & WIRE FACILITIES	CWF	18,642,840	6,868,109	3,792,046	0	127,918	2,948,145	0	1066
-- C&WF CAT 1.1	CWF11	126,695	0	0	0	0	0	0	1066
-- C&WF CAT 1.2	CWF12	101,879	101,879	0	0	0	101,879	0	1066
-- C&WF CAT 1.3	CWF13	15,168,186	3,792,046	3,792,046	0	0	0	0	1066
-- C&WF CAT 2	CWF2	1,108,912	1,106,299	0	0	0	1,106,299	0	1066
-- C&WF CAT 3	CWF3	2,033,874	1,842,215	0	0	102,248	1,739,967	0	1066
-- C&WF CAT 4	CWF4	103,294	25,670	0	0	25,670	0	0	1066
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1066
- INTANGIBLES	INTANG	7,842	3,954	1,160	1,096	92	1,583	23	1066
TELCOM PLANT-OTHER	PLTOTH	1,259,024	631,215	186,252	175,940	14,816	254,207	0	1066
ACCUM DEPRECIATION	ACCDEP	19,015,683	9,683,854	2,746,369	3,557,289	170,691	3,135,826	73,679	1066
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1066
NET DEFERRED FIT	NTDFIT	-413,298	-211,020	-59,387	-69,534	-4,458	-77,641	0	1066
NETWORK SUPPORT EXP	NETSPX	386	195	57	54	5	78	1	1066
GENERAL SUPPORT EXP	GSFX	176,840	89,174	25,327	23,924	2,015	34,567	3,341	1066
COE EXPENSE	COEX	586,882	397,227	32,374	251,396	7,401	106,056	0	1066
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1066
C&WF EXPENSE	CWFX	409,930	151,020	83,382	0	2,813	64,826	0	1066
OTHER PROP & PL EXP	OTHPXX	6,586	3,321	980	926	78	1,337	0	1066
NETWORK OPERATIONS EXP	NETOPX	603,608	304,377	89,812	84,840	7,144	122,581	0	1066
DEPREC & AMORT EXP	DEPAMX	2,894,595	1,654,240	344,624	758,504	30,429	509,011	11,673	1066
MARKETING EXPENSE	MRKTX	133,899	19,913	5,842	5,518	465	7,973	115	1066
SERVICES EXPENSE	SERVX	694,306	208,030	32,371	11,167	882	15,289	148,321	1066
- CABSX EXPENSE	CABSX	51,194	25,597	0	10,121	852	14,624	0	1066
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1066
GENERAL & ADMIN EXP	GENADX	1,234,901	594,988	181,141	173,136	9,532	161,626	69,551	1066
OTHER TAXES (EXCL FIT & ITC)	OTAXES	73,618	38,373	11,323	10,696	901	15,454	0	1066
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1066
NON-OPERATING INC & EXP	NONOPX	43,561	20,988	6,157	5,816	490	8,404	121	1066
INTEREST & RELATED ITEMS(IRI)	INTREL	35,385	17,697	5,332	3,581	497	8,212	75	1066

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	13,803	3,730	1,709	1,559	268	194	1	1067
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1067
- GENERAL SUPPORT FACILITIES	GSF	1,221,408	440,356	201,576	183,848	31,585	22,855	492	1067
- CENTRAL OFFICE EQUIPMENT	COE	2,225,826	1,088,898	176,075	813,255	48,993	50,574	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	1,254,518	813,255	0	813,255	0	0	0	1067
-- COE CAT 4.11	COE411	85,954	0	0	0	0	0	0	1067
-- COE CAT 4.12	COE412	12,972	0	0	0	0	0	0	1067
-- COE CAT 4.13	COE413	717,903	183,950	176,075	0	0	7,875	0	1067
-- COE CAT 4.2	COE42	95,252	63,738	0	0	21,039	42,699	0	1067
-- COE CAT 4.3	COE43	59,227	27,954	0	0	27,954	0	0	1067
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1067
- CABLE & WIRE FACILITIES	CWF	3,171,076	856,854	715,602	0	90,726	50,525	0	1067
-- C&WF CAT 1.1	CWF11	23,278	0	0	0	0	0	0	1067
-- C&WF CAT 1.2	CWF12	32,007	32,007	0	0	0	32,007	0	1067
-- C&WF CAT 1.3	CWF13	2,862,408	715,602	715,602	0	0	0	0	1067
-- C&WF CAT 2	CWF2	9,669	0	0	0	0	0	0	1067
-- C&WF CAT 3	CWF3	223,464	99,687	0	0	81,168	18,519	0	1067
-- C&WF CAT 4	CWF4	20,251	9,558	0	0	9,558	0	0	1067
- TANGIBLES	TANGIB	55,240	26,329	412	0	23,573	2,344	0	1067
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1067
TELCOM PLANT-OTHER	PLTOTH	500	181	82	75	15	9	0	1067
ACCUM DEPRECIATION	ACCDEP	4,702,925	1,764,918	736,792	812,042	135,274	80,500	310	1067
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1067
NET DEFERRED FIT	NTDFIT	9,334	4,488	918	3,363	127	80	0	1067
NETWORK SUPPORT EXP	NETSPX	3,097	1,117	512	467	80	58	0	1067
GENERAL SUPPORT EXP	GSFX	62,660	22,591	10,341	9,432	1,620	1,172	25	1067
COE EXPENSE	COEX	281,026	137,481	2,557	133,478	711	734	0	1067
IOT EXPENSE	IOTX	146	0	0	0	0	0	0	1067
C&WF EXPENSE	CWFX	139,581	37,716	31,499	0	3,993	2,224	0	1067
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1067
NETWORK OPERATIONS EXP	NETOPX	52,813	19,041	8,726	7,958	1,367	989	0	1067
DEPREC & AMORT EXP	DEPAMX	441,446	167,105	62,568	60,973	33,099	10,435	30	1067
MARKETING EXPENSE	MRKTX	14,417	4,520	2,071	1,889	324	235	1	1067
SERVICES EXPENSE	SERVX	122,675	41,656	7,211	14,959	1,521	2,412	15,553	1067
- CABSX EXPENSE	CABSX	10,389	5,194	0	4,008	689	498	0	1067
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1067
GENERAL & ADMIN EXP	GENADX	595,866	264,571	76,114	157,527	9,008	7,329	14,592	1067
OTHER TAXES (EXCL FIT & ITC)	OTAXES	34,232	12,112	6,338	4,011	988	783	-8	1067
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1067
NON-OPERATING INC & EXP	NONOPX	4,087	1,815	831	758	130	94	0	1067
INTEREST & RELATED ITEMS(IRI)	INTREL	30,256	9,908	4,539	4,140	711	515	2	1067

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	36,128	9,370	5,109	2,949	318	994	0	1068
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1068
- GENERAL SUPPORT FACILITIES	GSF	1,837,081	525,909	286,775	165,511	17,828	55,795	0	1068
- CENTRAL OFFICE EQUIPMENT	COE	2,110,265	695,702	98,996	496,528	43,117	57,062	0	1068
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1068
-- COE CAT 2	COE2	141,728	30,034	0	0	30,034	0	0	1068
-- COE CAT 3	COE3	1,296,657	496,528	0	496,528	0	0	0	1068
-- COE CAT 4.11	COE411	45,726	0	0	0	0	0	0	1068
-- COE CAT 4.12	COE412	1,186	0	0	0	0	0	0	1068
-- COE CAT 4.13	COE413	407,227	101,862	98,996	0	0	2,866	0	1068
-- COE CAT 4.2	COE42	204,102	65,960	0	0	11,765	54,196	0	1068
-- COE CAT 4.3	COE43	13,639	1,319	0	0	1,319	0	0	1068
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1068
- CABLE & WIRE FACILITIES	CWF	3,400,914	882,008	761,319	0	10,368	110,321	0	1068
-- C&WF CAT 1.1	CWF11	64,432	0	0	0	0	0	0	1068
-- C&WF CAT 1.2	CWF12	22,043	22,043	0	0	0	22,043	0	1068
-- C&WF CAT 1.3	CWF13	3,045,276	761,319	761,319	0	0	0	0	1068
-- C&WF CAT 2	CWF2	457	0	0	0	0	0	0	1068
-- C&WF CAT 3	CWF3	260,537	97,856	0	0	9,578	88,279	0	1068
-- C&WF CAT 4	CWF4	8,169	790	0	0	790	0	0	1068
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1068
- INTANGIBLES	INTANG	87	25	14	8	1	3	0	1068
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1068
ACCUM DEPRECIATION	ACCDEP	4,502,054	1,313,692	665,698	482,035	44,962	120,997	0	1068
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1068
NET DEFERRED FIT	NTDFIT	440,097	129,823	61,459	51,838	4,759	11,767	0	1068
NETWORK SUPPORT EXP	NETSPX	31,049	8,889	4,847	2,797	301	943	0	1068
GENERAL SUPPORT EXP	GSFX	101,203	28,972	15,798	9,118	982	3,074	0	1068
COE EXPENSE	COEX	115,014	37,917	365	35,166	2,175	210	0	1068
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1068
C&WF EXPENSE	CWFX	257,668	66,825	57,681	0	785	8,358	0	1068
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1068
NETWORK OPERATIONS EXP	NETOPX	26,388	7,554	4,119	2,377	256	801	0	1068
DEPREC & AMORT EXP	DEPAMX	391,993	116,443	51,161	49,293	4,734	11,255	0	1068
MARKETING EXPENSE	MRKTX	20,963	4,471	2,438	1,407	152	474	0	1068
SERVICES EXPENSE	SERVX	133,403	44,789	6,763	16,478	1,265	3,470	16,814	1068
- CABSX EXPENSE	CABSX	24,858	12,430	0	8,603	927	2,900	0	1068
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1068
GENERAL & ADMIN EXP	GENADX	290,614	108,874	53,147	34,941	3,070	8,992	8,724	1068
OTHER TAXES (EXCL FIT & ITC)	OTAXES	55,854	15,661	9,411	3,773	519	1,957	0	1068
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1068
NON-OPERATING INC & EXP	NONOPX	35,144	13,166	7,179	4,144	446	1,397	0	1068
INTEREST & RELATED ITEMS(IRI)	INTREL	135	0	0	0	0	0	0	1068

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	10,347	3,047	1,284	1,216	44	502	0	1069
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1069
- GENERAL SUPPORT FACILITIES	GSF	209,968	77,001	32,456	30,732	1,120	12,693	0	1069
- CENTRAL OFFICE EQUIPMENT	COE	2,223,354	976,448	175,779	651,665	15,683	133,321	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	1,335,172	651,665	0	651,665	0	0	0	1069
-- COE CAT 4.11	COE411	31,526	31,526	0	0	0	31,526	0	1069
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1069
-- COE CAT 4.13	COE413	712,668	179,600	175,779	0	0	3,821	0	1069
-- COE CAT 4.2	COE42	143,988	113,657	0	0	15,683	97,974	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	2,228,967	656,338	512,440	0	8,074	135,824	0	1069
-- C&WF CAT 1.1	CWF11	16,710	0	0	0	0	0	0	1069
-- C&WF CAT 1.2	CWF12	11,140	11,140	0	0	0	11,140	0	1069
-- C&WF CAT 1.3	CWF13	2,049,760	512,440	512,440	0	0	0	0	1069
-- C&WF CAT 2	CWF2	91,905	91,905	0	0	0	91,905	0	1069
-- C&WF CAT 3	CWF3	59,452	40,853	0	0	8,074	32,779	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	3,569,200	1,315,083	545,261	534,977	19,183	215,661	0	1069
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1069
NET DEFERRED FIT	NTDFIT	144,154	52,845	22,308	21,045	770	8,723	0	1069
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1069
GENERAL SUPPORT EXP	GSFX	5,784	2,121	894	847	31	350	0	1069
COE EXPENSE	COEX	92,492	40,620	3,924	33,370	350	2,976	0	1069
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1069
C&WF EXPENSE	CWFX	43,738	12,879	10,055	0	158	2,665	0	1069
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1069
NETWORK OPERATIONS EXP	NETOPX	45,334	16,625	7,008	6,635	242	2,740	0	1069
DEPREC & AMORT EXP	DEPAMX	363,266	142,826	46,067	72,873	2,145	21,742	0	1069
MARKETING EXPENSE	MRKTX	4,110	668	282	267	10	110	0	1069
SERVICES EXPENSE	SERVX	36,778	8,056	1,276	4,689	171	1,919	0	1069
- CABSX EXPENSE	CABSX	12,986	6,493	0	4,480	163	1,850	0	1069
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1069
GENERAL & ADMIN EXP	GENADX	160,387	73,684	21,330	41,686	875	9,793	0	1069
OTHER TAXES (EXCL FIT & ITC)	OTAXES	14,341	5,316	2,355	1,995	77	890	0	1069
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1069
NON-OPERATING INC & EXP	NONOPX	175	84	35	34	1	14	0	1069
INTEREST & RELATED ITEMS(IRI)	INTREL	36,934	13,306	5,937	4,943	192	2,234	0	1069

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	71,281	19,557	9,453	5,504	514	4,086	0	1070
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1070
- GENERAL SUPPORT FACILITIES	GSF	703,117	274,064	132,473	77,126	7,208	57,257	0	1070
- CENTRAL OFFICE EQUIPMENT	COE	5,387,818	2,664,788	774,424	1,127,707	94,175	668,483	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	1,326,714	1,127,707	0	1,127,707	0	0	0	1070
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1070
-- COE CAT 4.12	COE412	50,947	0	0	0	0	0	0	1070
-- COE CAT 4.13	COE413	3,121,216	785,531	774,424	0	0	11,108	0	1070
-- COE CAT 4.2	COE42	888,941	751,550	0	0	94,175	657,375	0	1070
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1070
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1070
- CABLE & WIRE FACILITIES	CWF	4,892,855	1,342,455	1,162,535	0	11,213	168,707	0	1070
-- C&WF CAT 1.1	CWF11	18,636	0	0	0	0	0	0	1070
-- C&WF CAT 1.2	CWF12	16,674	16,674	0	0	0	16,674	0	1070
-- C&WF CAT 1.3	CWF13	4,650,139	1,162,535	1,162,535	0	0	0	0	1070
-- C&WF CAT 2	CWF2	167,778	136,767	0	0	0	136,767	0	1070
-- C&WF CAT 3	CWF3	39,628	26,479	0	0	11,213	15,266	0	1070
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1070
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1070
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1070
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1070
ACCUM DEPRECIATION	ACCDEP	5,113,324	2,065,966	932,333	630,256	57,428	445,948	0	1070
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1070
NET DEFERRED FIT	NTDFIT	1,258,532	534,500	219,344	217,213	10,748	87,196	0	1070
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1070
GENERAL SUPPORT EXP	GSFX	68,156	26,566	12,841	7,476	699	5,550	0	1070
COE EXPENSE	COEX	108,627	53,726	5,054	43,695	615	4,363	0	1070
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1070
C&WF EXPENSE	CWFX	408,859	112,179	97,144	0	937	14,098	0	1070
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1070
NETWORK OPERATIONS EXP	NETOPX	36,836	14,935	7,219	4,203	393	3,121	0	1070
DEPREC & AMORT EXP	DEPAMX	952,361	494,354	128,548	284,076	9,581	72,150	0	1070
MARKETING EXPENSE	MRKTX	11,537	6,403	3,095	1,802	168	1,338	0	1070
SERVICES EXPENSE	SERVX	345,141	195,573	96,274	57,412	5,365	27,205	9,317	1070
- CABSX EXPENSE	CABSX	119,247	59,624	0	32,478	3,035	24,111	0	1070
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1070
GENERAL & ADMIN EXP	GENADX	663,928	320,606	194,045	77,241	5,512	37,529	6,280	1070
OTHER TAXES (EXCL FIT & ITC)	OTAXES	106,974	41,833	22,316	9,472	1,104	8,942	0	1070
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1070
NON-OPERATING INC & EXP	NONOPX	2,895	1,398	676	393	37	292	0	1070
INTEREST & RELATED ITEMS(IRI)	INTREL	570	208	100	58	5	43	0	1070

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	48,701	11,924	7,206	4,063	52	602	0	1071
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1071
- GENERAL SUPPORT FACILITIES	GSF	644,312	207,599	125,459	70,744	913	10,484	0	1071
- CENTRAL OFFICE EQUIPMENT	COE	1,495,370	716,911	158,831	497,835	4,674	55,571	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	707,134	497,835	0	497,835	0	0	0	1071
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1071
-- COE CAT 4.12	COE412	37,876	0	0	0	0	0	0	1071
-- COE CAT 4.13	COE413	686,848	203,493	158,831	0	0	44,662	0	1071
-- COE CAT 4.2	COE42	63,512	15,583	0	0	4,674	10,909	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	3,038,756	743,996	724,042	0	1,748	18,206	0	1071
-- C&WF CAT 1.1	CWF11	31,283	0	0	0	0	0	0	1071
-- C&WF CAT 1.2	CWF12	14,128	14,128	0	0	0	14,128	0	1071
-- C&WF CAT 1.3	CWF13	2,896,169	724,042	724,042	0	0	0	0	1071
-- C&WF CAT 2	CWF2	2,341	0	0	0	0	0	0	1071
-- C&WF CAT 3	CWF3	94,836	5,826	0	0	1,748	4,079	0	1071
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1071
- TANGIBLES	TANGIB	27,550	4,278	31	0	1,274	2,973	0	1071
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1071
TELCOM PLANT-OTHER	PLTOTH	13,134	4,220	2,544	1,434	22	220	0	1071
ACCUM DEPRECIATION	ACCDEP	3,337,009	948,199	707,122	173,567	6,343	61,168	0	1071
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1071
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1071
NETWORK SUPPORT EXP	NETSPX	2,706	872	527	297	4	44	0	1071
GENERAL SUPPORT EXP	GSFX	31,843	10,260	6,200	3,496	45	518	0	1071
COE EXPENSE	COEX	70,704	33,897	6,080	25,511	179	2,127	0	1071
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1071
C&WF EXPENSE	CWFX	80,170	19,628	19,102	0	46	480	0	1071
OTHER PROP & PL EXP	OTHPPX	387	124	75	42	1	6	0	1071
NETWORK OPERATIONS EXP	NETOPX	45,970	14,812	8,951	5,047	65	748	0	1071
DEPREC & AMORT EXP	DEPAMX	388,490	132,200	62,833	56,784	2,054	10,529	0	1071
MARKETING EXPENSE	MRKTX	18,349	5,097	3,080	1,737	22	257	0	1071
SERVICES EXPENSE	SERVX	136,450	46,802	8,564	20,901	211	2,007	15,120	1071
- CABSX EXPENSE	CABSX	25,693	12,847	0	11,065	143	1,640	0	1071
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1071
GENERAL & ADMIN EXP	GENADX	398,579	165,736	77,879	63,495	638	6,890	16,833	1071
OTHER TAXES (EXCL FIT & ITC)	OTAXES	7,447	2,677	1,600	932	12	134	0	1071
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1071
NON-OPERATING INC & EXP	NONOPX	3,210	1,335	807	455	6	67	0	1071
INTEREST & RELATED ITEMS(IRI)	INTREL	28,303	10,858	6,562	3,700	48	548	0	1071



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	652,497	219,113	70,636	42,834	9,399	96,244	0	1072
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1072
- GENERAL SUPPORT FACILITIES	GSF	7,840,863	3,368,129	1,085,793	658,424	144,480	1,479,432	0	1072
- CENTRAL OFFICE EQUIPMENT	COE	15,581,570	8,369,949	738,227	2,809,146	584,886	4,237,690	0	1072
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1072
-- COE CAT 2	COE2	1,091,505	428,536	0	0	428,536	0	0	1072
-- COE CAT 3	COE3	6,260,718	2,798,742	0	2,798,742	0	0	0	1072
-- COE CAT 4.11	COE411	203,063	201,050	0	0	0	201,050	0	1072
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1072
-- COE CAT 4.13	COE413	3,072,331	833,944	738,227	0	0	95,717	0	1072
-- COE CAT 4.2	COE42	4,917,447	4,097,273	0	0	156,350	3,940,923	0	1072
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1072
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1072
- CABLE & WIRE FACILITIES	CWF	17,995,135	6,042,891	3,911,434	0	33,817	2,097,639	0	1072
-- C&WF CAT 1.1	CWF11	125,602	0	0	0	0	0	0	1072
-- C&WF CAT 1.2	CWF12	507,147	507,147	0	0	0	507,147	0	1072
-- C&WF CAT 1.3	CWF13	15,645,737	3,911,434	3,911,434	0	0	0	0	1072
-- C&WF CAT 2	CWF2	1,075,911	1,065,247	0	0	0	1,065,247	0	1072
-- C&WF CAT 3	CWF3	640,517	558,981	0	0	33,736	525,245	0	1072
-- C&WF CAT 4	CWF4	221	82	0	0	82	0	0	1072
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1072
- INTANGIBLES	INTANG	5,706	2,451	790	479	105	1,077	0	1072
TELCOM PLANT-OTHER	PLTOTH	521,730	224,115	72,249	43,811	9,614	98,441	0	1072
ACCUM DEPRECIATION	ACCDEP	28,363,402	12,575,743	3,598,557	2,731,513	591,644	5,654,029	0	1072
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1072
NET DEFERRED FIT	NTDFIT	344,968	148,069	47,475	29,737	6,450	64,406	0	1072
NETWORK SUPPORT EXP	NETSPX	32,982	14,168	4,567	2,770	608	6,223	0	1072
GENERAL SUPPORT EXP	GSFX	316,956	136,152	43,892	26,616	5,840	59,804	0	1072
COE EXPENSE	COEX	826,236	444,381	20,893	259,663	43,890	119,934	0	1072
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1072
C&WF EXPENSE	CWFX	847,298	284,529	184,169	0	1,592	98,767	0	1072
OTHER PROP & PL EXP	OTHPX	54,087	23,234	7,490	4,542	997	10,205	0	1072
NETWORK OPERATIONS EXP	NETOPX	147,787	63,484	20,465	12,410	2,723	27,885	0	1072
DEPREC & AMORT EXP	DEPAMX	2,624,707	1,182,873	323,902	254,381	56,093	548,497	0	1072
MARKETING EXPENSE	MRKTX	312,829	38,031	12,260	7,435	1,631	16,705	0	1072
SERVICES EXPENSE	SERVX	869,255	219,525	51,607	15,958	3,502	36,159	112,300	1072
- CABSX EXPENSE	CABSX	107,116	53,558	0	15,451	3,390	34,717	0	1072
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1072
GENERAL & ADMIN EXP	GENADX	2,502,331	918,730	329,138	221,153	40,810	252,232	75,397	1072
OTHER TAXES (EXCL FIT & ITC)	OTAXES	273,938	112,780	43,375	17,845	4,035	47,526	0	1072
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1072
NON-OPERATING INC & EXP	NONOPX	4,515	1,658	534	324	71	728	0	1072
INTEREST & RELATED ITEMS(IRI)	INTREL	295,005	117,990	47,294	17,502	3,999	49,195	0	1072

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## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

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<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	20,965	5,355	3,484	1,342	98	431	0	1073
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1073
- GENERAL SUPPORT FACILITIES	GSF	807,629	257,686	167,661	64,573	4,712	20,740	0	1073
- CENTRAL OFFICE EQUIPMENT	COE	2,584,092	1,220,751	286,608	704,549	51,414	178,180	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	1,138,233	704,549	0	704,549	0	0	0	1073
-- COE CAT 4.11	COE411	96,057	96,057	0	0	0	96,057	0	1073
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1073
-- COE CAT 4.13	COE413	1,154,100	292,633	286,608	0	0	6,025	0	1073
-- COE CAT 4.2	COE42	183,104	122,749	0	0	46,651	76,098	0	1073
-- COE CAT 4.3	COE43	12,598	4,763	0	0	4,763	0	0	1073
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1073
- CABLE & WIRE FACILITIES	CWF	6,227,826	1,590,825	1,542,719	0	0	48,106	0	1073
-- C&WF CAT 1.1	CWF11	8,845	0	0	0	0	0	0	1073
-- C&WF CAT 1.2	CWF12	32,432	32,432	0	0	0	32,432	0	1073
-- C&WF CAT 1.3	CWF13	6,170,875	1,542,719	1,542,719	0	0	0	0	1073
-- C&WF CAT 2	CWF2	15,674	15,674	0	0	0	15,674	0	1073
-- C&WF CAT 3	CWF3	0	0	0	0	0	0	0	1073
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1073
- TANGIBLES	TANGIB	39,934	20,936	17,860	0	460	2,616	0	1073
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1073
TELCOM PLANT-OTHER	PLTOTH	8,595	2,766	1,791	687	48	240	0	1073
ACCUM DEPRECIATION	ACCDEP	6,543,453	2,243,063	1,258,334	737,274	48,516	198,940	0	1073
ACCUM AMORTIZATION	ACCAMO	39,934	20,936	17,860	0	460	2,616	0	1073
NET DEFERRED FIT	NTDFIT	380,560	111,610	85,118	18,731	1,190	6,571	0	1073
NETWORK SUPPORT EXP	NETSPX	6,055	1,932	1,257	484	35	155	0	1073
GENERAL SUPPORT EXP	GSFX	45,834	14,624	9,515	3,665	267	1,177	0	1073
COE EXPENSE	COEX	140,636	66,438	8,483	51,159	1,522	5,274	0	1073
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1073
C&WF EXPENSE	CWFX	220,294	56,271	54,570	0	0	1,702	0	1073
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1073
NETWORK OPERATIONS EXP	NETOPX	49,481	15,788	10,272	3,956	289	1,271	0	1073
DEPREC & AMORT EXP	DEPAMX	758,790	264,235	167,378	64,738	6,065	26,054	0	1073
MARKETING EXPENSE	MRKTX	89,880	23,526	15,307	5,895	430	1,893	0	1073
SERVICES EXPENSE	SERVX	128,658	41,465	5,450	14,793	653	5,399	15,170	1073
- CABSX EXPENSE	CABSX	21,725	10,863	0	7,791	569	2,502	0	1073
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1073
GENERAL & ADMIN EXP	GENADX	336,606	152,009	79,844	50,089	2,003	10,570	9,504	1073
OTHER TAXES (EXCL FIT & ITC)	OTAXES	67,261	19,289	16,343	1,504	223	1,230	-11	1073
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1073
NON-OPERATING INC & EXP	NONOPX	2,585	1,167	760	293	21	94	0	1073
INTEREST & RELATED ITEMS(IRI)	INTREL	396	22	14	6	0	2	0	1073

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	21,683	5,289	1,770	2,445	366	708	0	1074
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1074
- GENERAL SUPPORT FACILITIES	GSF	1,161,657	408,433	136,663	188,831	28,277	54,662	0	1074
- CENTRAL OFFICE EQUIPMENT	COE	1,896,449	845,703	64,355	582,164	39,203	159,981	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	1,269,559	574,739	0	574,739	0	0	0	1074
-- COE CAT 4.11	COE411	157,316	152,968	0	0	0	152,968	0	1074
-- COE CAT 4.12	COE412	9,230	0	0	0	0	0	0	1074
-- COE CAT 4.13	COE413	264,935	65,428	64,355	0	0	1,074	0	1074
-- COE CAT 4.2	COE42	155,711	41,528	0	0	35,589	5,939	0	1074
-- COE CAT 4.3	COE43	20,266	3,615	0	0	3,615	0	0	1074
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1074
- CABLE & WIRE FACILITIES	CWF	1,730,599	422,126	362,348	0	49,087	10,691	0	1074
-- C&WF CAT 1.1	CWF11	36,273	0	0	0	0	0	0	1074
-- C&WF CAT 1.2	CWF12	6,045	6,045	0	0	0	6,045	0	1074
-- C&WF CAT 1.3	CWF13	1,449,392	362,348	362,348	0	0	0	0	1074
-- C&WF CAT 2	CWF2	19,331	2,326	0	0	0	2,326	0	1074
-- C&WF CAT 3	CWF3	192,544	46,588	0	0	44,269	2,320	0	1074
-- C&WF CAT 4	CWF4	27,014	4,818	0	0	4,818	0	0	1074
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1074
- INTANGIBLES	INTANG	31,650	11,128	3,723	5,145	770	1,489	0	1074
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1074
ACCUM DEPRECIATION	ACCDEP	3,835,276	1,354,889	440,154	632,368	93,538	188,830	0	1074
ACCUM AMORTIZATION	ACCAMO	17,067	6,001	2,008	2,774	415	803	0	1074
NET DEFERRED FIT	NTDFIT	175,464	61,692	20,642	28,522	4,271	8,257	0	1074
NETWORK SUPPORT EXP	NETSPX	900	316	106	146	22	42	0	1074
GENERAL SUPPORT EXP	GSFX	45,395	15,961	5,340	7,379	1,105	2,136	0	1074
COE EXPENSE	COEX	228,338	102,719	3,796	87,176	2,312	9,435	0	1074
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1074
C&WF EXPENSE	CWFX	175,189	42,732	36,681	0	4,969	1,082	0	1074
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1074
NETWORK OPERATIONS EXP	NETOPX	215,869	75,899	25,396	35,090	5,255	10,158	0	1074
DEPREC & AMORT EXP	DEPAMX	312,281	115,201	30,018	69,314	5,831	10,038	0	1074
MARKETING EXPENSE	MRKTX	21,033	4,025	1,347	1,861	279	539	0	1074
SERVICES EXPENSE	SERVX	101,423	35,097	7,086	10,053	1,479	2,860	13,619	1074
- CABSX EXPENSE	CABSX	27,895	13,948	0	9,691	1,451	2,805	0	1074
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1074
GENERAL & ADMIN EXP	GENADX	592,804	230,840	68,934	116,464	12,674	21,576	11,193	1074
OTHER TAXES (EXCL FIT & ITC)	OTAXES	21,047	7,344	2,639	3,280	517	908	0	1074
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1074
NON-OPERATING INC & EXP	NONOPX	12,450	4,848	1,622	2,241	336	649	0	1074
INTEREST & RELATED ITEMS(IRI)	INTREL	30,662	10,096	3,378	4,668	699	1,351	0	1074

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	45,014	13,627	4,238	4,575	2,921	1,893	0	1075
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1075
- GENERAL SUPPORT FACILITIES	GSF	1,038,394	399,412	124,209	134,101	85,607	55,495	0	1075
- CENTRAL OFFICE EQUIPMENT	COE	3,208,799	2,001,488	22,272	1,623,905	151,957	203,355	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	2,463,156	1,623,905	0	1,623,905	0	0	0	1075
-- COE CAT 4.11	COE411	49,970	49,970	0	0	0	49,970	0	1075
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1075
-- COE CAT 4.13	COE413	91,159	22,972	22,272	0	0	700	0	1075
-- COE CAT 4.2	COE42	424,447	251,786	0	0	99,101	152,686	0	1075
-- COE CAT 4.3	COE43	180,067	52,856	0	0	52,856	0	0	1075
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1075
- CABLE & WIRE FACILITIES	CWF	9,365,688	2,835,218	1,481,840	0	884,708	468,670	0	1075
-- C&WF CAT 1.1	CWF11	91,219	0	0	0	0	0	0	1075
-- C&WF CAT 1.2	CWF12	46,540	46,540	0	0	0	46,540	0	1075
-- C&WF CAT 1.3	CWF13	5,927,361	1,481,840	1,481,840	0	0	0	0	1075
-- C&WF CAT 2	CWF2	154,722	69,101	0	0	0	69,101	0	1075
-- C&WF CAT 3	CWF3	1,648,593	798,242	0	0	445,213	353,029	0	1075
-- C&WF CAT 4	CWF4	1,497,253	439,495	0	0	439,495	0	0	1075
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1075
- INTANGIBLES	INTANG	202,064	77,723	24,170	26,095	16,659	10,799	0	1075
TELCOM PLANT-OTHER	PLTOTH	5,127	1,972	613	662	423	274	0	1075
ACCUM DEPRECIATION	ACCDEP	8,910,336	3,664,350	958,631	1,569,118	680,405	456,196	0	1075
ACCUM AMORTIZATION	ACCAMO	172,759	66,451	20,665	22,311	14,243	9,233	0	1075
NET DEFERRED FIT	NTDFIT	503,686	193,740	60,249	65,047	41,525	26,919	0	1075
NETWORK SUPPORT EXP	NETSPX	7,921	3,047	947	1,023	653	423	0	1075
GENERAL SUPPORT EXP	GSFX	158,906	61,122	19,008	20,522	13,101	8,493	0	1075
COE EXPENSE	COEX	290,271	181,057	2,751	134,416	18,770	25,119	0	1075
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1075
C&WF EXPENSE	CWFX	333,373	100,920	52,746	0	31,491	16,682	0	1075
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1075
NETWORK OPERATIONS EXP	NETOPX	186,745	71,830	22,338	24,117	15,396	9,980	0	1075
DEPREC & AMORT EXP	DEPAMX	835,834	337,313	94,297	150,423	58,977	33,616	0	1075
MARKETING EXPENSE	MRKTX	22,026	7,258	2,257	2,437	1,556	1,008	0	1075
SERVICES EXPENSE	SERVX	263,793	79,451	5,409	8,353	4,392	2,847	58,450	1075
- CABSX EXPENSE	CABSX	27,579	13,790	0	6,719	4,289	2,781	0	1075
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1075
GENERAL & ADMIN EXP	GENADX	621,838	298,840	75,405	106,822	47,772	36,128	32,713	1075
OTHER TAXES (EXCL FIT & ITC)	OTAXES	126,179	46,212	16,703	11,147	11,258	7,103	0	1075
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1075
NON-OPERATING INC & EXP	NONOPX	129,800	62,379	19,398	20,943	13,370	8,667	0	1075
INTEREST & RELATED ITEMS(IRI)	INTREL	172,088	56,025	17,423	18,810	12,008	7,784	0	1075

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	31,339	7,831	3,911	3,054	198	668	1	1076
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1076
- GENERAL SUPPORT FACILITIES	GSF	596,330	207,227	103,452	80,769	5,233	17,670	104	1076
- CENTRAL OFFICE EQUIPMENT	COE	2,012,233	896,616	217,127	546,668	23,000	109,820	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	954,082	546,668	0	546,668	0	0	0	1076
-- COE CAT 4.11	COE411	102,159	102,159	0	0	0	102,159	0	1076
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1076
-- COE CAT 4.13	COE413	893,684	220,484	217,127	0	0	3,357	0	1076
-- COE CAT 4.2	COE42	62,308	27,305	0	0	23,000	4,305	0	1076
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1076
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1076
- CABLE & WIRE FACILITIES	CWF	2,021,886	505,259	483,066	0	12,420	9,773	0	1076
-- C&WF CAT 1.1	CWF11	48,540	0	0	0	0	0	0	1076
-- C&WF CAT 1.2	CWF12	7,468	7,468	0	0	0	7,468	0	1076
-- C&WF CAT 1.3	CWF13	1,932,262	483,066	483,066	0	0	0	0	1076
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1076
-- C&WF CAT 3	CWF3	33,616	14,726	0	0	12,420	2,306	0	1076
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	0	0	0	0	0	0	0	1076
ACCUM DEPRECIATION	ACCDEP	2,452,387	914,024	375,397	466,747	17,387	54,416	77	1076
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1076
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1076
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1076
GENERAL SUPPORT EXP	GSFX	22,306	7,751	3,870	3,021	196	661	4	1076
COE EXPENSE	COEX	181,234	80,755	754	79,539	80	382	0	1076
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1076
C&WF EXPENSE	CWFX	121,639	30,397	29,062	0	747	588	0	1076
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1076
NETWORK OPERATIONS EXP	NETOPX	9,191	3,194	1,595	1,245	81	272	0	1076
DEPREC & AMORT EXP	DEPAMX	322,741	117,830	52,202	51,680	2,979	10,962	7	1076
MARKETING EXPENSE	MRKTX	532	151	76	59	4	13	0	1076
SERVICES EXPENSE	SERVX	75,266	26,580	2,711	11,242	728	2,459	9,439	1076
- CABSX EXPENSE	CABSX	28,072	14,036	0	10,935	709	2,392	0	1076
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1076
GENERAL & ADMIN EXP	GENADX	369,337	164,887	56,806	92,806	1,791	4,269	9,215	1076
OTHER TAXES (EXCL FIT & ITC)	OTAXES	41,423	14,598	7,291	5,693	369	1,245	0	1076
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1076
NON-OPERATING INC & EXP	NONOPX	8,229	3,674	1,835	1,433	93	313	0	1076
INTEREST & RELATED ITEMS(IRI)	INTREL	52,201	16,659	8,320	6,496	421	1,421	1	1076

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	39,142	10,184	4,751	2,085	1,252	2,096	0	1077
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1077
- GENERAL SUPPORT FACILITIES	GSF	5,056,863	1,733,003	808,533	354,765	213,099	356,606	0	1077
- CENTRAL OFFICE EQUIPMENT	COE	12,350,279	6,331,993	787,166	2,647,309	692,124	2,205,394	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	4,918,802	2,622,191	0	2,622,191	0	0	0	1077
-- COE CAT 4.11	COE411	1,380,241	1,369,076	0	0	0	1,369,076	0	1077
-- COE CAT 4.12	COE412	491,707	488,064	0	0	0	488,064	0	1077
-- COE CAT 4.13	COE413	3,216,363	788,028	787,166	0	0	862	0	1077
-- COE CAT 4.2	COE42	1,994,368	980,837	0	0	633,446	347,391	0	1077
-- COE CAT 4.3	COE43	293,509	58,678	0	0	58,678	0	0	1077
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1077
- CABLE & WIRE FACILITIES	CWF	25,742,784	6,697,506	5,303,470	0	913,140	480,896	0	1077
-- C&WF CAT 1.1	CWF11	450,308	0	0	0	0	0	0	1077
-- C&WF CAT 1.2	CWF12	5,810	5,810	0	0	0	5,810	0	1077
-- C&WF CAT 1.3	CWF13	21,213,880	5,303,470	5,303,470	0	0	0	0	1077
-- C&WF CAT 2	CWF2	285,769	60,924	0	0	0	60,924	0	1077
-- C&WF CAT 3	CWF3	1,580,952	886,267	0	0	472,106	414,161	0	1077
-- C&WF CAT 4	CWF4	2,206,064	441,034	0	0	441,034	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	333,211	114,192	53,277	23,376	14,042	23,498	0	1077
ACCUM DEPRECIATION	ACCDEP	14,391,673	5,043,923	2,169,160	1,514,090	537,008	823,666	0	1077
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1077
NET DEFERRED FIT	NTDFIT	413,005	174,598	41,715	91,543	13,466	27,874	0	1077
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1077
GENERAL SUPPORT EXP	GSFX	111,590	38,242	17,842	7,829	4,702	7,869	0	1077
COE EXPENSE	COEX	502,715	258,765	15,803	184,790	13,895	44,276	0	1077
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1077
C&WF EXPENSE	CWFX	646,760	168,268	133,244	0	22,942	12,082	0	1077
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1077
NETWORK OPERATIONS EXP	NETOPX	238,756	81,822	38,174	16,750	10,061	16,837	0	1077
DEPREC & AMORT EXP	DEPAMX	2,022,805	777,539	273,903	227,703	89,347	186,586	0	1077
MARKETING EXPENSE	MRKTX	19,844	6,744	3,147	1,381	829	1,388	0	1077
SERVICES EXPENSE	SERVX	313,530	150,298	21,975	16,611	9,849	11,174	90,690	1077
- CABSX EXPENSE	CABSX	56,530	28,265	0	10,847	6,515	10,903	0	1077
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1077
GENERAL & ADMIN EXP	GENADX	1,076,060	459,488	173,136	137,365	37,627	56,567	54,792	1077
OTHER TAXES (EXCL FIT & ITC)	OTAXES	306,874	106,199	49,547	21,740	13,059	21,853	0	1077
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1077
NON-OPERATING INC & EXP	NONOPX	2,897	1,237	577	253	152	255	0	1077
INTEREST & RELATED ITEMS(IRI)	INTREL	1,095,925	369,157	172,231	75,571	45,394	75,963	0	1077

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	6,250	1,765	947	382	181	256	0	1078
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1078
- GENERAL SUPPORT FACILITIES	GSF	2,857,678	1,037,202	556,518	224,241	106,266	150,177	0	1078
- CENTRAL OFFICE EQUIPMENT	COE	2,900,357	1,748,412	302,341	905,380	92,250	448,441	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	1,065,153	905,380	0	905,380	0	0	0	1078
-- COE CAT 4.11	COE411	410,763	410,763	0	0	0	410,763	0	1078
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1078
-- COE CAT 4.13	COE413	1,228,465	310,101	302,341	0	0	7,760	0	1078
-- COE CAT 4.2	COE42	170,645	118,672	0	0	88,754	29,918	0	1078
-- COE CAT 4.3	COE43	25,331	3,496	0	0	3,496	0	0	1078
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1078
- CABLE & WIRE FACILITIES	CWF	8,637,603	2,439,324	1,944,616	0	336,802	157,905	0	1078
-- C&WF CAT 1.1	CWF11	72,947	0	0	0	0	0	0	1078
-- C&WF CAT 1.2	CWF12	49,911	49,911	0	0	0	49,911	0	1078
-- C&WF CAT 1.3	CWF13	7,778,465	1,944,616	1,944,616	0	0	0	0	1078
-- C&WF CAT 2	CWF2	68,730	68,730	0	0	0	68,730	0	1078
-- C&WF CAT 3	CWF3	546,890	359,415	0	0	320,151	39,264	0	1078
-- C&WF CAT 4	CWF4	120,660	16,651	0	0	16,651	0	0	1078
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1078
- INTANGIBLES	INTANG	13,225	4,800	2,575	1,038	492	695	0	1078
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1078
ACCUM DEPRECIATION	ACCDEP	11,560,304	4,010,220	2,318,414	805,484	427,044	459,278	0	1078
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1078
NET DEFERRED FIT	NTDFIT	99,440	36,092	19,365	7,803	3,698	5,226	0	1078
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1078
GENERAL SUPPORT EXP	GSFX	47,508	17,243	9,252	3,728	1,767	2,497	0	1078
COE EXPENSE	COEX	472,745	284,983	34,068	189,989	10,395	50,531	0	1078
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1078
C&WF EXPENSE	CWFX	378,774	106,969	85,275	0	14,769	6,924	0	1078
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1078
NETWORK OPERATIONS EXP	NETOPX	253,201	91,900	49,310	19,869	9,416	13,306	0	1078
DEPREC & AMORT EXP	DEPAMX	849,370	330,559	157,054	87,035	31,202	55,268	0	1078
MARKETING EXPENSE	MRKTX	74,578	54,005	28,977	11,676	5,533	7,819	0	1078
SERVICES EXPENSE	SERVX	192,003	88,792	18,096	10,175	4,822	6,815	48,885	1078
- CABSX EXPENSE	CABSX	39,336	19,668	0	9,175	4,348	6,145	0	1078
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1078
GENERAL & ADMIN EXP	GENADX	1,522,621	742,479	293,907	252,104	50,008	94,115	52,345	1078
OTHER TAXES (EXCL FIT & ITC)	OTAXES	95,302	37,267	17,776	8,876	3,603	7,012	0	1078
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1078
NON-OPERATING INC & EXP	NONOPX	2,350	1,146	615	248	117	166	0	1078
INTEREST & RELATED ITEMS(IRI)	INTREL	44,620	19,193	10,298	4,149	1,966	2,779	0	1078

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	0	0	0	0	0	0	0	1079
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1079
- GENERAL SUPPORT FACILITIES	GSF	2,510,658	828,242	438,727	184,468	110,010	95,038	0	1079
- CENTRAL OFFICE EQUIPMENT	COE	2,681,952	1,206,557	305,286	551,328	128,710	221,232	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	837,039	551,328	0	551,328	0	0	0	1079
-- COE CAT 4.11	COE411	187,496	187,496	0	0	0	187,496	0	1079
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1079
-- COE CAT 4.13	COE413	1,289,857	311,176	305,286	0	0	5,890	0	1079
-- COE CAT 4.2	COE42	367,560	156,557	0	0	128,710	27,847	0	1079
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1079
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1079
- CABLE & WIRE FACILITIES	CWF	4,821,786	1,268,855	1,005,960	0	200,082	62,813	0	1079
-- C&WF CAT 1.1	CWF11	207,014	0	0	0	0	0	0	1079
-- C&WF CAT 1.2	CWF12	19,408	19,408	0	0	0	19,408	0	1079
-- C&WF CAT 1.3	CWF13	4,023,840	1,005,960	1,005,960	0	0	0	0	1079
-- C&WF CAT 2	CWF2	37,352	29,882	0	0	0	29,882	0	1079
-- C&WF CAT 3	CWF3	534,172	213,606	0	0	200,082	13,523	0	1079
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1079
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1079
- INTANGIBLES	INTANG	1,611	531	282	118	71	61	0	1079
TELCOM PLANT-OTHER	PLTOTH	506,004	166,926	88,422	37,178	22,172	19,154	0	1079
ACCUM DEPRECIATION	ACCDEP	4,780,815	1,591,636	827,323	388,517	204,714	171,082	0	1079
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1079
NET DEFERRED FIT	NTDFIT	970,366	320,115	169,567	71,296	42,519	36,732	0	1079
NETWORK SUPPORT EXP	NETSPX	17,751	5,856	3,102	1,304	778	672	0	1079
GENERAL SUPPORT EXP	GSFX	67,816	22,372	11,851	4,983	2,972	2,567	0	1079
COE EXPENSE	COEX	174,869	78,670	2,389	73,543	1,007	1,731	0	1079
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1079
C&WF EXPENSE	CWFX	56,847	14,959	11,860	0	2,359	741	0	1079
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1079
NETWORK OPERATIONS EXP	NETOPX	22,795	7,520	3,983	1,675	999	863	0	1079
DEPREC & AMORT EXP	DEPAMX	685,679	239,353	113,149	64,636	30,558	31,010	0	1079
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1079
SERVICES EXPENSE	SERVX	52,008	23,412	224	4,848	2,684	2,319	13,337	1079
- CABSX EXPENSE	CABSX	17,128	8,564	0	4,056	2,419	2,090	0	1079
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1079
GENERAL & ADMIN EXP	GENADX	377,571	187,467	40,991	105,952	13,249	10,911	16,364	1079
OTHER TAXES (EXCL FIT & ITC)	OTAXES	125,868	40,172	21,488	8,498	5,424	4,762	0	1079
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1079
NON-OPERATING INC & EXP	NONOPX	19,902	9,881	5,234	2,201	1,312	1,134	0	1079
INTEREST & RELATED ITEMS(IRI)	INTREL	43,494	14,216	7,530	3,166	1,888	1,631	0	1079



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	301,679	98,021	30,194	26,051	10,690	31,086	0	1080
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1080
- GENERAL SUPPORT FACILITIES	GSF	9,976,663	4,360,074	1,343,070	1,158,785	475,497	1,382,722	0	1080
- CENTRAL OFFICE EQUIPMENT	COE	24,954,613	14,867,230	1,197,764	6,998,847	1,668,469	5,002,150	0	1080
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1080
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1080
-- COE CAT 3	COE3	11,241,809	6,998,847	0	6,998,847	0	0	0	1080
-- COE CAT 4.11	COE411	3,928,538	3,928,538	0	0	0	3,928,538	0	1080
-- COE CAT 4.12	COE412	163,062	0	0	0	0	0	0	1080
-- COE CAT 4.13	COE413	4,934,519	1,228,769	1,197,764	0	0	31,005	0	1080
-- COE CAT 4.2	COE42	3,119,603	2,152,276	0	0	1,109,669	1,042,607	0	1080
-- COE CAT 4.3	COE43	1,567,082	558,800	0	0	558,800	0	0	1080
- INFORMATION ORIG/TERM	IOT	49,002	12,251	12,251	0	0	0	0	1080
- CABLE & WIRE FACILITIES	CWF	35,253,577	11,454,559	6,901,878	0	1,203,446	3,349,235	0	1080
-- C&WF CAT 1.1	CWF11	648,021	0	0	0	0	0	0	1080
-- C&WF CAT 1.2	CWF12	178,660	178,660	0	0	0	178,660	0	1080
-- C&WF CAT 1.3	CWF13	27,607,511	6,901,878	6,901,878	0	0	0	0	1080
-- C&WF CAT 2	CWF2	1,383,471	1,121,306	0	0	0	1,121,306	0	1080
-- C&WF CAT 3	CWF3	3,032,824	2,395,806	0	0	346,537	2,049,269	0	1080
-- C&WF CAT 4	CWF4	2,403,090	856,909	0	0	856,909	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	2,071,878	905,467	278,919	240,648	98,748	287,153	0	1080
ACCUM DEPRECIATION	ACCDEP	52,890,161	22,282,587	7,603,633	5,004,594	2,482,035	7,192,325	0	1080
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1080
NET DEFERRED FIT	NTDFIT	1,220,421	533,018	164,453	141,653	58,069	168,843	0	1080
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1080
GENERAL SUPPORT EXP	GSFX	807,462	352,883	108,701	93,786	38,484	111,911	0	1080
COE EXPENSE	COEX	1,545,615	920,832	39,818	642,446	72,277	166,290	0	1080
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1080
C&WF EXPENSE	CWFX	942,476	306,228	184,516	0	32,173	89,539	0	1080
OTHER PROP & PL EXP	OTHPXX	44	19	6	5	2	6	0	1080
NETWORK OPERATIONS EXP	NETOPX	1,101,959	481,586	148,347	127,992	52,520	152,727	0	1080
DEPREC & AMORT EXP	DEPAMX	3,797,902	1,969,384	353,399	657,170	241,747	717,067	0	1080
MARKETING EXPENSE	MRKTX	162,069	40,749	12,552	10,830	4,444	12,923	0	1080
SERVICES EXPENSE	SERVX	1,416,404	473,147	68,101	77,956	31,988	66,983	228,119	1080
- CABSX EXPENSE	CABSX	266,060	133,030	0	51,095	20,966	60,969	0	1080
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1080
GENERAL & ADMIN EXP	GENADX	1,929,425	892,189	254,629	301,780	73,430	190,115	72,236	1080
OTHER TAXES (EXCL FIT & ITC)	OTAXES	120,333	120,333	27,300	44,091	12,438	36,504	0	1080
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1080
NON-OPERATING INC & EXP	NONOPX	66,495	30,748	9,472	8,172	3,353	9,751	0	1080
INTEREST & RELATED ITEMS(IRI)	INTREL	934	448	138	119	49	142	0	1080

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	576,453	182,993	84,009	32,996	15,233	50,756	0	1081
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1081
- GENERAL SUPPORT FACILITIES	GSF	5,939,777	2,234,082	1,025,627	402,830	185,968	619,656	0	1081
- CENTRAL OFFICE EQUIPMENT	COE	15,212,973	7,437,945	1,553,728	3,016,162	702,090	2,165,965	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	4,903,420	3,001,440	0	3,001,440	0	0	0	1081
-- COE CAT 4.11	COE411	1,438,470	1,438,470	0	0	0	1,438,470	0	1081
-- COE CAT 4.12	COE412	20,865	0	0	0	0	0	0	1081
-- COE CAT 4.13	COE413	6,331,070	1,590,646	1,553,728	0	0	36,918	0	1081
-- COE CAT 4.2	COE42	1,450,383	1,061,142	0	0	370,565	690,576	0	1081
-- COE CAT 4.3	COE43	1,049,421	331,525	0	0	331,525	0	0	1081
- INFORMATION ORIG/TERM	IOT	16,107	4,027	4,027	0	0	0	0	1081
- CABLE & WIRE FACILITIES	CWF	29,461,675	9,352,490	6,159,042	0	697,131	2,496,318	0	1081
-- C&WF CAT 1.1	CWF11	314,109	0	0	0	0	0	0	1081
-- C&WF CAT 1.2	CWF12	146,346	146,346	0	0	0	146,346	0	1081
-- C&WF CAT 1.3	CWF13	24,636,168	6,159,042	6,159,042	0	0	0	0	1081
-- C&WF CAT 2	CWF2	1,569,584	1,543,187	0	0	0	1,543,187	0	1081
-- C&WF CAT 3	CWF3	1,406,739	1,065,199	0	0	258,415	806,784	0	1081
-- C&WF CAT 4	CWF4	1,388,728	438,716	0	0	438,716	0	0	1081
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1081
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1081
TELCOM PLANT-OTHER	PLTOTH	196,099	73,757	33,861	13,299	6,140	20,458	0	1081
ACCUM DEPRECIATION	ACCDEP	22,628,937	8,925,871	3,639,501	2,135,385	734,513	2,416,473	0	1081
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1081
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1081
NETWORK SUPPORT EXP	NETSPX	33,175	12,478	5,728	2,250	1,039	3,461	0	1081
GENERAL SUPPORT EXP	GSFX	210,065	79,010	36,272	14,246	6,577	21,915	0	1081
COE EXPENSE	COEX	852,686	417,721	62,180	216,200	52,660	86,682	0	1081
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1081
C&WF EXPENSE	CWFX	785,771	249,440	164,268	0	18,593	66,579	0	1081
OTHER PROP & PL EXP	OTHPXX	3,728	1,402	644	253	117	389	0	1081
NETWORK OPERATIONS EXP	NETOPX	143,042	53,801	24,699	9,701	4,478	14,923	0	1081
DEPREC & AMORT EXP	DEPAMX	4,056,835	1,605,116	657,978	292,237	154,526	500,375	0	1081
MARKETING EXPENSE	MRKTX	47,499	11,705	5,373	2,110	974	3,246	0	1081
SERVICES EXPENSE	SERVX	737,965	247,004	32,444	46,320	21,383	59,213	87,644	1081
- CABSX EXPENSE	CABSX	226,080	113,040	0	37,681	17,396	57,963	0	1081
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1081
GENERAL & ADMIN EXP	GENADX	1,558,686	672,767	243,720	168,549	61,275	148,472	50,750	1081
OTHER TAXES (EXCL FIT & ITC)	OTAXES	2,128	2,128	977	384	177	590	0	1081
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1081
NON-OPERATING INC & EXP	NONOPX	31,574	13,628	6,256	2,457	1,134	3,780	0	1081
INTEREST & RELATED ITEMS(IRI)	INTREL	656,237	236,598	108,618	42,661	19,695	65,624	0	1081

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	1,049,268	294,266	94,658	91,095	72,697	35,816	0	1082
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1082
- GENERAL SUPPORT FACILITIES	GSF	8,698,647	3,361,873	1,081,427	1,040,722	830,539	409,185	0	1082
- CENTRAL OFFICE EQUIPMENT	COE	13,931,523	7,333,051	439,745	3,865,663	1,921,826	1,105,818	0	1082
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1082
-- COE CAT 2	COE2	398,682	203,310	0	0	203,310	0	0	1082
-- COE CAT 3	COE3	5,919,525	3,865,663	0	3,865,663	0	0	0	1082
-- COE CAT 4.11	COE411	893,023	893,023	0	0	0	893,023	0	1082
-- COE CAT 4.12	COE412	67,009	0	0	0	0	0	0	1082
-- COE CAT 4.13	COE413	1,809,508	463,190	439,745	0	0	23,445	0	1082
-- COE CAT 4.2	COE42	2,690,075	1,343,723	0	0	1,154,373	189,350	0	1082
-- COE CAT 4.3	COE43	2,153,701	564,143	0	0	564,143	0	0	1082
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1082
- CABLE & WIRE FACILITIES	CWF	18,378,787	5,154,310	3,577,116	0	1,163,134	414,061	0	1082
-- C&WF CAT 1.1	CWF11	220,307	0	0	0	0	0	0	1082
-- C&WF CAT 1.2	CWF12	190,714	190,714	0	0	0	190,714	0	1082
-- C&WF CAT 1.3	CWF13	14,308,462	3,577,116	3,577,116	0	0	0	0	1082
-- C&WF CAT 2	CWF2	89,870	89,870	0	0	0	89,870	0	1082
-- C&WF CAT 3	CWF3	2,595,197	1,041,419	0	0	907,941	133,477	0	1082
-- C&WF CAT 4	CWF4	974,237	255,193	0	0	255,193	0	0	1082
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1082
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1082
TELCOM PLANT-OTHER	PLTOTH	101,499	39,228	12,618	12,144	9,691	4,775	0	1082
ACCUM DEPRECIATION	ACCDEP	29,737,454	11,027,720	4,030,682	3,142,034	2,621,420	1,233,584	0	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	20,275	7,836	2,521	2,426	1,936	954	0	1082
GENERAL SUPPORT EXP	GSFX	542,171	209,539	67,403	64,866	51,766	25,504	0	1082
COE EXPENSE	COEX	697,925	367,363	7,543	295,812	45,038	18,969	0	1082
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1082
C&WF EXPENSE	CWFX	922,509	258,717	179,551	0	58,383	20,783	0	1082
OTHER PROP & PL EXP	OTHPXX	75	29	9	9	7	4	0	1082
NETWORK OPERATIONS EXP	NETOPX	830,710	321,055	103,275	99,388	79,315	39,077	0	1082
DEPREC & AMORT EXP	DEPAMX	2,952,403	1,289,657	280,765	574,124	289,665	145,104	0	1082
MARKETING EXPENSE	MRKTX	166,286	58,982	18,973	18,259	14,571	7,179	0	1082
SERVICES EXPENSE	SERVX	739,113	253,984	59,827	59,750	32,861	5,795	95,751	1082
- CABSX EXPENSE	CABSX	51,790	25,895	0	11,818	9,431	4,646	0	1082
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1082
GENERAL & ADMIN EXP	GENADX	1,723,217	672,397	237,173	226,543	118,981	49,568	40,132	1082
OTHER TAXES (EXCL FIT & ITC)	OTAXES	516	199	64	62	49	24	0	1082
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1082
NON-OPERATING INC & EXP	NONOPX	49,552	19,335	6,220	5,985	4,777	2,353	0	1082
INTEREST & RELATED ITEMS(IRI)	INTREL	133,691	57,139	12,154	21,189	15,442	8,354	0	1082

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	1,293,596	374,712	167,772	97,726	35,072	74,142	0	1083
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1083
- GENERAL SUPPORT FACILITIES	GSF	7,124,795	2,712,038	1,214,274	707,304	253,842	536,617	0	1083
- CENTRAL OFFICE EQUIPMENT	COE	16,761,496	8,724,179	1,669,307	4,220,788	990,566	1,843,519	0	1083
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1083
-- COE CAT 2	COE2	130,471	89,489	0	0	89,489	0	0	1083
-- COE CAT 3	COE3	6,080,601	4,220,788	0	4,220,788	0	0	0	1083
-- COE CAT 4.11	COE411	1,344,327	1,344,327	0	0	0	1,344,327	0	1083
-- COE CAT 4.12	COE412	90,235	0	0	0	0	0	0	1083
-- COE CAT 4.13	COE413	6,894,422	1,713,192	1,669,307	0	0	43,885	0	1083
-- COE CAT 4.2	COE42	1,799,521	1,194,756	0	0	739,450	455,306	0	1083
-- COE CAT 4.3	COE43	421,919	161,627	0	0	161,627	0	0	1083
- INFORMATION ORIG/TERM	IOT	18,084	4,521	4,521	0	0	0	0	1083
- CABLE & WIRE FACILITIES	CWF	25,737,122	7,455,191	5,572,266	0	524,220	1,358,705	0	1083
-- C&WF CAT 1.1	CWF11	578,518	0	0	0	0	0	0	1083
-- C&WF CAT 1.2	CWF12	146,492	146,492	0	0	0	146,492	0	1083
-- C&WF CAT 1.3	CWF13	22,289,065	5,572,266	5,572,266	0	0	0	0	1083
-- C&WF CAT 2	CWF2	527,039	386,104	0	0	0	386,104	0	1083
-- C&WF CAT 3	CWF3	1,776,849	1,189,759	0	0	363,650	826,109	0	1083
-- C&WF CAT 4	CWF4	419,160	160,570	0	0	160,570	0	0	1083
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1083
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1083
TELCOM PLANT-OTHER	PLTOTH	1,346,449	512,523	229,474	133,667	47,971	101,410	0	1083
ACCUM DEPRECIATION	ACCDEP	30,021,739	10,934,758	5,370,411	2,357,161	1,013,337	2,193,849	0	1083
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1083
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1083
NETWORK SUPPORT EXP	NETSPX	179	68	31	18	6	13	0	1083
GENERAL SUPPORT EXP	GSFX	743,348	282,954	126,688	73,795	26,484	55,987	0	1083
COE EXPENSE	COEX	1,024,338	533,157	97,587	263,623	64,176	107,771	0	1083
IOT EXPENSE	IOTX	13,734	3,434	3,434	0	0	0	0	1083
C&WF EXPENSE	CWFX	742,817	215,169	160,825	0	15,130	39,215	0	1083
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1083
NETWORK OPERATIONS EXP	NETOPX	514,944	196,012	87,762	51,120	18,346	38,784	0	1083
DEPREC & AMORT EXP	DEPAMX	3,357,228	1,384,088	517,990	456,948	134,999	274,151	0	1083
MARKETING EXPENSE	MRKTX	39,440	10,623	4,756	2,770	994	2,102	0	1083
SERVICES EXPENSE	SERVX	880,203	319,995	48,174	82,954	29,771	48,644	110,451	1083
- CABSX EXPENSE	CABSX	257,450	128,725	0	60,789	21,816	46,119	0	1083
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1083
GENERAL & ADMIN EXP	GENADX	1,766,291	777,267	308,660	215,327	70,329	132,804	50,146	1083
OTHER TAXES (EXCL FIT & ITC)	OTAXES	9,221	5,525	2,474	1,441	517	1,093	0	1083
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1083
NON-OPERATING INC & EXP	NONOPX	16,778	7,383	3,306	1,926	691	1,461	0	1083
INTEREST & RELATED ITEMS(IRI)	INTREL	499,970	198,741	88,983	51,832	18,602	39,324	0	1083

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	381,381	117,942	49,084	28,076	7,958	32,824	0	1084
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1084
- GENERAL SUPPORT FACILITIES	GSF	7,870,714	2,826,745	1,176,400	672,910	190,736	786,699	0	1084
- CENTRAL OFFICE EQUIPMENT	COE	18,352,440	8,110,284	887,337	4,171,793	742,617	2,308,537	0	1084
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1084
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1084
-- COE CAT 3	COE3	10,597,451	4,171,793	0	4,171,793	0	0	0	1084
-- COE CAT 4.11	COE411	1,813,822	1,813,822	0	0	0	1,813,822	0	1084
-- COE CAT 4.12	COE412	78,168	0	0	0	0	0	0	1084
-- COE CAT 4.13	COE413	3,661,631	906,865	887,337	0	0	19,527	0	1084
-- COE CAT 4.2	COE42	1,612,414	1,024,180	0	0	548,991	475,188	0	1084
-- COE CAT 4.3	COE43	588,954	193,626	0	0	193,626	0	0	1084
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1084
- CABLE & WIRE FACILITIES	CWF	30,443,099	9,414,498	6,405,909	0	439,879	2,568,710	0	1084
-- C&WF CAT 1.1	CWF11	669,614	0	0	0	0	0	0	1084
-- C&WF CAT 1.2	CWF12	140,971	140,971	0	0	0	140,971	0	1084
-- C&WF CAT 1.3	CWF13	25,623,637	6,405,909	6,405,909	0	0	0	0	1084
-- C&WF CAT 2	CWF2	2,024,493	1,758,236	0	0	0	1,758,236	0	1084
-- C&WF CAT 3	CWF3	1,205,101	853,183	0	0	183,681	669,502	0	1084
-- C&WF CAT 4	CWF4	779,282	256,198	0	0	256,198	0	0	1084
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1084
- INTANGIBLES	INTANG	21,624	7,766	3,232	1,849	524	2,161	0	1084
TELCOM PLANT-OTHER	PLTOTH	319,998	114,926	47,829	27,358	7,755	31,985	0	1084
ACCUM DEPRECIATION	ACCDEP	38,828,486	13,865,724	6,173,135	2,550,933	1,004,141	4,137,515	0	1084
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1084
NET DEFERRED FIT	NTDFIT	628,479	226,614	93,028	54,833	15,461	63,292	0	1084
NETWORK SUPPORT EXP	NETSPX	515	185	77	44	12	51	0	1084
GENERAL SUPPORT EXP	GSFX	186,679	67,045	27,902	15,960	4,524	18,659	0	1084
COE EXPENSE	COEX	1,313,077	580,273	22,222	440,147	60,091	57,814	0	1084
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1084
C&WF EXPENSE	CWFX	1,336,170	413,209	281,160	0	19,307	112,743	0	1084
OTHER PROP & PL EXP	OTHPXX	21,429	7,696	3,203	1,832	519	2,142	0	1084
NETWORK OPERATIONS EXP	NETOPX	332,039	119,251	49,628	28,388	8,047	33,188	0	1084
DEPREC & AMORT EXP	DEPAMX	2,938,145	1,050,300	412,275	319,099	60,732	258,194	0	1084
MARKETING EXPENSE	MRKTX	22,099	7,622	3,172	1,814	514	2,121	0	1084
SERVICES EXPENSE	SERVX	866,459	172,471	20,874	16,774	4,755	19,289	110,779	1084
- CABSX EXPENSE	CABSX	77,808	38,903	0	15,862	4,496	18,545	0	1084
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1084
GENERAL & ADMIN EXP	GENADXX	1,572,932	648,121	231,981	219,000	42,402	106,693	48,045	1084
OTHER TAXES (EXCL FIT & ITC)	OTAXES	36,810	36,810	23,231	5,586	1,188	6,805	0	1084
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1084
NON-OPERATING INC & EXP	NONOPX	8,921	3,676	1,530	875	248	1,023	0	1084
INTEREST & RELATED ITEMS(IRI)	INTREL	214,123	77,612	32,300	18,476	5,237	21,600	0	1084

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	524,206	159,794	75,437	29,963	6,219	48,087	88	1085
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1085
- GENERAL SUPPORT FACILITIES	GSF	12,366,200	4,528,229	2,129,720	845,927	175,568	1,357,592	19,423	1085
- CENTRAL OFFICE EQUIPMENT	COE	28,618,316	13,890,868	2,494,305	5,786,474	717,787	4,892,302	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	11,408,033	5,786,474	0	5,786,474	0	0	0	1085
-- COE CAT 4.11	COE411	4,174,542	4,174,542	0	0	0	4,174,542	0	1085
-- COE CAT 4.12	COE412	278,702	0	0	0	0	0	0	1085
-- COE CAT 4.13	COE413	10,243,926	2,526,208	2,494,305	0	0	31,903	0	1085
-- COE CAT 4.2	COE42	1,743,091	1,184,547	0	0	498,689	685,858	0	1085
-- COE CAT 4.3	COE43	770,022	219,097	0	0	219,097	0	0	1085
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1085
- CABLE & WIRE FACILITIES	CWF	55,608,511	16,951,135	12,073,811	0	483,165	4,394,158	0	1085
-- C&WF CAT 1.1	CWF11	1,136,577	0	0	0	0	0	0	1085
-- C&WF CAT 1.2	CWF12	154,426	154,426	0	0	0	154,426	0	1085
-- C&WF CAT 1.3	CWF13	48,295,245	12,073,811	12,073,811	0	0	0	0	1085
-- C&WF CAT 2	CWF2	2,657,505	2,575,370	0	0	0	2,575,370	0	1085
-- C&WF CAT 3	CWF3	2,279,985	1,838,872	0	0	174,510	1,664,362	0	1085
-- C&WF CAT 4	CWF4	1,084,773	308,655	0	0	308,655	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	3,614,571	1,322,849	624,843	248,189	51,510	398,307	0	1085
ACCUM DEPRECIATION	ACCDEP	58,431,669	21,345,398	9,831,179	5,160,163	711,850	5,631,130	11,076	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	61,562	22,543	10,642	4,227	877	6,784	12	1085
GENERAL SUPPORT EXP	GSFX	658,078	240,974	113,335	45,017	9,343	72,245	1,034	1085
COE EXPENSE	COEX	1,499,587	727,875	66,329	505,999	25,451	130,096	0	1085
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1085
C&WF EXPENSE	CWFX	2,346,798	715,374	509,541	0	20,391	185,443	0	1085
OTHER PROP & PL EXP	OTHPPX	-13,738	-5,031	-2,376	-944	-196	-1,515	0	1085
NETWORK OPERATIONS EXP	NETOPX	863,859	316,326	149,416	59,348	12,317	95,245	0	1085
DEPREC & AMORT EXP	DEPAMX	6,390,146	2,481,216	998,488	615,193	102,154	764,423	958	1085
MARKETING EXPENSE	MRKTX	459,521	153,901	72,655	28,859	5,989	46,314	85	1085
SERVICES EXPENSE	SERVX	360,778	120,493	45,019	8,340	1,731	4,292	61,112	1085
- CABSX EXPENSE	CABSX	11,070	5,535	0	1,968	408	3,158	0	1085
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1085
GENERAL & ADMIN EXP	GENADX	2,138,297	894,457	411,473	236,726	27,608	196,011	22,639	1085
OTHER TAXES (EXCL FIT & ITC)	OTAXES	6,655	6,651	3,142	1,248	259	2,003	0	1085
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1085
NON-OPERATING INC & EXP	NONOPX	48,530	20,300	9,583	3,807	790	6,109	11	1085
INTEREST & RELATED ITEMS(IRI)	INTREL	431,008	158,017	74,598	29,630	6,150	47,553	87	1085

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	122,847	31,874	15,447	10,276	5,044	1,049	59	1086
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1086
- GENERAL SUPPORT FACILITIES	GSF	3,733,759	1,293,307	616,037	409,796	201,161	41,844	24,468	1086
- CENTRAL OFFICE EQUIPMENT	COE	13,048,945	6,394,616	905,172	3,872,716	1,445,370	171,358	0	1086
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1086
-- COE CAT 2	COE2	1,837,288	718,479	0	0	718,479	0	0	1086
-- COE CAT 3	COE3	5,729,387	3,872,716	0	3,872,716	0	0	0	1086
-- COE CAT 4.11	COE411	102,092	102,092	0	0	0	102,092	0	1086
-- COE CAT 4.12	COE412	243,822	0	0	0	0	0	0	1086
-- COE CAT 4.13	COE413	3,687,062	914,121	905,172	0	0	8,949	0	1086
-- COE CAT 4.2	COE42	1,449,294	787,208	0	0	726,891	60,317	0	1086
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1086
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1086
- CABLE & WIRE FACILITIES	CWF	21,568,800	5,596,345	4,916,590	0	455,670	224,085	0	1086
-- C&WF CAT 1.1	CWF11	311,907	0	0	0	0	0	0	1086
-- C&WF CAT 1.2	CWF12	48,609	48,609	0	0	0	48,609	0	1086
-- C&WF CAT 1.3	CWF13	19,666,361	4,916,590	4,916,590	0	0	0	0	1086
-- C&WF CAT 2	CWF2	432,835	64,000	0	0	0	64,000	0	1086
-- C&WF CAT 3	CWF3	1,109,088	567,146	0	0	455,670	111,476	0	1086
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	272,512	94,219	45,745	30,430	14,937	3,107	0	1086
ACCUM DEPRECIATION	ACCDEP	19,585,837	7,289,850	2,956,593	2,944,629	1,167,947	205,093	15,588	1086
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1086
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1086
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1086
GENERAL SUPPORT EXP	GSFX	98,393	34,082	16,234	10,799	5,301	1,103	645	1086
COE EXPENSE	COEX	235,188	115,254	4,850	89,066	20,419	918	0	1086
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1086
C&WF EXPENSE	CWFX	530,733	137,707	120,980	0	11,212	5,514	0	1086
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1086
NETWORK OPERATIONS EXP	NETOPX	87,601	30,343	14,732	9,800	4,811	1,001	0	1086
DEPREC & AMORT EXP	DEPAMX	2,396,858	896,862	356,722	355,279	155,400	27,676	1,785	1086
MARKETING EXPENSE	MRKTX	93,238	18,299	8,868	5,899	2,896	602	34	1086
SERVICES EXPENSE	SERVX	364,183	88,545	3,894	31,165	4,278	890	48,319	1086
- CABSX EXPENSE	CABSX	23,385	11,693	0	7,340	3,603	749	0	1086
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1086
GENERAL & ADMIN EXP	GENADX	643,672	207,858	110,767	55,939	18,649	3,823	18,680	1086
OTHER TAXES (EXCL FIT & ITC)	OTAXES	2,942	2,937	1,426	948	466	97	0	1086
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1086
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1086
INTEREST & RELATED ITEMS(IRI)	INTREL	662,085	211,493	102,493	68,180	33,468	6,962	390	1086

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	14,849	3,532	1,322	1,879	310	19	3	1087
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1087
- GENERAL SUPPORT FACILITIES	GSF	806,498	304,927	113,700	161,578	26,683	1,616	1,350	1087
- CENTRAL OFFICE EQUIPMENT	COE	1,848,808	997,846	102,292	800,983	92,312	2,259	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	942,333	800,983	0	800,983	0	0	0	1087
-- COE CAT 4.11	COE411	63,902	0	0	0	0	0	0	1087
-- COE CAT 4.12	COE412	26,729	0	0	0	0	0	0	1087
-- COE CAT 4.13	COE413	420,557	103,431	102,292	0	0	1,139	0	1087
-- COE CAT 4.2	COE42	346,535	77,926	0	0	76,806	1,120	0	1087
-- COE CAT 4.3	COE43	48,752	15,506	0	0	15,506	0	0	1087
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1087
- CABLE & WIRE FACILITIES	CWF	2,131,498	507,062	461,346	0	39,962	5,754	0	1087
-- C&WF CAT 1.1	CWF11	46,231	0	0	0	0	0	0	1087
-- C&WF CAT 1.2	CWF12	5,137	5,137	0	0	0	5,137	0	1087
-- C&WF CAT 1.3	CWF13	1,845,384	461,346	461,346	0	0	0	0	1087
-- C&WF CAT 2	CWF2	33,954	0	0	0	0	0	0	1087
-- C&WF CAT 3	CWF3	180,686	34,184	0	0	33,567	617	0	1087
-- C&WF CAT 4	CWF4	20,106	6,395	0	0	6,395	0	0	1087
- TANGIBLES	TANGIB	79,008	18,795	7,034	9,996	1,651	100	14	1087
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1087
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1087
ACCUM DEPRECIATION	ACCDEP	3,295,243	1,241,765	460,744	658,779	114,793	6,628	821	1087
ACCUM AMORTIZATION	ACCAMO	79,008	18,781	7,034	9,996	1,651	100	0	1087
NET DEFERRED FIT	NTDFIT	187,414	105,042	15,233	85,008	4,572	228	0	1087
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1087
GENERAL SUPPORT EXP	GSFX	26,319	9,951	3,710	5,273	871	53	44	1087
COE EXPENSE	COEX	69,766	37,654	2,564	32,720	2,314	57	0	1087
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1087
C&WF EXPENSE	CWFX	59,628	14,185	12,906	0	1,118	161	0	1087
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1087
NETWORK OPERATIONS EXP	NETOPX	46,127	17,440	6,532	9,282	1,533	93	0	1087
DEPREC & AMORT EXP	DEPAMX	392,874	146,670	46,378	85,526	13,977	696	93	1087
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1087
SERVICES EXPENSE	SERVX	129,189	47,584	6,089	19,706	3,154	164	18,469	1087
- CABSX EXPENSE	CABSX	24,725	12,363	0	10,520	1,737	105	0	1087
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1087
GENERAL & ADMIN EXP	GENADX	289,886	135,970	34,098	71,818	9,639	565	19,850	1087
OTHER TAXES (EXCL FIT & ITC)	OTAXES	927	348	130	185	31	2	0	1087
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1087
NON-OPERATING INC & EXP	NONOPX	450	211	79	112	19	1	0	1087
INTEREST & RELATED ITEMS(IRI)	INTREL	43,030	15,276	5,717	8,125	1,342	81	11	1087



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	23,489	6,047	3,237	627	1,053	1,112	18	1088
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1088
- GENERAL SUPPORT FACILITIES	GSF	2,479,591	789,234	408,551	79,094	132,919	140,332	28,338	1088
- CENTRAL OFFICE EQUIPMENT	COE	10,252,039	4,266,766	1,174,334	884,805	738,923	1,468,704	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	1,514,786	884,805	0	884,805	0	0	0	1088
-- COE CAT 4.11	COE411	1,423,657	1,419,660	0	0	0	1,419,660	0	1088
-- COE CAT 4.12	COE412	150,050	0	0	0	0	0	0	1088
-- COE CAT 4.13	COE413	4,860,940	1,183,645	1,174,334	0	0	9,311	0	1088
-- COE CAT 4.2	COE42	607,929	283,535	0	0	243,801	39,734	0	1088
-- COE CAT 4.3	COE43	1,694,677	495,122	0	0	495,122	0	0	1088
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1088
- CABLE & WIRE FACILITIES	CWF	16,490,631	4,245,211	3,396,040	0	748,010	101,162	0	1088
-- C&WF CAT 1.1	CWF11	446,202	0	0	0	0	0	0	1088
-- C&WF CAT 1.2	CWF12	26,926	26,926	0	0	0	26,926	0	1088
-- C&WF CAT 1.3	CWF13	13,584,159	3,396,040	3,396,040	0	0	0	0	1088
-- C&WF CAT 2	CWF2	201,487	46,671	0	0	0	46,671	0	1088
-- C&WF CAT 3	CWF3	687,960	324,505	0	0	296,940	27,565	0	1088
-- C&WF CAT 4	CWF4	1,543,897	451,070	0	0	451,070	0	0	1088
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1088
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1088
TELCOM PLANT-OTHER	PLTOTH	746,125	236,762	127,126	24,611	41,359	43,666	0	1088
ACCUM DEPRECIATION	ACCDEP	12,466,056	4,162,210	1,997,991	779,513	657,957	709,950	16,799	1088
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1088
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1088
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1088
GENERAL SUPPORT EXP	GSFX	97,179	30,931	16,012	3,100	5,209	5,500	1,111	1088
COE EXPENSE	COEX	200,722	83,538	13,145	45,680	8,271	16,441	0	1088
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1088
C&WF EXPENSE	CWFX	352,067	90,633	72,504	0	15,970	2,160	0	1088
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1088
NETWORK OPERATIONS EXP	NETOPX	63,657	20,262	10,879	2,106	3,539	3,737	0	1088
DEPREC & AMORT EXP	DEPAMX	2,129,423	755,357	315,538	164,454	118,128	154,567	2,670	1088
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1088
SERVICES EXPENSE	SERVX	365,339	136,470	41,781	13,833	11,218	1,953	67,684	1088
- CABSX EXPENSE	CABSX	6,682	3,341	0	750	1,260	1,331	0	1088
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1088
GENERAL & ADMIN EXP	GENADX	832,788	304,005	154,556	46,610	31,839	21,455	49,546	1088
OTHER TAXES (EXCL FIT & ITC)	OTAXES	16,589	1,482	796	154	259	273	0	1088
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1088
NON-OPERATING INC & EXP	NONOPX	2,285	834	447	86	145	153	3	1088
INTEREST & RELATED ITEMS(IRI)	INTREL	618,616	190,031	101,723	19,693	33,095	34,941	579	1088

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	421,876	120,908	69,001	22,777	5,007	24,123	0	1089
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1089
- GENERAL SUPPORT FACILITIES	GSF	8,090,428	2,630,101	1,500,963	495,457	108,927	524,754	0	1089
- CENTRAL OFFICE EQUIPMENT	COE	23,694,691	9,795,033	2,386,491	4,779,669	544,192	2,084,680	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	10,130,904	4,779,669	0	4,779,669	0	0	0	1089
-- COE CAT 4.11	COE411	1,676,786	1,676,786	0	0	0	1,676,786	0	1089
-- COE CAT 4.12	COE412	46,990	0	0	0	0	0	0	1089
-- COE CAT 4.13	COE413	9,769,487	2,412,577	2,386,491	0	0	26,086	0	1089
-- COE CAT 4.2	COE42	1,141,378	729,028	0	0	347,220	381,808	0	1089
-- COE CAT 4.3	COE43	929,146	196,972	0	0	196,972	0	0	1089
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1089
- CABLE & WIRE FACILITIES	CWF	54,353,667	15,577,550	12,093,301	0	506,628	2,977,621	0	1089
-- C&WF CAT 1.1	CWF11	1,000,485	0	0	0	0	0	0	1089
-- C&WF CAT 1.2	CWF12	132,188	132,188	0	0	0	132,188	0	1089
-- C&WF CAT 1.3	CWF13	48,373,205	12,093,301	12,093,301	0	0	0	0	1089
-- C&WF CAT 2	CWF2	1,281,322	1,240,564	0	0	0	1,240,564	0	1089
-- C&WF CAT 3	CWF3	2,301,658	1,843,366	0	0	238,497	1,604,868	0	1089
-- C&WF CAT 4	CWF4	1,264,808	268,130	0	0	268,130	0	0	1089
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1089
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1089
TELCOM PLANT-OTHER	PLTOTH	6,531,783	2,123,404	1,211,798	400,005	87,942	423,659	0	1089
ACCUM DEPRECIATION	ACCDEP	46,113,012	14,897,532	8,640,441	2,692,122	608,085	2,956,883	0	1089
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1089
NET DEFERRED FIT	NTDFIT	3,516,993	1,143,581	652,165	216,095	47,326	227,996	0	1089
NETWORK SUPPORT EXP	NETSPX	54,108	17,590	10,038	3,314	728	3,510	0	1089
GENERAL SUPPORT EXP	GSFX	279,327	90,806	51,822	17,106	3,761	18,117	0	1089
COE EXPENSE	COEX	1,342,492	554,966	61,178	419,050	21,297	53,441	0	1089
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1089
C&WF EXPENSE	CWFX	1,827,505	523,756	406,607	0	17,034	100,115	0	1089
OTHER PROP & PL EXP	OTHPXX	2,199	715	408	135	30	143	0	1089
NETWORK OPERATIONS EXP	NETOPX	696,897	226,553	129,291	42,678	9,383	45,201	0	1089
DEPREC & AMORT EXP	DEPAMX	6,281,748	2,202,018	999,495	688,088	93,693	420,742	0	1089
MARKETING EXPENSE	MRKTX	384,265	166,749	95,161	31,412	6,906	33,270	0	1089
SERVICES EXPENSE	SERVX	429,610	163,565	39,919	28,574	6,282	25,617	63,174	1089
- CABSX EXPENSE	CABSX	98,931	49,463	0	21,704	4,772	22,987	0	1089
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1089
GENERAL & ADMIN EXP	GENADX	2,161,889	861,881	440,054	240,712	29,041	124,032	28,043	1089
OTHER TAXES (EXCL FIT & ITC)	OTAXES	6,795	6,795	3,878	1,280	281	1,356	0	1089
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1089
NON-OPERATING INC & EXP	NONOPX	189,900	75,716	43,210	14,263	3,136	15,107	0	1089
INTEREST & RELATED ITEMS(IRI)	INTREL	195,828	64,007	36,528	12,058	2,651	12,771	0	1089

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	282,130	87,752	38,371	24,699	10,270	14,412	0	1090
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1090
- GENERAL SUPPORT FACILITIES	GSF	1,951,661	770,607	336,962	216,901	90,187	126,557	0	1090
- CENTRAL OFFICE EQUIPMENT	COE	8,231,904	4,601,030	889,990	2,705,210	407,036	598,794	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	3,182,600	2,705,210	0	2,705,210	0	0	0	1090
-- COE CAT 4.11	COE411	492,126	492,126	0	0	0	492,126	0	1090
-- COE CAT 4.12	COE412	35,736	0	0	0	0	0	0	1090
-- COE CAT 4.13	COE413	3,694,581	898,404	889,990	0	0	8,414	0	1090
-- COE CAT 4.2	COE42	368,766	280,413	0	0	182,159	98,254	0	1090
-- COE CAT 4.3	COE43	458,095	224,877	0	0	224,877	0	0	1090
- INFORMATION ORIG/TERM	IOT	8,661	2,165	2,165	0	0	0	0	1090
- CABLE & WIRE FACILITIES	CWF	16,100,791	5,007,906	3,310,477	0	717,782	979,647	0	1090
-- C&WF CAT 1.1	CWF11	469,448	0	0	0	0	0	0	1090
-- C&WF CAT 1.2	CWF12	31,297	31,297	0	0	0	31,297	0	1090
-- C&WF CAT 1.3	CWF13	13,241,908	3,310,477	3,310,477	0	0	0	0	1090
-- C&WF CAT 2	CWF2	747,646	662,720	0	0	0	662,720	0	1090
-- C&WF CAT 3	CWF3	655,455	534,589	0	0	248,959	285,630	0	1090
-- C&WF CAT 4	CWF4	955,038	468,823	0	0	468,823	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	3,543,575	1,399,168	611,812	393,820	163,749	229,787	0	1090
ACCUM DEPRECIATION	ACCDEP	16,521,847	6,644,173	2,804,992	1,991,757	767,549	1,079,875	0	1090
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1090
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1090
NETWORK SUPPORT EXP	NETSPX	1,794	708	310	199	83	116	0	1090
GENERAL SUPPORT EXP	GSFX	157,232	62,083	27,147	17,474	7,266	10,196	0	1090
COE EXPENSE	COEX	455,554	254,621	74,537	94,088	35,847	50,149	0	1090
IOT EXPENSE	IOTX	1	0	0	0	0	0	0	1090
C&WF EXPENSE	CWFX	452,717	140,811	93,083	0	20,182	27,545	0	1090
OTHER PROP & PL EXP	OTHPXX	-16,484	-6,509	-2,846	-1,832	-762	-1,069	0	1090
NETWORK OPERATIONS EXP	NETOPX	131,989	52,115	22,788	14,669	6,099	8,559	0	1090
DEPREC & AMORT EXP	DEPAMX	1,503,403	643,625	240,133	238,528	68,365	96,600	0	1090
MARKETING EXPENSE	MRKTX	35,443	10,788	4,717	3,036	1,263	1,772	0	1090
SERVICES EXPENSE	SERVX	375,102	144,499	14,556	36,483	15,169	19,246	59,045	1090
- CABSX EXPENSE	CABSX	129,461	64,731	0	32,377	13,462	18,891	0	1090
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1090
GENERAL & ADMIN EXP	GENADX	705,903	324,851	130,834	74,952	38,887	53,212	26,966	1090
OTHER TAXES (EXCL FIT & ITC)	OTAXES	6,842	3,381	1,478	952	396	555	0	1090
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1090
NON-OPERATING INC & EXP	NONOPX	11,750	5,407	2,364	1,522	633	888	0	1090
INTEREST & RELATED ITEMS(IRI)	INTREL	399,080	153,342	67,052	43,161	17,946	25,184	0	1090

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	298,145	86,289	40,339	23,614	768	21,534	34	1091
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1091
- GENERAL SUPPORT FACILITIES	GSF	5,039,103	1,945,118	907,162	531,043	17,273	484,274	5,365	1091
- CENTRAL OFFICE EQUIPMENT	COE	10,720,036	6,000,729	936,591	3,170,927	79,379	1,813,831	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	4,562,006	3,170,927	0	3,170,927	0	0	0	1091
-- COE CAT 4.11	COE411	619,277	585,970	0	0	0	585,970	0	1091
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1091
-- COE CAT 4.13	COE413	3,767,637	946,518	936,591	0	0	9,927	0	1091
-- COE CAT 4.2	COE42	1,695,978	1,278,192	0	0	60,258	1,217,934	0	1091
-- COE CAT 4.3	COE43	75,138	19,121	0	0	19,121	0	0	1091
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1091
- CABLE & WIRE FACILITIES	CWF	19,286,093	5,581,783	4,480,190	0	23,761	1,077,832	0	1091
-- C&WF CAT 1.1	CWF11	54,271	0	0	0	0	0	0	1091
-- C&WF CAT 1.2	CWF12	47,487	47,487	0	0	0	47,487	0	1091
-- C&WF CAT 1.3	CWF13	17,920,761	4,480,190	4,480,190	0	0	0	0	1091
-- C&WF CAT 2	CWF2	233,383	135,362	0	0	0	135,362	0	1091
-- C&WF CAT 3	CWF3	962,317	901,471	0	0	6,489	894,983	0	1091
-- C&WF CAT 4	CWF4	67,874	17,273	0	0	17,273	0	0	1091
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1091
- INTANGIBLES	INTANG	538,384	207,819	97,152	56,872	1,850	51,863	82	1091
TELCOM PLANT-OTHER	PLTOTH	437,797	168,925	79,001	46,246	1,504	42,173	0	1091
ACCUM DEPRECIATION	ACCDEP	24,097,706	9,896,972	4,021,934	3,326,917	90,957	2,453,936	3,228	1091
ACCUM AMORTIZATION	ACCAMO	390,672	150,741	70,497	41,268	1,342	37,634	0	1091
NET DEFERRED FIT	NTDFIT	668,247	226,826	136,752	46,140	1,187	42,747	0	1091
NETWORK SUPPORT EXP	NETSPX	49,474	19,097	8,928	5,226	170	4,766	8	1091
GENERAL SUPPORT EXP	GSFX	457,516	176,603	82,364	48,215	1,568	43,969	487	1091
COE EXPENSE	COEX	399,143	223,427	20,319	162,036	1,722	39,350	0	1091
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1091
C&WF EXPENSE	CWFX	496,043	143,565	115,232	0	611	27,722	0	1091
OTHER PROP & PL EXP	OTHPPX	27,946	10,787	5,045	2,953	96	2,693	0	1091
NETWORK OPERATIONS EXP	NETOPX	640,686	247,308	115,658	67,705	2,202	61,742	0	1091
DEPREC & AMORT EXP	DEPAMX	2,539,374	1,031,430	430,245	333,872	9,496	257,506	311	1091
MARKETING EXPENSE	MRKTX	127,729	40,186	18,786	10,997	358	10,029	16	1091
SERVICES EXPENSE	SERVX	420,328	120,101	24,868	12,491	128	10,895	71,719	1091
- CABSX EXPENSE	CABSX	14,614	7,307	0	3,758	122	3,427	0	1091
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1091
GENERAL & ADMIN EXP	GENADX	2,421,499	927,582	413,428	269,878	5,975	175,343	62,958	1091
OTHER TAXES (EXCL FIT & ITC)	OTAXES	599,639	202,969	124,037	24,956	1,704	52,170	102	1091
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1091
NON-OPERATING INC & EXP	NONOPX	190,632	73,024	34,137	19,984	650	18,224	29	1091
INTEREST & RELATED ITEMS(IRI)	INTREL	253,551	84,143	39,336	23,027	749	20,999	33	1091

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	252,690	66,822	41,415	14,933	1,373	9,101	0	1092
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1092
- GENERAL SUPPORT FACILITIES	GSF	3,576,846	1,150,839	713,258	257,188	23,650	156,743	0	1092
- CENTRAL OFFICE EQUIPMENT	COE	10,615,865	4,531,951	1,279,579	2,164,065	136,000	952,306	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	4,130,495	2,164,065	0	2,164,065	0	0	0	1092
-- COE CAT 4.11	COE411	925,089	924,544	0	0	0	924,544	0	1092
-- COE CAT 4.12	COE412	101,228	0	0	0	0	0	0	1092
-- COE CAT 4.13	COE413	5,156,834	1,305,434	1,279,579	0	0	25,855	0	1092
-- COE CAT 4.2	COE42	302,219	137,907	0	0	136,000	1,907	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	19,480,958	5,151,607	4,722,025	0	63,001	366,581	0	1092
-- C&WF CAT 1.1	CWF11	46,733	0	0	0	0	0	0	1092
-- C&WF CAT 1.2	CWF12	95,414	95,414	0	0	0	95,414	0	1092
-- C&WF CAT 1.3	CWF13	18,888,101	4,722,025	4,722,025	0	0	0	0	1092
-- C&WF CAT 2	CWF2	310,839	270,358	0	0	0	270,358	0	1092
-- C&WF CAT 3	CWF3	139,870	63,810	0	0	63,001	809	0	1092
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1092
- TANGIBLES	TANGIB	95,339	30,675	19,012	6,855	630	4,178	0	1092
- INTANGIBLES	INTANG	770	248	154	55	5	34	0	1092
TELCOM PLANT-OTHER	PLTOTH	779,214	250,710	155,383	56,028	5,152	34,146	0	1092
ACCUM DEPRECIATION	ACCDEP	19,682,508	6,585,709	3,659,009	2,048,885	115,501	762,315	0	1092
ACCUM AMORTIZATION	ACCAMO	27,240	8,764	5,432	1,959	180	1,194	0	1092
NET DEFERRED FIT	NTDFIT	1,586,600	512,394	314,078	120,105	10,264	67,947	0	1092
NETWORK SUPPORT EXP	NETSPX	81,828	26,328	16,317	5,884	541	3,586	0	1092
GENERAL SUPPORT EXP	GSFX	265,514	85,428	52,946	19,091	1,756	11,635	0	1092
COE EXPENSE	COEX	505,335	215,729	54,464	114,943	5,789	40,534	0	1092
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1092
C&WF EXPENSE	CWFX	580,970	153,634	140,822	0	1,879	10,932	0	1092
OTHER PROP & PL EXP	OTHPXX	31,558	10,154	6,293	2,269	209	1,383	0	1092
NETWORK OPERATIONS EXP	NETOPX	328,119	105,571	65,430	23,593	2,170	14,379	0	1092
DEPREC & AMORT EXP	DEPAMX	2,794,186	944,644	520,916	266,675	20,369	136,684	0	1092
MARKETING EXPENSE	MRKTX	21,216	7,485	4,639	1,673	154	1,019	0	1092
SERVICES EXPENSE	SERVX	652,045	204,695	107,932	41,034	3,372	10,038	42,319	1092
- CABSX EXPENSE	CABSX	54,960	27,480	0	16,151	1,485	9,843	0	1092
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1092
GENERAL & ADMIN EXP	GENADX	865,768	318,241	194,540	71,603	5,450	32,114	14,534	1092
OTHER TAXES (EXCL FIT & ITC)	OTAXES	314,578	100,279	67,577	14,987	2,317	15,399	0	1092
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1092
NON-OPERATING INC & EXP	NONOPX	34,062	12,521	7,760	2,798	257	1,705	0	1092
INTEREST & RELATED ITEMS(IRI)	INTREL	37,688	11,374	7,050	2,542	234	1,549	0	1092

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	187,735	49,978	28,879	10,406	3,754	6,939	0	1093
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1093
- GENERAL SUPPORT FACILITIES	GSF	2,813,134	912,675	527,367	190,033	68,555	126,720	0	1093
- CENTRAL OFFICE EQUIPMENT	COE	9,805,101	4,387,817	796,763	2,060,474	415,411	1,115,169	0	1093
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1093
-- COE CAT 2	COE2	126,756	45,845	0	0	45,845	0	0	1093
-- COE CAT 3	COE3	3,699,348	2,060,474	0	2,060,474	0	0	0	1093
-- COE CAT 4.11	COE411	635,340	635,340	0	0	0	635,340	0	1093
-- COE CAT 4.12	COE412	51,942	0	0	0	0	0	0	1093
-- COE CAT 4.13	COE413	3,207,915	803,113	796,763	0	0	6,350	0	1093
-- COE CAT 4.2	COE42	909,179	643,857	0	0	170,378	473,479	0	1093
-- COE CAT 4.3	COE43	1,174,621	199,188	0	0	199,188	0	0	1093
- INFORMATION ORIG/TERM	IOT	110,664	27,666	27,666	0	0	0	0	1093
- CABLE & WIRE FACILITIES	CWF	20,586,250	5,480,392	4,893,662	0	327,906	258,824	0	1093
-- C&WF CAT 1.1	CWF11	89,140	0	0	0	0	0	0	1093
-- C&WF CAT 1.2	CWF12	38,999	38,999	0	0	0	38,999	0	1093
-- C&WF CAT 1.3	CWF13	19,574,649	4,893,662	4,893,662	0	0	0	0	1093
-- C&WF CAT 2	CWF2	393,274	306,098	0	0	97,160	208,938	0	1093
-- C&WF CAT 3	CWF3	305,737	210,354	0	0	199,468	10,887	0	1093
-- C&WF CAT 4	CWF4	184,451	31,278	0	0	31,278	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	418,213	135,682	78,401	28,251	10,192	18,839	0	1093
ACCUM DEPRECIATION	ACCDEP	23,008,934	7,574,452	4,220,192	1,720,904	567,806	1,065,550	0	1093
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1093
NET DEFERRED FIT	NTDFIT	783,167	254,135	146,800	53,657	18,941	34,737	0	1093
NETWORK SUPPORT EXP	NETSPX	19,392	6,291	3,635	1,310	473	874	0	1093
GENERAL SUPPORT EXP	GSFX	246,890	80,099	46,283	16,678	6,017	11,121	0	1093
COE EXPENSE	COEX	707,337	316,536	17,610	260,319	13,960	24,647	0	1093
IOT EXPENSE	IOTX	224	56	56	0	0	0	0	1093
C&WF EXPENSE	CWFX	692,950	184,474	164,725	0	11,038	8,712	0	1093
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1093
NETWORK OPERATIONS EXP	NETOPX	598,742	194,252	112,244	40,446	14,591	26,971	0	1093
DEPREC & AMORT EXP	DEPAMX	2,889,089	955,486	523,319	144,744	88,611	198,811	0	1093
MARKETING EXPENSE	MRKTX	19,959	6,881	3,976	1,433	517	955	0	1093
SERVICES EXPENSE	SERVX	899,242	368,281	44,444	114,525	41,315	73,062	94,936	1093
- CABSX EXPENSE	CABSX	439,571	219,786	0	108,398	39,105	72,283	0	1093
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1093
GENERAL & ADMIN EXP	GENADX	1,378,803	543,730	201,818	194,571	39,347	65,501	42,492	1093
OTHER TAXES (EXCL FIT & ITC)	OTAXES	290,025	63,209	38,379	11,449	4,763	8,618	0	1093
INVESTMENT TAX CREDITS (ITC)	ITC	18,256	5,923	3,422	1,233	445	822	0	1093
NON-OPERATING INC & EXP	NONOPX	1,673	660	381	137	50	92	0	1093
INTEREST & RELATED ITEMS(IRI)	INTREL	204,605	63,945	36,949	13,314	4,803	8,878	0	1093

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	78,795	21,790	11,856	5,338	2,165	2,430	0	1094
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1094
- GENERAL SUPPORT FACILITIES	GSF	1,289,287	424,738	231,094	104,059	42,208	47,376	0	1094
- CENTRAL OFFICE EQUIPMENT	COE	4,916,491	2,478,775	190,580	1,707,603	408,621	171,972	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	3,005,935	1,707,603	0	1,707,603	0	0	0	1094
-- COE CAT 4.11	COE411	78,707	78,707	0	0	0	78,707	0	1094
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1094
-- COE CAT 4.13	COE413	779,597	195,497	190,580	0	0	4,917	0	1094
-- COE CAT 4.2	COE42	872,876	430,285	0	0	341,937	88,348	0	1094
-- COE CAT 4.3	COE43	179,376	66,683	0	0	66,683	0	0	1094
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1094
- CABLE & WIRE FACILITIES	CWF	16,240,553	4,491,122	3,601,642	0	284,014	605,467	0	1094
-- C&WF CAT 1.1	CWF11	233,579	0	0	0	0	0	0	1094
-- C&WF CAT 1.2	CWF12	92,929	92,929	0	0	0	92,929	0	1094
-- C&WF CAT 1.3	CWF13	14,406,566	3,601,642	3,601,642	0	0	0	0	1094
-- C&WF CAT 2	CWF2	807,881	496,064	0	0	0	496,064	0	1094
-- C&WF CAT 3	CWF3	416,222	195,142	0	0	178,669	16,474	0	1094
-- C&WF CAT 4	CWF4	283,375	105,345	0	0	105,345	0	0	1094
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1094
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1094
TELCOM PLANT-OTHER	PLTOTH	100,129	32,986	17,947	8,081	3,278	3,679	0	1094
ACCUM DEPRECIATION	ACCDEP	16,229,811	5,359,940	2,890,660	1,254,451	597,499	617,331	0	1094
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1094
NET DEFERRED FIT	NTDFIT	870,834	346,792	111,865	200,172	14,079	20,675	0	1094
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1094
GENERAL SUPPORT EXP	GSFX	1,814,606	597,797	325,253	146,458	59,406	66,680	0	1094
COE EXPENSE	COEX	568,258	286,502	6,840	258,824	14,666	6,172	0	1094
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1094
C&WF EXPENSE	CWFX	1,247,271	344,917	276,605	0	21,812	46,500	0	1094
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1094
NETWORK OPERATIONS EXP	NETOPX	536,720	176,815	96,203	43,319	17,571	19,722	0	1094
DEPREC & AMORT EXP	DEPAMX	1,558,069	547,271	251,315	171,415	65,907	58,634	0	1094
MARKETING EXPENSE	MRKTX	17,006	2,635	1,434	646	262	294	0	1094
SERVICES EXPENSE	SERVX	394,647	137,543	23,478	13,362	5,420	6,083	89,201	1094
- CABSX EXPENSE	CABSX	48,472	24,236	0	13,024	5,283	5,929	0	1094
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1094
GENERAL & ADMIN EXP	GENADX	2,428,959	868,956	423,426	252,458	65,016	79,377	48,679	1094
OTHER TAXES (EXCL FIT & ITC)	OTAXES	87,679	40,431	23,133	9,279	3,525	4,494	0	1094
INVESTMENT TAX CREDITS (ITC)	ITC	-14,275	-4,703	-2,559	-1,152	-467	-525	0	1094
NON-OPERATING INC & EXP	NONOPX	16,492	5,900	3,210	1,445	586	658	0	1094
INTEREST & RELATED ITEMS(IRI)	INTREL	1,159	366	199	90	36	41	0	1094

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	160,396	41,445	22,032	11,647	3,572	4,194	0	1095
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1095
- GENERAL SUPPORT FACILITIES	GSF	5,717,174	1,906,149	1,013,306	535,670	164,292	192,882	0	1095
- CENTRAL OFFICE EQUIPMENT	COE	5,577,239	2,496,619	533,599	1,318,300	352,601	292,120	0	1095
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1095
-- COE CAT 2	COE2	379,761	253,954	0	0	253,954	0	0	1095
-- COE CAT 3	COE3	2,359,795	1,318,300	0	1,318,300	0	0	0	1095
-- COE CAT 4.11	COE411	321,368	283,447	0	0	0	283,447	0	1095
-- COE CAT 4.12	COE412	24,170	0	0	0	0	0	0	1095
-- COE CAT 4.13	COE413	2,177,039	539,613	533,599	0	0	6,014	0	1095
-- COE CAT 4.2	COE42	315,106	101,306	0	0	98,647	2,659	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	8,492,899	2,194,472	1,960,177	0	51,727	182,568	0	1095
-- C&WF CAT 1.1	CWF11	134,561	0	0	0	0	0	0	1095
-- C&WF CAT 1.2	CWF12	22,092	22,092	0	0	0	22,092	0	1095
-- C&WF CAT 1.3	CWF13	7,840,708	1,960,177	1,960,177	0	0	0	0	1095
-- C&WF CAT 2	CWF2	269,333	77,930	0	0	0	77,930	0	1095
-- C&WF CAT 3	CWF3	226,205	134,273	0	0	51,727	82,546	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	1,153	384	204	108	33	39	0	1095
TELCOM PLANT-OTHER	PLTOTH	12,197	3,151	2,815	0	74	262	0	1095
ACCUM DEPRECIATION	ACCDEP	11,690,325	4,130,019	1,897,881	1,514,679	393,288	324,171	0	1095
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1095
NET DEFERRED FIT	NTDFIT	785,366	335,679	85,416	182,608	43,190	24,465	0	1095
NETWORK SUPPORT EXP	NETSPX	38,201	12,737	6,771	3,579	1,098	1,289	0	1095
GENERAL SUPPORT EXP	GSFX	172,353	57,464	30,548	16,149	4,953	5,815	0	1095
COE EXPENSE	COEX	254,824	114,070	20,011	66,579	16,525	10,955	0	1095
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1095
C&WF EXPENSE	CWFX	319,791	82,630	73,808	0	1,948	6,874	0	1095
OTHER PROP & PL EXP	OTHPPX	723	241	128	68	21	24	0	1095
NETWORK OPERATIONS EXP	NETOPX	19,720	6,575	3,495	1,848	567	665	0	1095
DEPREC & AMORT EXP	DEPAMX	1,306,229	458,692	214,445	159,472	43,730	41,045	0	1095
MARKETING EXPENSE	MRKTX	825	429	228	121	37	43	0	1095
SERVICES EXPENSE	SERVX	300,902	87,802	19,639	19,884	4,797	3,246	40,237	1095
- CABSX EXPENSE	CABSX	28,866	14,433	0	8,659	2,656	3,118	0	1095
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1095
GENERAL & ADMIN EXP	GENADX	1,725,727	600,396	293,455	160,232	44,333	42,804	59,571	1095
OTHER TAXES (EXCL FIT & ITC)	OTAXES	138,773	43,808	27,950	7,037	3,160	5,661	0	1095
INVESTMENT TAX CREDITS (ITC)	ITC	13,583	4,529	2,407	1,273	390	458	0	1095
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1095
INTEREST & RELATED ITEMS(IRI)	INTREL	252,828	73,515	39,080	20,659	6,336	7,439	0	1095



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	27,603	7,785	4,559	1,532	31	1,664	0	1096
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1096
- GENERAL SUPPORT FACILITIES	GSF	2,617,873	912,267	534,219	179,473	3,612	194,963	0	1096
- CENTRAL OFFICE EQUIPMENT	COE	9,443,380	4,285,348	1,492,824	1,674,319	16,039	1,102,166	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	2,191,890	1,648,602	0	1,648,602	0	0	0	1096
-- COE CAT 4.11	COE411	876,333	876,333	0	0	0	876,333	0	1096
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1096
-- COE CAT 4.13	COE413	6,049,759	1,536,959	1,492,824	0	0	44,135	0	1096
-- COE CAT 4.2	COE42	296,503	197,737	0	0	16,039	181,698	0	1096
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1096
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1096
- CABLE & WIRE FACILITIES	CWF	15,354,108	4,330,279	3,567,501	0	18,178	744,600	0	1096
-- C&WF CAT 1.1	CWF11	82,034	0	0	0	0	0	0	1096
-- C&WF CAT 1.2	CWF12	105,472	105,472	0	0	0	105,472	0	1096
-- C&WF CAT 1.3	CWF13	14,270,004	3,567,501	3,567,501	0	0	0	0	1096
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1096
-- C&WF CAT 3	CWF3	896,598	657,305	0	0	18,178	639,128	0	1096
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1096
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1096
- INTANGIBLES	INTANG	1,104	385	225	76	2	82	0	1096
TELCOM PLANT-OTHER	PLTOTH	10,001,198	3,485,183	2,040,905	685,650	13,800	744,828	0	1096
ACCUM DEPRECIATION	ACCDEP	15,444,799	5,389,573	3,148,587	1,066,630	21,332	1,153,023	0	1096
ACCUM AMORTIZATION	ACCAMO	197,879	68,956	40,380	13,566	273	14,737	0	1096
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1096
NETWORK SUPPORT EXP	NETSPX	7,297	2,543	1,489	500	10	543	0	1096
GENERAL SUPPORT EXP	GSFX	190,988	66,555	38,974	13,094	264	14,224	0	1096
COE EXPENSE	COEX	1,378,211	629,177	196,255	285,916	2,109	144,897	0	1096
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1096
C&WF EXPENSE	CWFX	596,701	168,286	138,642	0	706	28,937	0	1096
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1096
NETWORK OPERATIONS EXP	NETOPX	66,717	23,249	13,615	4,574	92	4,969	0	1096
DEPREC & AMORT EXP	DEPAMX	1,934,129	870,570	299,650	449,595	2,131	119,195	0	1096
MARKETING EXPENSE	MRKTX	270,610	52,618	30,813	10,352	208	11,245	0	1096
SERVICES EXPENSE	SERVX	664,718	276,741	84,295	75,000	1,418	72,309	43,719	1096
- CABSX EXPENSE	CABSX	195,992	97,996	0	46,522	936	50,537	0	1096
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1096
GENERAL & ADMIN EXP	GENADX	1,369,318	587,386	251,974	182,665	2,255	129,985	20,507	1096
OTHER TAXES (EXCL FIT & ITC)	OTAXES	684,105	239,481	140,239	47,114	948	51,180	0	1096
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1096
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1096
INTEREST & RELATED ITEMS(IRI)	INTREL	406	141	83	28	1	30	0	1096

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	24,463	12,568	1,821	3,037	1,189	6,522	0	1097
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1097
- GENERAL SUPPORT FACILITIES	GSF	1,761,478	1,139,026	165,014	275,257	107,713	591,042	0	1097
- CENTRAL OFFICE EQUIPMENT	COE	3,482,085	2,657,987	141,172	1,027,122	319,210	1,170,484	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	1,208,379	998,252	0	998,252	0	0	0	1097
-- COE CAT 4.11	COE411	361,169	361,169	0	0	0	361,169	0	1097
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1097
-- COE CAT 4.13	COE413	586,644	143,367	141,172	0	0	2,196	0	1097
-- COE CAT 4.2	COE42	1,291,390	1,126,329	0	0	319,210	807,119	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	3,275,634	1,682,892	491,887	0	94,018	1,096,987	0	1097
-- C&WF CAT 1.1	CWF11	68,858	0	0	0	0	0	0	1097
-- C&WF CAT 1.2	CWF12	7,651	7,651	0	0	0	7,651	0	1097
-- C&WF CAT 1.3	CWF13	1,967,549	491,887	491,887	0	0	0	0	1097
-- C&WF CAT 2	CWF2	852,389	852,389	0	0	0	852,389	0	1097
-- C&WF CAT 3	CWF3	379,187	330,965	0	0	94,018	236,947	0	1097
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1097
- TANGIBLES	TANGIB	156,405	101,136	14,652	24,441	9,564	52,480	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	5,940,384	4,010,798	481,740	1,291,981	364,643	1,872,434	0	1097
ACCUM AMORTIZATION	ACCAMO	112,510	72,752	10,540	17,581	6,880	37,751	0	1097
NET DEFERRED FIT	NTDFIT	56,049	36,855	4,972	10,612	3,300	17,970	0	1097
NETWORK SUPPORT EXP	NETSPX	1,260	815	118	197	77	423	0	1097
GENERAL SUPPORT EXP	GSFX	559,655	361,890	52,428	87,454	34,222	187,785	0	1097
COE EXPENSE	COEX	737,617	569,162	9,553	458,799	21,602	79,209	0	1097
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1097
C&WF EXPENSE	CWFX	736,179	378,220	110,549	0	21,130	246,541	0	1097
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1097
NETWORK OPERATIONS EXP	NETOPX	877,471	567,736	82,249	137,197	53,690	294,600	0	1097
DEPREC & AMORT EXP	DEPAMX	572,312	391,036	45,495	65,278	52,002	228,261	0	1097
MARKETING EXPENSE	MRKTX	83,559	47,365	6,862	11,446	4,479	24,578	0	1097
SERVICES EXPENSE	SERVX	207,401	93,736	27,872	29,744	11,861	24,093	167	1097
- CABSX EXPENSE	CABSX	78,288	39,144	0	11,062	4,329	23,753	0	1097
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1097
GENERAL & ADMIN EXP	GENADX	803,352	549,155	84,059	194,946	39,552	230,553	45	1097
OTHER TAXES (EXCL FIT & ITC)	OTAXES	114,687	74,888	11,875	14,759	7,234	41,019	0	1097
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1097
NON-OPERATING INC & EXP	NONOPX	18,352	12,545	1,817	3,032	1,186	6,510	0	1097
INTEREST & RELATED ITEMS(IRI)	INTREL	125,964	73,101	10,590	17,665	6,913	37,932	0	1097

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	11,402	6,882	727	1,338	1,397	3,420	0	1098
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1098
- GENERAL SUPPORT FACILITIES	GSF	525,706	332,366	35,121	64,596	67,487	165,163	0	1098
- CENTRAL OFFICE EQUIPMENT	COE	582,749	423,568	24,481	308,179	24,794	66,114	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	362,564	308,179	0	308,179	0	0	0	1098
-- COE CAT 4.11	COE411	2,355	1,178	0	0	0	1,178	0	1098
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1098
-- COE CAT 4.13	COE413	98,224	24,781	24,481	0	0	300	0	1098
-- COE CAT 4.2	COE42	113,715	86,643	0	0	22,008	64,636	0	1098
-- COE CAT 4.3	COE43	5,891	2,786	0	0	2,786	0	0	1098
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1098
- CABLE & WIRE FACILITIES	CWF	1,925,343	1,162,118	143,077	0	297,179	721,862	0	1098
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1098
-- C&WF CAT 1.2	CWF12	1,756	1,756	0	0	0	1,756	0	1098
-- C&WF CAT 1.3	CWF13	572,307	143,077	143,077	0	0	0	0	1098
-- C&WF CAT 2	CWF2	720,767	719,126	0	0	0	719,126	0	1098
-- C&WF CAT 3	CWF3	101,895	48,155	0	0	47,174	981	0	1098
-- C&WF CAT 4	CWF4	528,618	250,005	0	0	250,005	0	0	1098
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1098
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1098
TELCOM PLANT-OTHER	PLTOTH	100,282	63,401	6,700	12,322	12,874	31,506	0	1098
ACCUM DEPRECIATION	ACCDEP	952,453	602,772	64,395	139,274	115,164	283,939	0	1098
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1098
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1098
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1098
GENERAL SUPPORT EXP	GSFX	32,683	20,663	2,183	4,016	4,196	10,268	0	1098
COE EXPENSE	COEX	119,680	86,989	3,524	70,378	3,569	9,517	0	1098
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1098
C&WF EXPENSE	CWFX	41,751	25,200	3,103	0	6,444	15,654	0	1098
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1098
NETWORK OPERATIONS EXP	NETOPX	16,283	11,925	1,254	3,030	1,713	5,928	0	1098
DEPREC & AMORT EXP	DEPAMX	144,184	95,762	8,439	37,762	14,236	35,324	0	1098
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1098
SERVICES EXPENSE	SERVX	55,225	23,984	3,358	7,005	3,537	8,305	1,778	1098
- CABSX EXPENSE	CABSX	28,024	14,012	0	3,045	3,181	7,786	0	1098
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1098
GENERAL & ADMIN EXP	GENADX	274,226	200,147	26,388	94,440	21,767	55,563	1,989	1098
OTHER TAXES (EXCL FIT & ITC)	OTAXES	60,350	38,954	4,106	7,249	8,015	19,584	0	1098
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1098
NON-OPERATING INC & EXP	NONOPX	2,774	2,025	214	394	411	1,006	0	1098
INTEREST & RELATED ITEMS(IRI)	INTREL	55,011	34,764	3,674	6,756	7,059	17,275	0	1098

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	22,368	8,782	2,387	1,990	1,120	3,284	0	1099
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1099
- GENERAL SUPPORT FACILITIES	GSF	1,906,264	948,714	261,154	205,586	122,594	359,381	0	1099
- CENTRAL OFFICE EQUIPMENT	COE	2,444,665	1,678,338	116,310	739,383	301,775	520,870	0	1099
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1099
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1099
-- COE CAT 3	COE3	873,606	683,315	0	683,315	0	0	0	1099
-- COE CAT 4.11	COE411	29,748	29,748	0	0	0	29,748	0	1099
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1099
-- COE CAT 4.13	COE413	492,939	119,023	116,310	0	0	2,713	0	1099
-- COE CAT 4.2	COE42	844,855	692,900	0	0	204,491	488,409	0	1099
-- COE CAT 4.3	COE43	203,516	97,284	0	0	97,284	0	0	1099
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1099
- CABLE & WIRE FACILITIES	CWF	4,411,161	1,733,687	822,922	0	139,130	771,635	0	1099
-- C&WF CAT 1.1	CWF11	72,773	0	0	0	0	0	0	1099
-- C&WF CAT 1.2	CWF12	18,616	18,616	0	0	0	18,616	0	1099
-- C&WF CAT 1.3	CWF13	3,291,687	822,922	822,922	0	0	0	0	1099
-- C&WF CAT 2	CWF2	744,979	744,979	0	0	0	744,979	0	1099
-- C&WF CAT 3	CWF3	199,649	107,276	0	0	99,236	8,040	0	1099
-- C&WF CAT 4	CWF4	83,457	39,894	0	0	39,894	0	0	1099
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1099
- INTANGIBLES	INTANG	312	155	42	35	20	58	0	1099
TELCOM PLANT-OTHER	PLTOTH	89,933	44,759	12,164	10,144	5,710	16,740	0	1099
ACCUM DEPRECIATION	ACCDEP	5,379,863	2,875,138	650,523	879,631	364,083	980,900	0	1099
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1099
NET DEFERRED FIT	NTDFIT	98,119	47,237	14,329	10,722	4,995	17,191	0	1099
NETWORK SUPPORT EXP	NETSPX	-441	-220	-60	-50	-28	-82	0	1099
GENERAL SUPPORT EXP	GSFX	129,341	64,371	17,719	13,949	8,318	24,384	0	1099
COE EXPENSE	COEX	213,515	146,739	5,159	105,088	13,386	23,105	0	1099
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1099
C&WF EXPENSE	CWFX	113,810	44,730	21,232	0	3,590	19,909	0	1099
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1099
NETWORK OPERATIONS EXP	NETOPX	144,428	71,879	19,786	15,576	9,288	27,229	0	1099
DEPREC & AMORT EXP	DEPAMX	481,565	298,237	43,149	178,539	19,001	57,548	0	1099
MARKETING EXPENSE	MRKTX	4,958	2,575	700	584	329	963	0	1099
SERVICES EXPENSE	SERVX	282,749	82,779	21,731	3,398	1,336	3,958	52,355	1099
- CABSX EXPENSE	CABSX	13,008	6,504	0	2,046	1,134	3,324	0	1099
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1099
GENERAL & ADMIN EXP	GENADX	694,706	424,939	88,794	142,601	37,279	102,377	53,888	1099
OTHER TAXES (EXCL FIT & ITC)	OTAXES	126,905	65,015	18,921	12,530	8,331	25,233	0	1099
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1099
NON-OPERATING INC & EXP	NONOPX	7,531	4,605	1,252	1,044	587	1,722	0	1099
INTEREST & RELATED ITEMS(IRI)	INTREL	269,456	118,349	32,164	26,823	15,099	44,262	0	1099

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	135,012	34,599	24,102	6,745	720	3,033	0	1100
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1100
- GENERAL SUPPORT FACILITIES	GSF	3,449,322	1,065,975	742,561	207,802	22,173	93,439	0	1100
- CENTRAL OFFICE EQUIPMENT	COE	7,967,836	3,248,844	1,298,361	1,381,391	92,126	476,966	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	1,967,899	1,355,996	0	1,355,996	0	0	0	1100
-- COE CAT 4.11	COE411	288,380	288,380	0	0	0	288,380	0	1100
-- COE CAT 4.12	COE412	38,484	0	0	0	0	0	0	1100
-- COE CAT 4.13	COE413	5,270,270	1,322,506	1,298,361	0	0	24,145	0	1100
-- COE CAT 4.2	COE42	375,958	256,567	0	0	92,126	164,441	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	15,383,480	3,942,231	3,728,647	0	57,982	155,602	0	1100
-- C&WF CAT 1.1	CWF11	151,289	0	0	0	0	0	0	1100
-- C&WF CAT 1.2	CWF12	69,341	69,341	0	0	0	69,341	0	1100
-- C&WF CAT 1.3	CWF13	14,914,587	3,728,647	3,728,647	0	0	0	0	1100
-- C&WF CAT 2	CWF2	28,863	0	0	0	0	0	0	1100
-- C&WF CAT 3	CWF3	219,400	144,243	0	0	57,982	86,261	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	771	238	166	46	5	21	0	1100
TELCOM PLANT-OTHER	PLTOTH	151,014	46,669	32,510	9,098	971	4,091	0	1100
ACCUM DEPRECIATION	ACCDEP	15,305,865	4,967,262	3,173,298	1,191,469	110,522	491,972	0	1100
ACCUM AMORTIZATION	ACCAMO	51,851	16,024	11,162	3,124	333	1,405	0	1100
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1100
NETWORK SUPPORT EXP	NETSPX	54,981	16,991	11,836	3,312	353	1,489	0	1100
GENERAL SUPPORT EXP	GSFX	136,466	42,173	29,378	8,221	877	3,697	0	1100
COE EXPENSE	COEX	489,755	201,256	65,080	107,650	4,618	23,908	0	1100
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1100
C&WF EXPENSE	CWFX	325,661	83,455	78,934	0	1,227	3,294	0	1100
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1100
NETWORK OPERATIONS EXP	NETOPX	199,425	61,630	42,932	12,014	1,282	5,402	0	1100
DEPREC & AMORT EXP	DEPAMX	2,291,878	764,842	465,001	191,873	19,057	88,910	0	1100
MARKETING EXPENSE	MRKTX	11,105	5,275	3,674	1,028	110	462	0	1100
SERVICES EXPENSE	SERVX	264,144	114,507	30,769	49,240	1,558	4,940	28,000	1100
- CABSX EXPENSE	CABSX	23,143	11,572	0	7,435	793	3,343	0	1100
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1100
GENERAL & ADMIN EXP	GENADX	1,600,779	621,043	330,257	200,879	11,098	47,814	30,995	1100
OTHER TAXES (EXCL FIT & ITC)	OTAXES	569,431	176,375	122,863	34,383	3,669	15,460	0	1100
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1100
NON-OPERATING INC & EXP	NONOPX	61,856	23,998	16,717	4,678	499	2,104	0	1100
INTEREST & RELATED ITEMS(IRI)	INTREL	299,355	86,278	60,102	16,819	1,795	7,563	0	1100

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	10,801	2,786	989	1,750	47	0	0	1101
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1101
- GENERAL SUPPORT FACILITIES	GSF	278,153	126,858	45,014	79,706	2,138	0	0	1101
- CENTRAL OFFICE EQUIPMENT	COE	602,723	345,070	69,363	274,210	1,497	0	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	322,600	274,210	0	274,210	0	0	0	1101
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1101
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1101
-- COE CAT 4.13	COE413	277,452	69,363	69,363	0	0	0	0	1101
-- COE CAT 4.2	COE42	2,671	1,497	0	0	1,497	0	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	354,202	91,357	85,498	0	5,858	0	0	1101
-- C&WF CAT 1.1	CWF11	1,767	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	341,994	85,498	85,498	0	0	0	0	1101
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1101
-- C&WF CAT 3	CWF3	10,441	5,858	0	0	5,858	0	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	325,243	148,334	52,635	93,199	2,500	0	0	1101
ACCUM DEPRECIATION	ACCDEP	662,977	333,654	94,192	234,316	5,147	0	0	1101
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1101
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1101
NETWORK SUPPORT EXP	NETSPX	626	286	101	179	5	0	0	1101
GENERAL SUPPORT EXP	GSFX	20,813	9,492	3,368	5,964	160	0	0	1101
COE EXPENSE	COEX	59,194	33,890	19,522	13,947	421	0	0	1101
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1101
C&WF EXPENSE	CWFX	37,327	9,627	9,010	0	617	0	0	1101
OTHER PROP & PL EXP	OTHPPX	6,414	2,925	1,038	1,838	49	0	0	1101
NETWORK OPERATIONS EXP	NETOPX	58,785	27,029	9,591	16,983	456	0	0	1101
DEPREC & AMORT EXP	DEPAMX	10,082	2,765	2,374	250	141	0	0	1101
MARKETING EXPENSE	MRKTX	3,955	1,261	447	792	21	0	0	1101
SERVICES EXPENSE	SERVX	86,683	34,280	8,621	22,238	581	1,340	1,501	1101
- CABSX EXPENSE	CABSX	39,024	19,512	0	19,002	510	0	0	1101
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1101
GENERAL & ADMIN EXP	GENADX	141,670	88,537	38,532	46,166	1,722	999	1,118	1101
OTHER TAXES (EXCL FIT & ITC)	OTAXES	39,308	17,913	6,653	10,952	308	0	0	1101
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1101
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1101
INTEREST & RELATED ITEMS(IRI)	INTREL	15,484	6,492	2,304	4,079	109	0	0	1101

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	16,678	4,421	2,374	1,037	158	851	0	1102
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1102
- GENERAL SUPPORT FACILITIES	GSF	985,583	331,600	178,093	77,788	11,877	63,842	0	1102
- CENTRAL OFFICE EQUIPMENT	COE	1,780,336	853,907	125,796	422,361	30,280	275,471	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	923,243	422,361	0	422,361	0	0	0	1102
-- COE CAT 4.11	COE411	269,120	266,662	0	0	0	266,662	0	1102
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1102
-- COE CAT 4.13	COE413	513,008	130,006	125,796	0	0	4,211	0	1102
-- COE CAT 4.2	COE42	74,331	34,879	0	0	30,280	4,599	0	1102
-- COE CAT 4.3	COE43	634	0	0	0	0	0	0	1102
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1102
- CABLE & WIRE FACILITIES	CWF	3,571,032	946,564	841,187	0	34,207	71,170	0	1102
-- C&WF CAT 1.1	CWF11	37,543	0	0	0	0	0	0	1102
-- C&WF CAT 1.2	CWF12	28,157	28,157	0	0	0	28,157	0	1102
-- C&WF CAT 1.3	CWF13	3,364,747	841,187	841,187	0	0	0	0	1102
-- C&WF CAT 2	CWF2	56,610	37,740	0	0	0	37,740	0	1102
-- C&WF CAT 3	CWF3	83,976	39,481	0	0	34,207	5,273	0	1102
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	0	0	0	0	0	0	0	1102
ACCUM DEPRECIATION	ACCDEP	3,353,313	1,159,035	592,555	269,992	43,383	253,105	0	1102
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1102
NET DEFERRED FIT	NTDFIT	222,928	90,571	25,402	42,949	2,685	19,535	0	1102
NETWORK SUPPORT EXP	NETSPX	19,663	6,616	3,553	1,552	237	1,274	0	1102
GENERAL SUPPORT EXP	GSFX	86,859	29,224	15,695	6,855	1,047	5,626	0	1102
COE EXPENSE	COEX	102,894	49,351	4,547	33,753	1,095	9,957	0	1102
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1102
C&WF EXPENSE	CWFX	122,263	32,408	28,800	0	1,171	2,437	0	1102
OTHER PROP & PL EXP	OTHPXX	5,599	1,884	1,012	442	67	363	0	1102
NETWORK OPERATIONS EXP	NETOPX	37,711	12,688	6,814	2,976	454	2,443	0	1102
DEPREC & AMORT EXP	DEPAMX	514,625	197,253	83,318	42,562	8,676	62,697	0	1102
MARKETING EXPENSE	MRKTX	19,885	5,139	2,760	1,205	184	989	0	1102
SERVICES EXPENSE	SERVX	167,451	32,669	1,926	7,290	918	4,690	17,847	1102
- CABSX EXPENSE	CABSX	22,049	11,024	0	5,587	853	4,585	0	1102
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1102
GENERAL & ADMIN EXP	GENADX	535,285	188,578	83,925	53,961	5,162	27,721	17,809	1102
OTHER TAXES (EXCL FIT & ITC)	OTAXES	115,060	39,519	21,925	9,009	1,398	7,186	0	1102
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1102
NON-OPERATING INC & EXP	NONOPX	7,343	2,587	1,389	607	93	498	0	1102
INTEREST & RELATED ITEMS(IRI)	INTREL	145,073	46,325	24,880	10,867	1,659	8,919	0	1102

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	45,027	14,567	5,791	4,427	1,052	3,297	0	1103
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1103
- GENERAL SUPPORT FACILITIES	GSF	845,677	340,866	135,517	103,589	24,606	77,154	0	1103
- CENTRAL OFFICE EQUIPMENT	COE	2,984,971	1,806,932	187,497	1,295,212	134,312	189,911	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	1,684,375	1,295,212	0	1,295,212	0	0	0	1103
-- COE CAT 4.11	COE411	78,096	78,096	0	0	0	78,096	0	1103
-- COE CAT 4.12	COE412	2,597	0	0	0	0	0	0	1103
-- COE CAT 4.13	COE413	797,928	191,430	187,497	0	0	3,933	0	1103
-- COE CAT 4.2	COE42	421,975	242,194	0	0	134,312	107,882	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	7,588,822	2,455,035	1,506,916	0	173,344	774,775	0	1103
-- C&WF CAT 1.1	CWF11	353,683	0	0	0	0	0	0	1103
-- C&WF CAT 1.2	CWF12	31,606	31,606	0	0	0	31,606	0	1103
-- C&WF CAT 1.3	CWF13	6,027,666	1,506,916	1,506,916	0	0	0	0	1103
-- C&WF CAT 2	CWF2	762,085	729,657	0	0	0	729,657	0	1103
-- C&WF CAT 3	CWF3	413,782	186,856	0	0	173,344	13,512	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	0	0	0	0	0	0	0	1103
TELCOM PLANT-OTHER	PLTOTH	108,105	43,574	17,323	13,242	3,145	9,863	0	1103
ACCUM DEPRECIATION	ACCDEP	6,848,778	3,070,292	958,059	1,366,634	188,271	557,328	0	1103
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1103
NET DEFERRED FIT	NTDFIT	453,860	149,703	88,012	656	13,218	47,817	0	1103
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1103
GENERAL SUPPORT EXP	GSFX	592,448	238,797	94,938	72,571	17,238	54,051	0	1103
COE EXPENSE	COEX	406,659	246,168	19,492	192,969	13,963	19,743	0	1103
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1103
C&WF EXPENSE	CWFX	657,015	212,549	130,464	0	15,008	67,077	0	1103
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1103
NETWORK OPERATIONS EXP	NETOPX	311,485	125,550	49,914	38,155	9,063	28,418	0	1103
DEPREC & AMORT EXP	DEPAMX	529,400	178,514	100,321	4,353	17,400	56,440	0	1103
MARKETING EXPENSE	MRKTX	10,818	3,367	1,339	1,023	243	762	0	1103
SERVICES EXPENSE	SERVX	298,345	79,160	16,013	11,275	2,678	8,398	40,795	1103
- CABSX EXPENSE	CABSX	38,326	19,162	0	9,666	2,296	7,200	0	1103
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1103
GENERAL & ADMIN EXP	GENADX	1,153,930	469,666	172,922	158,012	29,099	89,233	20,400	1103
OTHER TAXES (EXCL FIT & ITC)	OTAXES	235,243	101,905	42,559	27,573	7,626	24,146	0	1103
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1103
NON-OPERATING INC & EXP	NONOPX	2,803	1,141	454	347	82	258	0	1103
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1103



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	240,064	84,781	30,314	20,911	4,212	29,344	0	1104
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1104
- GENERAL SUPPORT FACILITIES	GSF	1,862,866	830,993	299,355	200,260	41,594	289,784	0	1104
- CENTRAL OFFICE EQUIPMENT	COE	4,727,784	3,019,115	349,380	1,561,182	151,142	957,411	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	1,887,943	1,506,246	0	1,506,246	0	0	0	1104
-- COE CAT 4.11	COE411	42,522	41,420	0	0	0	41,420	0	1104
-- COE CAT 4.12	COE412	36,115	0	0	0	0	0	0	1104
-- COE CAT 4.13	COE413	1,416,148	359,184	349,380	0	0	9,804	0	1104
-- COE CAT 4.2	COE42	1,203,595	1,020,893	0	0	114,705	906,188	0	1104
-- COE CAT 4.3	COE43	141,461	36,437	0	0	36,437	0	0	1104
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1104
- CABLE & WIRE FACILITIES	CWF	9,794,675	3,459,104	1,984,317	0	173,111	1,301,676	0	1104
-- C&WF CAT 1.1	CWF11	50,113	0	0	0	0	0	0	1104
-- C&WF CAT 1.2	CWF12	55,681	55,681	0	0	0	55,681	0	1104
-- C&WF CAT 1.3	CWF13	7,937,269	1,984,317	1,984,317	0	0	0	0	1104
-- C&WF CAT 2	CWF2	1,254,757	1,222,237	0	0	0	1,222,237	0	1104
-- C&WF CAT 3	CWF3	355,770	160,528	0	0	136,770	23,758	0	1104
-- C&WF CAT 4	CWF4	141,087	36,341	0	0	36,341	0	0	1104
- TANGIBLES	TANGIB	168,470	75,152	27,072	18,111	3,762	26,207	0	1104
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1104
TELCOM PLANT-OTHER	PLTOTH	403,875	180,162	64,422	44,427	8,951	62,362	0	1104
ACCUM DEPRECIATION	ACCDEP	10,521,616	5,020,058	1,557,252	1,855,775	199,768	1,407,264	0	1104
ACCUM AMORTIZATION	ACCAMO	31,348	13,984	5,038	3,370	700	4,876	0	1104
NET DEFERRED FIT	NTDFIT	1,038,547	456,045	170,537	113,839	21,263	150,406	0	1104
NETWORK SUPPORT EXP	NETSPX	8,144	3,633	1,299	896	180	1,257	0	1104
GENERAL SUPPORT EXP	GSFX	143,626	64,069	23,080	15,440	3,207	22,342	0	1104
COE EXPENSE	COEX	564,288	360,349	18,680	282,397	8,081	51,190	0	1104
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1104
C&WF EXPENSE	CWFX	194,684	68,755	39,441	0	3,441	25,873	0	1104
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1104
NETWORK OPERATIONS EXP	NETOPX	259,933	115,952	41,770	27,943	5,804	40,435	0	1104
DEPREC & AMORT EXP	DEPAMX	1,286,974	665,801	167,631	299,291	25,184	173,694	0	1104
MARKETING EXPENSE	MRKTX	84,991	32,060	11,463	7,908	1,593	11,097	0	1104
SERVICES EXPENSE	SERVX	380,588	70,085	19,664	5,935	992	6,909	36,586	1104
- CABSX EXPENSE	CABSX	25,685	12,843	0	4,942	992	6,909	0	1104
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1104
GENERAL & ADMIN EXP	GENADX	1,216,815	664,938	168,021	302,428	20,691	141,305	32,493	1104
OTHER TAXES (EXCL FIT & ITC)	OTAXES	443,920	199,876	74,053	42,344	10,503	72,976	0	1104
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1104
NON-OPERATING INC & EXP	NONOPX	113,147	61,830	22,107	15,250	3,072	21,401	0	1104
INTEREST & RELATED ITEMS(IRI)	INTREL	193,455	74,509	26,641	18,378	3,702	25,789	0	1104

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

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<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	82,685	21,660	14,222	3,913	2,812	712	0	1105
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1105
- GENERAL SUPPORT FACILITIES	GSF	1,564,083	495,498	325,352	89,525	64,337	16,283	0	1105
- CENTRAL OFFICE EQUIPMENT	COE	5,047,144	2,177,655	749,206	892,907	522,389	13,152	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	1,273,668	892,907	0	892,907	0	0	0	1105
-- COE CAT 4.11	COE411	380,380	380,380	0	0	380,380	0	0	1105
-- COE CAT 4.12	COE412	23,774	0	0	0	0	0	0	1105
-- COE CAT 4.13	COE413	3,026,358	760,087	749,206	0	0	10,881	0	1105
-- COE CAT 4.2	COE42	342,964	144,281	0	0	142,009	2,271	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	10,552,687	2,764,336	2,495,785	0	119,296	149,255	0	1105
-- C&WF CAT 1.1	CWF11	62,136	0	0	0	0	0	0	1105
-- C&WF CAT 1.2	CWF12	36,246	36,246	0	0	0	36,246	0	1105
-- C&WF CAT 1.3	CWF13	9,983,138	2,495,785	2,495,785	0	0	0	0	1105
-- C&WF CAT 2	CWF2	32,209	0	0	0	0	0	0	1105
-- C&WF CAT 3	CWF3	438,958	232,305	0	0	119,296	113,010	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	351,361	111,310	73,088	20,111	14,453	3,658	0	1105
ACCUM DEPRECIATION	ACCDEP	8,022,267	2,616,421	1,632,467	459,891	450,678	73,385	0	1105
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1105
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1105
NETWORK SUPPORT EXP	NETSPX	6,027	1,909	1,254	345	248	63	0	1105
GENERAL SUPPORT EXP	GSFX	84,685	26,828	17,616	4,847	3,483	882	0	1105
COE EXPENSE	COEX	313,677	135,340	30,465	83,099	21,242	535	0	1105
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1105
C&WF EXPENSE	CWFX	254,785	66,742	60,258	0	2,880	3,604	0	1105
OTHER PROP & PL EXP	OTHPPX	574	182	119	33	24	6	0	1105
NETWORK OPERATIONS EXP	NETOPX	87,533	27,730	18,208	5,010	3,601	911	0	1105
DEPREC & AMORT EXP	DEPAMX	1,403,404	487,984	269,513	121,949	85,103	11,420	0	1105
MARKETING EXPENSE	MRKTX	125,639	52,736	34,628	9,528	6,847	1,733	0	1105
SERVICES EXPENSE	SERVX	185,166	77,400	29,566	12,142	8,634	1,639	25,420	1105
- CABSX EXPENSE	CABSX	18,950	9,475	0	4,985	3,583	907	0	1105
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1105
GENERAL & ADMIN EXP	GENADX	810,076	356,899	186,280	99,728	40,721	8,127	22,043	1105
OTHER TAXES (EXCL FIT & ITC)	OTAXES	207,223	66,200	43,468	11,961	8,596	2,176	0	1105
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1105
NON-OPERATING INC & EXP	NONOPX	2,530	1,115	732	201	145	37	0	1105
INTEREST & RELATED ITEMS(IRI)	INTREL	5,558	1,715	1,126	310	223	56	0	1105

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	1,285,773	332,310	207,966	51,240	11,914	61,190	0	1106
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1106
- GENERAL SUPPORT FACILITIES	GSF	17,847,698	5,899,091	3,691,769	909,600	211,489	1,086,234	0	1106
- CENTRAL OFFICE EQUIPMENT	COE	30,762,902	13,518,490	4,902,621	3,937,134	541,926	4,136,808	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	5,779,704	3,937,134	0	3,937,134	0	0	0	1106
-- COE CAT 4.11	COE411	4,051,177	4,051,177	0	0	0	4,051,177	0	1106
-- COE CAT 4.12	COE412	44	0	0	0	0	0	0	1106
-- COE CAT 4.13	COE413	20,056,092	4,981,590	4,902,621	0	0	78,968	0	1106
-- COE CAT 4.2	COE42	875,885	548,589	0	0	541,926	6,663	0	1106
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1106
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1106
- CABLE & WIRE FACILITIES	CWF	46,489,481	12,015,270	11,076,914	0	373,486	564,870	0	1106
-- C&WF CAT 1.1	CWF11	828,379	0	0	0	0	0	0	1106
-- C&WF CAT 1.2	CWF12	178,420	178,420	0	0	0	178,420	0	1106
-- C&WF CAT 1.3	CWF13	44,307,656	11,076,914	11,076,914	0	0	0	0	1106
-- C&WF CAT 2	CWF2	343,845	329,033	0	0	0	329,033	0	1106
-- C&WF CAT 3	CWF3	831,181	430,903	0	0	373,486	57,418	0	1106
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1106
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1106
- INTANGIBLES	INTANG	3,205	1,059	663	163	38	195	0	1106
TELCOM PLANT-OTHER	PLTOTH	673,944	222,755	139,404	34,347	7,986	41,017	0	1106
ACCUM DEPRECIATION	ACCDEP	62,234,157	21,296,082	12,470,055	4,297,184	727,210	3,801,633	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	168,771	55,783	34,910	8,601	2,000	10,272	0	1106
GENERAL SUPPORT EXP	GSFX	3,084,596	1,019,533	638,044	157,205	36,551	187,732	0	1106
COE EXPENSE	COEX	2,921,261	1,283,723	283,343	729,976	31,320	239,083	0	1106
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1106
C&WF EXPENSE	CWFX	3,369,326	870,807	802,800	0	27,068	40,939	0	1106
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1106
NETWORK OPERATIONS EXP	NETOPX	2,691,339	889,552	556,699	137,163	31,891	163,798	0	1106
DEPREC & AMORT EXP	DEPAMX	8,551,129	3,017,366	1,697,447	486,400	118,162	715,356	0	1106
MARKETING EXPENSE	MRKTX	1,812,651	881,735	551,807	135,958	31,611	162,359	0	1106
SERVICES EXPENSE	SERVX	1,539,082	780,131	292,457	220,943	23,757	86,498	156,477	1106
- CABSX EXPENSE	CABSX	169,147	84,574	0	34,851	8,103	41,619	0	1106
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1106
GENERAL & ADMIN EXP	GENADX	1,699,522	829,347	463,909	193,767	25,680	124,175	21,815	1106
OTHER TAXES (EXCL FIT & ITC)	OTAXES	994,615	331,704	207,587	51,147	11,892	61,079	0	1106
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1106
NON-OPERATING INC & EXP	NONOPX	203,861	99,482	62,258	15,339	3,567	18,318	0	1106
INTEREST & RELATED ITEMS(IRI)	INTREL	3,097	951	595	147	34	175	0	1106

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	11,369	2,906	1,519	1,003	38	344	1	1107
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1107
- GENERAL SUPPORT FACILITIES	GSF	501,062	165,717	86,328	57,010	2,174	19,534	671	1107
- CENTRAL OFFICE EQUIPMENT	COE	2,398,972	1,092,760	127,637	729,203	21,467	214,453	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	1,499,424	729,203	0	729,203	0	0	0	1107
-- COE CAT 4.11	COE411	120,472	120,472	0	0	0	120,472	0	1107
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1107
-- COE CAT 4.13	COE413	513,363	128,200	127,637	0	0	563	0	1107
-- COE CAT 4.2	COE42	265,713	114,885	0	0	21,467	93,418	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	3,984,073	1,018,313	976,570	0	6,343	35,399	0	1107
-- C&WF CAT 1.1	CWF11	17,227	0	0	0	0	0	0	1107
-- C&WF CAT 1.2	CWF12	4,307	4,307	0	0	0	4,307	0	1107
-- C&WF CAT 1.3	CWF13	3,906,281	976,570	976,570	0	0	0	0	1107
-- C&WF CAT 2	CWF2	31,371	27,307	0	0	0	27,307	0	1107
-- C&WF CAT 3	CWF3	24,887	10,129	0	0	6,343	3,786	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	25,531	8,441	4,415	2,916	111	999	0	1107
ACCUM DEPRECIATION	ACCDEP	4,760,543	1,672,233	727,656	702,513	23,576	218,025	462	1107
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1107
NET DEFERRED FIT	NTDFIT	195,214	64,621	33,676	22,475	848	7,622	0	1107
NETWORK SUPPORT EXP	NETSPX	41,630	13,768	7,199	4,754	181	1,629	4	1107
GENERAL SUPPORT EXP	GSFX	51,222	16,941	8,825	5,828	222	1,997	69	1107
COE EXPENSE	COEX	163,685	74,560	5,422	59,115	912	9,111	0	1107
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1107
C&WF EXPENSE	CWFX	124,078	31,714	30,414	0	198	1,102	0	1107
OTHER PROP & PL EXP	OTHPPX	378	125	65	43	2	15	0	1107
NETWORK OPERATIONS EXP	NETOPX	118,583	39,219	20,514	13,547	517	4,642	0	1107
DEPREC & AMORT EXP	DEPAMX	553,778	200,205	78,801	92,534	2,789	26,006	75	1107
MARKETING EXPENSE	MRKTX	19,409	4,997	2,613	1,726	66	591	1	1107
SERVICES EXPENSE	SERVX	83,589	38,370	12,677	13,736	524	2,005	9,428	1107
- CABSX EXPENSE	CABSX	15,677	7,839	0	5,677	217	1,945	0	1107
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1107
GENERAL & ADMIN EXP	GENADX	989,917	410,952	184,522	169,439	4,497	36,190	16,304	1107
OTHER TAXES (EXCL FIT & ITC)	OTAXES	115,482	37,667	22,000	11,051	472	4,143	2	1107
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1107
NON-OPERATING INC & EXP	NONOPX	6,312	2,620	1,370	905	35	310	1	1107
INTEREST & RELATED ITEMS(IRI)	INTREL	102,574	28,773	15,045	9,936	379	3,404	8	1107

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	99,374	24,575	8,049	8,621	2,153	5,752	0	1108
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1108
- GENERAL SUPPORT FACILITIES	GSF	6,347,198	2,671,683	875,066	937,265	234,018	625,334	0	1108
- CENTRAL OFFICE EQUIPMENT	COE	9,071,633	5,600,422	476,838	2,855,070	389,090	1,879,424	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	4,131,980	2,855,070	0	2,855,070	0	0	0	1108
-- COE CAT 4.11	COE411	142,611	4,078	0	0	0	4,078	0	1108
-- COE CAT 4.12	COE412	15,549	0	0	0	0	0	0	1108
-- COE CAT 4.13	COE413	1,921,485	479,596	476,838	0	0	2,758	0	1108
-- COE CAT 4.2	COE42	2,860,008	2,261,678	0	0	389,090	1,872,588	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	10,263,026	2,537,984	2,188,763	0	323,768	25,453	0	1108
-- C&WF CAT 1.1	CWF11	52,217	0	0	0	0	0	0	1108
-- C&WF CAT 1.2	CWF12	12,659	12,659	0	0	0	12,659	0	1108
-- C&WF CAT 1.3	CWF13	8,755,051	2,188,763	2,188,763	0	0	0	0	1108
-- C&WF CAT 2	CWF2	407,995	11,668	0	0	0	11,668	0	1108
-- C&WF CAT 3	CWF3	1,035,104	324,894	0	0	323,768	1,126	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	20,211	8,507	2,786	2,984	745	1,991	0	1108
ACCUM DEPRECIATION	ACCDEP	14,022,180	6,748,534	1,515,162	3,559,674	432,186	1,241,512	0	1108
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1108
NET DEFERRED FIT	NTDFIT	689,609	296,979	90,298	135,917	21,546	49,219	0	1108
NETWORK SUPPORT EXP	NETSPX	3,490	1,469	481	515	129	344	0	1108
GENERAL SUPPORT EXP	GSFX	359,235	151,210	49,526	53,047	13,245	35,392	0	1108
COE EXPENSE	COEX	1,177,004	726,630	45,012	467,480	36,728	177,410	0	1108
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1108
C&WF EXPENSE	CWFX	623,119	154,094	132,891	0	19,658	1,545	0	1108
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1108
NETWORK OPERATIONS EXP	NETOPX	198,653	86,203	28,235	30,241	7,551	20,177	0	1108
DEPREC & AMORT EXP	DEPAMX	2,155,873	1,058,089	226,517	527,047	72,502	232,022	0	1108
MARKETING EXPENSE	MRKTX	82,671	28,941	9,479	10,153	2,535	6,774	0	1108
SERVICES EXPENSE	SERVX	435,909	276,307	119,836	108,054	25,799	8,153	14,466	1108
- CABSX EXPENSE	CABSX	33,238	16,619	0	8,670	2,165	5,784	0	1108
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1108
GENERAL & ADMIN EXP	GENADX	995,844	560,556	175,575	247,973	39,130	92,522	5,358	1108
OTHER TAXES (EXCL FIT & ITC)	OTAXES	429,613	177,102	68,152	44,447	17,873	46,630	0	1108
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1108
NON-OPERATING INC & EXP	NONOPX	175	99	32	35	9	23	0	1108
INTEREST & RELATED ITEMS(IRI)	INTREL	420,190	144,256	47,249	50,607	12,636	33,765	0	1108

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	47,733	15,340	4,954	5,179	1,984	3,223	0	1109
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1109
- GENERAL SUPPORT FACILITIES	GSF	867,801	397,699	128,927	133,252	51,640	83,879	0	1109
- CENTRAL OFFICE EQUIPMENT	COE	3,393,748	2,459,260	102,899	1,535,004	317,170	504,186	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	1,805,887	1,515,975	0	1,515,975	0	0	0	1109
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1109
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1109
-- COE CAT 4.13	COE413	412,201	102,899	102,899	0	0	0	0	1109
-- COE CAT 4.2	COE42	581,709	549,377	0	0	45,190	504,186	0	1109
-- COE CAT 4.3	COE43	593,950	271,980	0	0	271,980	0	0	1109
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1109
- CABLE & WIRE FACILITIES	CWF	6,602,898	2,122,039	1,382,275	0	277,701	462,064	0	1109
-- C&WF CAT 1.1	CWF11	8,119	0	0	0	0	0	0	1109
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1109
-- C&WF CAT 1.3	CWF13	5,529,098	1,382,275	1,382,275	0	0	0	0	1109
-- C&WF CAT 2	CWF2	461,879	461,879	0	0	0	461,879	0	1109
-- C&WF CAT 3	CWF3	10,538	6,220	0	0	6,035	185	0	1109
-- C&WF CAT 4	CWF4	593,264	271,666	0	0	271,666	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	154,177	70,655	22,904	23,672	9,167	14,912	0	1109
ACCUM DEPRECIATION	ACCDEP	7,021,535	3,559,659	921,370	1,765,427	332,045	540,816	0	1109
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1109
NET DEFERRED FIT	NTDFIT	72,549	33,724	10,696	12,985	3,820	6,223	0	1109
NETWORK SUPPORT EXP	NETSPX	16,618	7,616	2,459	2,571	985	1,600	0	1109
GENERAL SUPPORT EXP	GSFX	61,684	28,269	9,164	9,472	3,671	5,962	0	1109
COE EXPENSE	COEX	138,534	100,388	4,739	57,817	14,609	23,223	0	1109
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1109
C&WF EXPENSE	CWFX	145,256	46,682	30,408	0	6,109	10,165	0	1109
OTHER PROP & PL EXP	OTHPPX	60,586	27,766	9,001	9,303	3,605	5,856	0	1109
NETWORK OPERATIONS EXP	NETOPX	100,394	46,009	14,915	15,416	5,974	9,704	0	1109
DEPREC & AMORT EXP	DEPAMX	749,149	401,426	88,190	207,460	40,383	65,393	0	1109
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1109
SERVICES EXPENSE	SERVX	89,508	31,169	3,906	5,383	1,195	1,940	18,745	1109
- CABSX EXPENSE	CABSX	12,512	6,256	0	3,121	1,195	1,940	0	1109
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1109
GENERAL & ADMIN EXP	GENADX	765,427	474,331	135,348	158,859	57,446	92,889	29,790	1109
OTHER TAXES (EXCL FIT & ITC)	OTAXES	218,614	100,716	35,260	27,234	14,571	23,651	0	1109
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1109
NON-OPERATING INC & EXP	NONOPX	1,261	781	252	264	101	164	0	1109
INTEREST & RELATED ITEMS(IRI)	INTREL	127,398	47,197	15,242	15,933	6,105	9,917	0	1109

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	69,898	18,930	8,162	5,842	4,113	814	0	1110
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1110
- GENERAL SUPPORT FACILITIES	GSF	1,135,988	448,836	193,524	138,508	97,512	19,292	0	1110
- CENTRAL OFFICE EQUIPMENT	COE	2,727,668	1,615,562	151,752	858,266	570,541	35,003	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	1,183,732	755,337	0	755,337	0	0	0	1110
-- COE CAT 4.11	COE411	435,296	435,296	0	0	435,296	0	0	1110
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1110
-- COE CAT 4.13	COE413	621,733	162,315	151,752	0	0	10,562	0	1110
-- COE CAT 4.2	COE42	307,355	159,685	0	0	135,245	24,440	0	1110
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1110
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1110
- CABLE & WIRE FACILITIES	CWF	5,155,662	1,396,264	1,191,229	0	106,155	98,880	0	1110
-- C&WF CAT 1.1	CWF11	32,662	0	0	0	0	0	0	1110
-- C&WF CAT 1.2	CWF12	82,912	82,912	0	0	0	82,912	0	1110
-- C&WF CAT 1.3	CWF13	4,764,915	1,191,229	1,191,229	0	0	0	0	1110
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1110
-- C&WF CAT 3	CWF3	275,173	122,123	0	0	106,155	15,968	0	1110
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1110
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1110
- INTANGIBLES	INTANG	189,889	75,026	32,349	23,153	16,300	3,225	0	1110
TELCOM PLANT-OTHER	PLTOTH	80,178	31,679	13,659	9,776	6,882	1,362	0	1110
ACCUM DEPRECIATION	ACCDEP	4,737,462	1,974,659	750,635	769,560	379,578	74,886	0	1110
ACCUM AMORTIZATION	ACCAMO	189,889	75,026	32,349	23,153	16,300	3,225	0	1110
NET DEFERRED FIT	NTDFIT	332,628	129,809	57,451	39,012	27,669	5,676	0	1110
NETWORK SUPPORT EXP	NETSPX	10,000	3,951	1,704	1,219	858	170	0	1110
GENERAL SUPPORT EXP	GSFX	117,870	46,571	20,080	14,372	10,118	2,002	0	1110
COE EXPENSE	COEX	370,834	233,634	8,544	190,996	32,123	1,971	0	1110
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1110
C&WF EXPENSE	CWFX	141,807	38,404	32,765	0	2,920	2,720	0	1110
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1110
NETWORK OPERATIONS EXP	NETOPX	661,097	261,204	112,623	80,606	56,748	11,227	0	1110
DEPREC & AMORT EXP	DEPAMX	568,428	256,908	80,699	106,212	61,129	8,868	0	1110
MARKETING EXPENSE	MRKTX	27,309	9,246	3,986	2,853	2,009	397	0	1110
SERVICES EXPENSE	SERVX	278,843	80,717	23,935	21,483	11,402	2,679	21,218	1110
- CABSX EXPENSE	CABSX	59,239	29,620	0	16,069	11,313	2,238	0	1110
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1110
GENERAL & ADMIN EXP	GENADX	922,086	411,068	138,055	180,925	67,472	12,293	12,323	1110
OTHER TAXES (EXCL FIT & ITC)	OTAXES	185,385	72,553	32,219	20,889	16,233	3,212	0	1110
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1110
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1110
INTEREST & RELATED ITEMS(IRI)	INTREL	28,136	10,362	4,468	3,198	2,251	445	0	1110

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	0	0	0	0	0	0	0	1111
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1111
- GENERAL SUPPORT FACILITIES	GSF	141,873	43,644	31,681	6,285	2,163	3,514	0	1111
- CENTRAL OFFICE EQUIPMENT	COE	2,425,302	1,001,482	437,325	501,461	22,926	39,770	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	589,954	501,461	0	501,461	0	0	0	1111
-- COE CAT 4.11	COE411	27,367	25,565	0	0	0	25,565	0	1111
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1111
-- COE CAT 4.13	COE413	1,765,962	447,988	437,325	0	0	10,662	0	1111
-- COE CAT 4.2	COE42	5,314	3,543	0	0	0	3,543	0	1111
-- COE CAT 4.3	COE43	36,705	22,926	0	0	22,926	0	0	1111
- INFORMATION ORIG/TERM	IOT	29,217	7,304	7,304	0	0	0	0	1111
- CABLE & WIRE FACILITIES	CWF	8,864,304	2,473,184	2,082,922	0	149,659	240,604	0	1111
-- C&WF CAT 1.1	CWF11	28,566	0	0	0	0	0	0	1111
-- C&WF CAT 1.2	CWF12	50,784	50,784	0	0	0	50,784	0	1111
-- C&WF CAT 1.3	CWF13	8,331,687	2,082,922	2,082,922	0	0	0	0	1111
-- C&WF CAT 2	CWF2	177,512	164,969	0	0	0	164,969	0	1111
-- C&WF CAT 3	CWF3	36,147	24,851	0	0	0	24,851	0	1111
-- C&WF CAT 4	CWF4	239,609	149,659	0	0	149,659	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	4,974,340	1,614,749	1,076,068	346,883	73,061	118,736	0	1111
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1111
NET DEFERRED FIT	NTDFIT	348,179	107,109	77,750	15,425	5,309	8,625	0	1111
NETWORK SUPPORT EXP	NETSPX	2,724	838	608	121	42	67	0	1111
GENERAL SUPPORT EXP	GSFX	15,647	4,813	3,494	693	239	388	0	1111
COE EXPENSE	COEX	169,831	70,128	43,498	20,395	2,280	3,956	0	1111
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1111
C&WF EXPENSE	CWFX	333,560	93,065	78,379	0	5,632	9,054	0	1111
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1111
NETWORK OPERATIONS EXP	NETOPX	33,082	10,177	7,387	1,466	504	819	0	1111
DEPREC & AMORT EXP	DEPAMX	599,060	193,111	130,185	40,400	8,530	13,996	0	1111
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1111
SERVICES EXPENSE	SERVX	113,744	46,766	4,564	7,323	2,517	4,012	28,350	1111
- CABSX EXPENSE	CABSX	26,453	13,227	0	6,949	2,392	3,885	0	1111
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1111
GENERAL & ADMIN EXP	GENADX	426,524	167,703	109,144	19,994	7,474	12,195	18,897	1111
OTHER TAXES (EXCL FIT & ITC)	OTAXES	182,315	56,055	41,616	6,971	2,846	4,622	0	1111
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1111
NON-OPERATING INC & EXP	NONOPX	2,000	786	571	113	39	63	0	1111
INTEREST & RELATED ITEMS(IRI)	INTREL	178,394	52,423	38,053	7,550	2,598	4,221	0	1111



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	355,073	92,482	55,468	16,673	12,511	7,705	125	1112
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1112
- GENERAL SUPPORT FACILITIES	GSF	2,972,920	920,635	545,749	164,045	123,099	75,814	11,927	1112
- CENTRAL OFFICE EQUIPMENT	COE	9,176,722	3,650,857	1,027,256	1,432,053	760,038	431,511	0	1112
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1112
-- COE CAT 2	COE2	716,984	323,633	0	0	323,633	0	0	1112
-- COE CAT 3	COE3	2,660,819	1,432,053	0	1,432,053	0	0	0	1112
-- COE CAT 4.11	COE411	377,681	377,681	0	0	0	377,681	0	1112
-- COE CAT 4.12	COE412	113,863	0	0	0	0	0	0	1112
-- COE CAT 4.13	COE413	4,170,833	1,058,818	1,027,256	0	0	31,562	0	1112
-- COE CAT 4.2	COE42	1,119,667	454,612	0	0	432,345	22,267	0	1112
-- COE CAT 4.3	COE43	16,875	4,060	0	0	4,060	0	0	1112
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1112
- CABLE & WIRE FACILITIES	CWF	16,439,537	4,281,821	3,736,930	0	314,572	230,319	0	1112
-- C&WF CAT 1.1	CWF11	110,033	0	0	0	0	0	0	1112
-- C&WF CAT 1.2	CWF12	114,817	114,817	0	0	0	114,817	0	1112
-- C&WF CAT 1.3	CWF13	14,947,721	3,736,930	3,736,930	0	0	0	0	1112
-- C&WF CAT 2	CWF2	525,987	96,281	0	0	0	96,281	0	1112
-- C&WF CAT 3	CWF3	711,008	326,582	0	0	307,361	19,221	0	1112
-- C&WF CAT 4	CWF4	29,971	7,211	0	0	7,211	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	280,627	86,786	52,122	15,667	11,757	7,241	0	1112
ACCUM DEPRECIATION	ACCDEP	14,522,879	4,894,616	2,351,678	1,420,164	739,258	376,793	6,723	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	3,122	967	580	174	131	81	1	1112
GENERAL SUPPORT EXP	GSFX	211,223	65,410	38,775	11,655	8,746	5,387	847	1112
COE EXPENSE	COEX	500,392	199,075	37,226	106,361	39,851	15,637	0	1112
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1112
C&WF EXPENSE	CWFX	246,055	64,087	55,932	0	4,708	3,447	0	1112
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1112
NETWORK OPERATIONS EXP	NETOPX	373,831	115,766	69,526	20,899	15,682	9,658	0	1112
DEPREC & AMORT EXP	DEPAMX	1,759,036	590,183	288,161	154,449	93,204	53,580	790	1112
MARKETING EXPENSE	MRKTX	24,479	8,563	5,136	1,544	1,158	713	12	1112
SERVICES EXPENSE	SERVX	362,284	169,852	83,635	30,965	21,750	2,961	30,541	1112
- CABSX EXPENSE	CABSX	27,549	13,775	0	6,226	4,672	2,877	0	1112
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1112
GENERAL & ADMIN EXP	GENADX	898,119	349,694	182,004	86,435	46,355	19,083	15,817	1112
OTHER TAXES (EXCL FIT & ITC)	OTAXES	245,831	74,485	44,734	13,446	10,090	6,214	0	1112
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1112
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1112
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1112

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	108,389	28,914	15,765	7,396	1,725	4,028	0	1113
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1113
- GENERAL SUPPORT FACILITIES	GSF	1,067,523	387,274	211,155	99,069	23,102	53,948	0	1113
- CENTRAL OFFICE EQUIPMENT	COE	4,489,401	2,443,481	545,593	1,204,146	147,556	546,186	0	1113
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1113
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1113
-- COE CAT 3	COE3	1,416,642	1,204,146	0	1,204,146	0	0	0	1113
-- COE CAT 4.11	COE411	460,073	460,073	0	0	0	460,073	0	1113
-- COE CAT 4.12	COE412	73,896	0	0	0	0	0	0	1113
-- COE CAT 4.13	COE413	2,186,373	549,593	545,593	0	0	3,999	0	1113
-- COE CAT 4.2	COE42	352,417	229,669	0	0	147,556	82,113	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	8,485,882	2,263,672	2,020,900	0	133,241	109,531	0	1113
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1113
-- C&WF CAT 1.2	CWF12	14,814	14,814	0	0	0	14,814	0	1113
-- C&WF CAT 1.3	CWF13	8,083,599	2,020,900	2,020,900	0	0	0	0	1113
-- C&WF CAT 2	CWF2	159,394	93,092	0	0	0	93,092	0	1113
-- C&WF CAT 3	CWF3	228,075	134,866	0	0	133,241	1,625	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	22,312	8,094	4,413	2,071	483	1,128	0	1113
ACCUM DEPRECIATION	ACCDEP	4,667,057	1,728,953	908,651	491,547	98,915	229,840	0	1113
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1113
NET DEFERRED FIT	NTDFIT	1,764,730	640,212	349,074	164,391	38,080	88,667	0	1113
NETWORK SUPPORT EXP	NETSPX	20,345	7,381	4,024	1,888	440	1,028	0	1113
GENERAL SUPPORT EXP	GSFX	79,957	29,007	15,815	7,420	1,730	4,041	0	1113
COE EXPENSE	COEX	229,345	124,827	26,425	41,707	30,242	26,454	0	1113
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1113
C&WF EXPENSE	CWFX	383,734	102,364	91,386	0	6,025	4,953	0	1113
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1113
NETWORK OPERATIONS EXP	NETOPX	89,529	32,479	17,709	8,309	1,937	4,524	0	1113
DEPREC & AMORT EXP	DEPAMX	869,739	340,783	160,996	87,689	23,538	68,560	0	1113
MARKETING EXPENSE	MRKTX	52,933	21,412	11,675	5,477	1,277	2,983	0	1113
SERVICES EXPENSE	SERVX	436,794	151,892	45,228	29,452	6,867	11,572	58,772	1113
- CABSX EXPENSE	CABSX	74,979	37,490	0	21,088	4,918	11,484	0	1113
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1113
GENERAL & ADMIN EXP	GENADX	976,364	375,499	180,564	71,464	36,788	42,122	44,561	1113
OTHER TAXES (EXCL FIT & ITC)	OTAXES	87,376	41,008	22,663	10,045	2,485	5,815	0	1113
INVESTMENT TAX CREDITS (ITC)	ITC	4,824	1,750	954	448	104	244	0	1113
NON-OPERATING INC & EXP	NONOPX	828	318	174	81	19	44	0	1113
INTEREST & RELATED ITEMS(IRI)	INTREL	381,095	135,976	74,138	34,784	8,111	18,942	0	1113

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	3,462	894	681	162	19	31	0	1114
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1114
- GENERAL SUPPORT FACILITIES	GSF	216,579	64,402	49,089	11,658	1,404	2,250	0	1114
- CENTRAL OFFICE EQUIPMENT	COE	281,045	107,016	51,374	47,269	5,695	2,679	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	55,611	47,269	0	47,269	0	0	0	1114
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1114
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1114
-- COE CAT 4.13	COE413	207,736	53,615	51,374	0	0	2,242	0	1114
-- COE CAT 4.2	COE42	17,698	6,132	0	0	5,695	437	0	1114
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1114
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1114
- CABLE & WIRE FACILITIES	CWF	597,099	154,107	147,664	0	0	6,444	0	1114
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1114
-- C&WF CAT 1.2	CWF12	6,444	6,444	0	0	0	6,444	0	1114
-- C&WF CAT 1.3	CWF13	590,655	147,664	147,664	0	0	0	0	1114
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1114
-- C&WF CAT 3	CWF3	0	0	0	0	0	0	0	1114
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	18	5	4	1	0	0	0	1114
ACCUM DEPRECIATION	ACCDEP	532,847	164,854	119,779	38,899	882	5,294	0	1114
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1114
NET DEFERRED FIT	NTDFIT	247,245	102,290	44,489	54,906	886	2,009	0	1114
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1114
GENERAL SUPPORT EXP	GSFX	3,945	1,173	894	212	26	41	0	1114
COE EXPENSE	COEX	69,408	26,429	15,453	8,458	1,713	806	0	1114
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1114
C&WF EXPENSE	CWFX	49,287	12,721	12,189	0	0	532	0	1114
OTHER PROP & PL EXP	OTHPX	317	94	72	17	2	3	0	1114
NETWORK OPERATIONS EXP	NETOPX	22,183	6,596	5,028	1,194	144	230	0	1114
DEPREC & AMORT EXP	DEPAMX	47,638	18,454	9,115	8,789	141	409	0	1114
MARKETING EXPENSE	MRKTX	937	155	118	28	3	5	0	1114
SERVICES EXPENSE	SERVX	136,082	71,078	13,798	7,117	531	5,261	44,371	1114
- CABSX EXPENSE	CABSX	4,867	2,434	0	1,853	223	358	0	1114
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1114
GENERAL & ADMIN EXP	GENADX	383,472	193,647	80,181	27,328	3,882	11,040	71,216	1114
OTHER TAXES (EXCL FIT & ITC)	OTAXES	19,872	5,570	4,654	537	164	216	0	1114
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1114
NON-OPERATING INC & EXP	NONOPX	1,150	581	443	105	13	20	0	1114
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1114

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	53,239	15,134	11,089	1,560	943	1,541	0	1115
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1115
- GENERAL SUPPORT FACILITIES	GSF	942,746	274,140	200,867	28,265	17,085	27,922	0	1115
- CENTRAL OFFICE EQUIPMENT	COE	2,698,153	852,009	375,586	390,309	54,097	32,018	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	1,061,631	390,309	0	390,309	0	0	0	1115
-- COE CAT 4.11	COE411	18,922	16,294	0	0	0	16,294	0	1115
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1115
-- COE CAT 4.13	COE413	1,518,850	390,307	375,586	0	0	14,720	0	1115
-- COE CAT 4.2	COE42	49,522	27,322	0	0	26,319	1,003	0	1115
-- COE CAT 4.3	COE43	49,228	27,778	0	0	27,778	0	0	1115
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1115
- CABLE & WIRE FACILITIES	CWF	10,320,114	2,933,560	2,398,167	0	181,833	353,560	0	1115
-- C&WF CAT 1.1	CWF11	11,393	0	0	0	0	0	0	1115
-- C&WF CAT 1.2	CWF12	93,990	93,990	0	0	0	93,990	0	1115
-- C&WF CAT 1.3	CWF13	9,592,669	2,398,167	2,398,167	0	0	0	0	1115
-- C&WF CAT 2	CWF2	289,326	254,205	0	0	0	254,205	0	1115
-- C&WF CAT 3	CWF3	100,214	55,992	0	0	50,627	5,365	0	1115
-- C&WF CAT 4	CWF4	232,522	131,205	0	0	131,205	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	525,192	152,720	111,901	15,746	9,518	15,555	0	1115
ACCUM DEPRECIATION	ACCDEP	4,367,614	1,256,094	970,448	68,383	80,481	136,782	0	1115
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1115
NET DEFERRED FIT	NTDFIT	543,606	158,075	115,824	16,298	9,852	16,101	0	1115
NETWORK SUPPORT EXP	NETSPX	3,146	915	670	94	57	93	0	1115
GENERAL SUPPORT EXP	GSFX	23,300	6,775	4,964	699	422	690	0	1115
COE EXPENSE	COEX	154,883	48,908	21,199	22,849	3,053	1,807	0	1115
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1115
C&WF EXPENSE	CWFX	308,710	87,753	71,737	0	5,439	10,576	0	1115
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1115
NETWORK OPERATIONS EXP	NETOPX	28,252	8,215	6,020	847	512	837	0	1115
DEPREC & AMORT EXP	DEPAMX	698,086	204,508	143,832	28,335	13,507	18,834	0	1115
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1115
SERVICES EXPENSE	SERVX	121,253	45,690	5,404	6,902	4,172	6,579	22,633	1115
- CABSX EXPENSE	CABSX	33,052	16,526	0	6,375	3,853	6,298	0	1115
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1115
GENERAL & ADMIN EXP	GENADX	591,838	204,777	126,896	27,698	12,050	18,161	19,971	1115
OTHER TAXES (EXCL FIT & ITC)	OTAXES	246,423	72,542	52,624	8,125	4,498	7,295	0	1115
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1115
NON-OPERATING INC & EXP	NONOPX	300	104	76	11	6	11	0	1115
INTEREST & RELATED ITEMS(IRI)	INTREL	236,831	69,203	50,706	7,135	4,313	7,049	0	1115

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	290,671	87,037	23,273	39,242	21,195	3,252	74	1116
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1116
- GENERAL SUPPORT FACILITIES	GSF	1,264,623	584,716	155,407	262,036	141,527	21,714	4,032	1116
- CENTRAL OFFICE EQUIPMENT	COE	3,761,429	2,573,360	88,292	1,869,134	573,981	41,953	0	1116
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1116
-- COE CAT 2	COE2	481,939	353,789	0	0	353,789	0	0	1116
-- COE CAT 3	COE3	2,554,128	1,869,134	0	1,869,134	0	0	0	1116
-- COE CAT 4.11	COE411	35,814	35,814	0	0	0	35,814	0	1116
-- COE CAT 4.12	COE412	7,000	0	0	0	0	0	0	1116
-- COE CAT 4.13	COE413	360,267	94,139	88,292	0	0	5,848	0	1116
-- COE CAT 4.2	COE42	322,281	220,483	0	0	220,192	292	0	1116
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1116
- INFORMATION ORIG/TERM	IOT	17,913	17,913	0	0	0	17,913	0	1116
- CABLE & WIRE FACILITIES	CWF	5,179,147	1,550,809	1,020,241	0	435,547	95,020	0	1116
-- C&WF CAT 1.1	CWF11	14,480	0	0	0	0	0	0	1116
-- C&WF CAT 1.2	CWF12	67,574	67,574	0	0	0	67,574	0	1116
-- C&WF CAT 1.3	CWF13	4,080,965	1,020,241	1,020,241	0	0	0	0	1116
-- C&WF CAT 2	CWF2	213,702	9,653	0	0	0	9,653	0	1116
-- C&WF CAT 3	CWF3	802,426	453,341	0	0	435,547	17,794	0	1116
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	831,558	384,154	102,810	173,351	93,628	14,365	0	1116
ACCUM DEPRECIATION	ACCDEP	6,208,256	3,000,657	708,911	1,456,015	728,311	104,897	2,523	1116
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1116
NET DEFERRED FIT	NTDFIT	802,136	387,682	91,595	188,124	94,101	13,863	0	1116
NETWORK SUPPORT EXP	NETSPX	191,370	88,483	23,660	39,894	21,547	3,306	75	1116
GENERAL SUPPORT EXP	GSFX	146,195	67,595	17,966	30,292	16,361	2,510	466	1116
COE EXPENSE	COEX	71,260	48,752	2,578	32,388	12,560	1,225	0	1116
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1116
C&WF EXPENSE	CWFX	189,229	56,661	37,276	0	15,913	3,472	0	1116
OTHER PROP & PL EXP	OTHPX	28,568	13,209	3,535	5,961	3,219	494	0	1116
NETWORK OPERATIONS EXP	NETOPX	276,516	127,851	34,216	57,693	31,160	4,781	0	1116
DEPREC & AMORT EXP	DEPAMX	551,700	275,844	59,021	140,235	66,657	9,727	205	1116
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1116
SERVICES EXPENSE	SERVX	393,388	151,247	26,986	43,293	23,983	1,290	55,696	1116
- CABSX EXPENSE	CABSX	48,722	24,359	0	15,009	8,106	1,244	0	1116
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1116
GENERAL & ADMIN EXP	GENADX	635,216	304,511	80,399	115,207	68,592	9,390	30,923	1116
OTHER TAXES (EXCL FIT & ITC)	OTAXES	239,150	110,064	29,802	49,283	26,834	4,141	4	1116
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1116
NON-OPERATING INC & EXP	NONOPX	9,033	4,330	1,158	1,952	1,055	162	4	1116
INTEREST & RELATED ITEMS(IRI)	INTREL	118,848	49,614	13,267	22,369	12,082	1,854	42	1116

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	22,226	6,278	2,559	2,323	139	1,256	0	1117
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1117
- GENERAL SUPPORT FACILITIES	GSF	1,645,460	680,780	277,496	251,949	15,124	136,212	0	1117
- CENTRAL OFFICE EQUIPMENT	COE	2,647,284	1,597,657	178,296	991,269	56,505	371,587	0	1117
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1117
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1117
-- COE CAT 3	COE3	1,397,933	991,269	0	991,269	0	0	0	1117
-- COE CAT 4.11	COE411	259,715	259,715	0	0	0	259,715	0	1117
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1117
-- COE CAT 4.13	COE413	713,184	178,296	178,296	0	0	0	0	1117
-- COE CAT 4.2	COE42	142,145	124,149	0	0	12,277	111,872	0	1117
-- COE CAT 4.3	COE43	134,307	44,228	0	0	44,228	0	0	1117
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1117
- CABLE & WIRE FACILITIES	CWF	3,826,630	1,080,810	913,486	0	2,999	164,325	0	1117
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1117
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1117
-- C&WF CAT 1.3	CWF13	3,653,942	913,486	913,486	0	0	0	0	1117
-- C&WF CAT 2	CWF2	164,325	164,325	0	0	0	164,325	0	1117
-- C&WF CAT 3	CWF3	3,216	1,304	0	0	1,304	0	0	1117
-- C&WF CAT 4	CWF4	5,147	1,695	0	0	1,695	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	203,706	84,280	34,354	31,191	1,872	16,863	0	1117
ACCUM DEPRECIATION	ACCDEP	4,630,014	2,026,887	718,444	895,867	42,093	370,484	0	1117
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1117
NET DEFERRED FIT	NTDFIT	859,025	355,429	144,853	131,640	7,886	71,050	0	1117
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1117
GENERAL SUPPORT EXP	GSFX	21,410	8,858	3,611	3,278	197	1,772	0	1117
COE EXPENSE	COEX	183,630	110,822	14,495	47,669	18,449	30,209	0	1117
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1117
C&WF EXPENSE	CWFX	409,295	115,603	97,706	0	321	17,576	0	1117
OTHER PROP & PL EXP	OTHPX	5,845	2,418	986	895	54	484	0	1117
NETWORK OPERATIONS EXP	NETOPX	139,000	57,509	23,441	21,283	1,278	11,506	0	1117
DEPREC & AMORT EXP	DEPAMX	663,589	308,171	94,093	138,339	8,582	67,157	0	1117
MARKETING EXPENSE	MRKTX	1,800	461	188	171	10	92	0	1117
SERVICES EXPENSE	SERVX	251,804	99,943	14,426	36,427	2,186	16,547	30,358	1117
- CABSX EXPENSE	CABSX	97,211	48,606	0	30,366	1,823	16,417	0	1117
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1117
GENERAL & ADMIN EXP	GENADX	537,292	234,285	93,769	64,038	13,128	45,632	17,718	1117
OTHER TAXES (EXCL FIT & ITC)	OTAXES	68,486	35,195	15,638	11,277	817	7,463	0	1117
INVESTMENT TAX CREDITS (ITC)	ITC	4,275	1,769	721	655	39	354	0	1117
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1117
INTEREST & RELATED ITEMS(IRI)	INTREL	8,259	3,087	1,258	1,142	69	618	0	1117

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	34,449	9,938	4,782	1,980	1,203	1,972	0	1118
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1118
- GENERAL SUPPORT FACILITIES	GSF	1,128,158	426,493	205,248	84,987	51,633	84,626	0	1118
- CENTRAL OFFICE EQUIPMENT	COE	1,633,628	932,185	117,837	386,855	76,228	351,265	0	1118
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1118
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1118
-- COE CAT 3	COE3	597,157	381,799	0	381,799	0	0	0	1118
-- COE CAT 4.11	COE411	349,163	349,163	0	0	0	349,163	0	1118
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1118
-- COE CAT 4.13	COE413	474,106	118,450	117,837	0	0	613	0	1118
-- COE CAT 4.2	COE42	183,138	68,645	0	0	67,156	1,489	0	1118
-- COE CAT 4.3	COE43	24,539	9,072	0	0	9,072	0	0	1118
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1118
- CABLE & WIRE FACILITIES	CWF	3,568,793	1,029,501	828,648	0	161,873	38,980	0	1118
-- C&WF CAT 1.1	CWF11	15,086	0	0	0	0	0	0	1118
-- C&WF CAT 1.2	CWF12	4,310	4,310	0	0	0	4,310	0	1118
-- C&WF CAT 1.3	CWF13	3,314,592	828,648	828,648	0	0	0	0	1118
-- C&WF CAT 2	CWF2	33,115	33,115	0	0	0	33,115	0	1118
-- C&WF CAT 3	CWF3	198,643	162,302	0	0	160,747	1,555	0	1118
-- C&WF CAT 4	CWF4	3,047	1,126	0	0	1,126	0	0	1118
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1118
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1118
TELCOM PLANT-OTHER	PLTOTH	63,181	23,885	11,495	4,760	2,892	4,739	0	1118
ACCUM DEPRECIATION	ACCDEP	3,489,676	1,334,522	627,701	259,258	162,021	285,541	0	1118
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1118
NET DEFERRED FIT	NTDFIT	351,879	129,105	66,642	18,187	16,769	27,506	0	1118
NETWORK SUPPORT EXP	NETSPX	-3,481	-1,316	-633	-262	-159	-261	0	1118
GENERAL SUPPORT EXP	GSFX	68,558	25,918	12,473	5,165	3,138	5,143	0	1118
COE EXPENSE	COEX	141,193	81,005	8,718	40,658	5,640	25,989	0	1118
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1118
C&WF EXPENSE	CWFX	235,588	67,961	54,702	0	10,686	2,573	0	1118
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1118
NETWORK OPERATIONS EXP	NETOPX	108,106	40,869	19,668	8,144	4,948	8,109	0	1118
DEPREC & AMORT EXP	DEPAMX	577,515	226,473	99,980	56,492	25,635	44,366	0	1118
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1118
SERVICES EXPENSE	SERVX	335,998	92,606	27,089	15,521	8,800	11,651	29,545	1118
- CABSX EXPENSE	CABSX	59,906	29,953	0	11,506	6,990	11,457	0	1118
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1118
GENERAL & ADMIN EXP	GENADX	354,934	135,426	58,939	28,617	13,663	21,994	12,214	1118
OTHER TAXES (EXCL FIT & ITC)	OTAXES	145,113	54,707	26,448	11,073	6,604	10,582	0	1118
INVESTMENT TAX CREDITS (ITC)	ITC	8,156	3,083	1,484	614	373	612	0	1118
NON-OPERATING INC & EXP	NONOPX	7,217	2,754	1,325	549	333	546	0	1118
INTEREST & RELATED ITEMS(IRI)	INTREL	38,092	14,188	6,828	2,827	1,718	2,815	0	1118

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## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	438,432	107,253	67,847	24,499	11,536	3,371	0	1119
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1119
- GENERAL SUPPORT FACILITIES	GSF	3,541,781	958,203	601,068	216,825	102,429	29,863	8,018	1119
- CENTRAL OFFICE EQUIPMENT	COE	6,444,539	2,054,127	432,901	1,197,903	335,162	88,161	0	1119
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1119
-- COE CAT 2	COE2	408,555	104,798	0	0	104,798	0	0	1119
-- COE CAT 3	COE3	3,033,640	1,197,903	0	1,197,903	0	0	0	1119
-- COE CAT 4.11	COE411	109,577	77,198	0	0	0	77,198	0	1119
-- COE CAT 4.12	COE412	127,674	0	0	0	0	0	0	1119
-- COE CAT 4.13	COE413	1,751,680	440,672	432,901	0	0	7,771	0	1119
-- COE CAT 4.2	COE42	1,013,413	233,556	0	0	230,364	3,192	0	1119
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1119
- INFORMATION ORIG/TERM	IOT	22,984	22,984	0	0	0	22,984	0	1119
- CABLE & WIRE FACILITIES	CWF	12,936,180	3,172,419	2,887,845	0	230,731	53,843	0	1119
-- C&WF CAT 1.1	CWF11	82,078	0	0	0	0	0	0	1119
-- C&WF CAT 1.2	CWF12	51,839	51,839	0	0	0	51,839	0	1119
-- C&WF CAT 1.3	CWF13	11,551,380	2,887,845	2,887,845	0	0	0	0	1119
-- C&WF CAT 2	CWF2	320,073	0	0	0	0	0	0	1119
-- C&WF CAT 3	CWF3	930,810	232,735	0	0	230,731	2,004	0	1119
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1119
- TANGIBLES	TANGIB	3,028	819	514	185	88	26	7	1119
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1119
TELCOM PLANT-OTHER	PLTOTH	3,396,434	916,597	579,821	209,374	98,594	28,808	0	1119
ACCUM DEPRECIATION	ACCDEP	10,854,651	3,047,368	1,685,163	939,049	320,492	96,884	5,782	1119
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1119
NET DEFERRED FIT	NTDFIT	2,033,803	570,831	315,744	175,947	60,050	19,091	0	1119
NETWORK SUPPORT EXP	NETSPX	11,808	3,195	2,018	728	344	100	4	1119
GENERAL SUPPORT EXP	GSFX	220,761	59,725	37,465	13,515	6,384	1,861	500	1119
COE EXPENSE	COEX	227,528	72,522	18,157	37,706	12,961	3,698	0	1119
IOT EXPENSE	IOTX	9,479	9,479	0	0	0	9,479	0	1119
C&WF EXPENSE	CWFX	359,809	88,238	80,323	0	6,418	1,498	0	1119
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1119
NETWORK OPERATIONS EXP	NETOPX	211,827	57,308	36,252	13,077	6,178	1,801	0	1119
DEPREC & AMORT EXP	DEPAMX	1,123,337	320,294	163,842	106,115	36,700	12,668	969	1119
MARKETING EXPENSE	MRKTX	66,759	13,148	8,306	2,996	1,415	413	17	1119
SERVICES EXPENSE	SERVX	291,861	47,711	2,018	10,551	3,584	14,555	17,002	1119
- CABSX EXPENSE	CABSX	24,387	12,196	0	7,574	3,578	1,043	0	1119
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1119
GENERAL & ADMIN EXP	GENADX	679,698	216,956	113,959	48,522	23,024	20,629	10,821	1119
OTHER TAXES (EXCL FIT & ITC)	OTAXES	444,082	119,673	76,574	26,412	12,926	3,753	7	1119
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1119
NON-OPERATING INC & EXP	NONOPX	10,188	3,521	2,225	802	379	111	5	1119
INTEREST & RELATED ITEMS(IRI)	INTREL	362,852	94,420	59,651	21,518	10,165	2,964	122	1119



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	76,997	19,337	11,283	7,539	183	271	61	1120
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1120
- GENERAL SUPPORT FACILITIES	GSF	10,379,625	3,496,172	2,029,890	1,356,388	32,930	48,701	28,264	1120
- CENTRAL OFFICE EQUIPMENT	COE	8,070,869	4,214,650	756,156	3,359,914	69,443	19,179	9,957	1120
-- COE CAT 1	COE1	120,224	29,180	0	19,223	0	0	9,957	1120
-- COE CAT 2	COE2	48,183	23,209	0	0	23,209	0	0	1120
-- COE CAT 3	COE3	4,610,355	3,340,691	0	3,340,691	0	0	0	1120
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1120
-- COE CAT 4.12	COE412	33,260	0	0	0	0	0	0	1120
-- COE CAT 4.13	COE413	3,082,531	774,114	756,156	0	0	17,958	0	1120
-- COE CAT 4.2	COE42	176,316	47,455	0	0	46,234	1,221	0	1120
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1120
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1120
- CABLE & WIRE FACILITIES	CWF	17,463,054	4,385,677	4,272,093	0	12,127	101,458	0	1120
-- C&WF CAT 1.1	CWF11	225,692	0	0	0	0	0	0	1120
-- C&WF CAT 1.2	CWF12	101,458	101,458	0	0	0	101,458	0	1120
-- C&WF CAT 1.3	CWF13	17,088,372	4,272,093	4,272,093	0	0	0	0	1120
-- C&WF CAT 2	CWF2	12,547	0	0	0	0	0	0	1120
-- C&WF CAT 3	CWF3	34,986	12,127	0	0	12,127	0	0	1120
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	35,019	11,758	6,882	4,599	112	165	0	1120
ACCUM DEPRECIATION	ACCDEP	24,381,046	8,339,644	4,723,864	3,393,561	80,659	113,400	28,161	1120
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1120
NET DEFERRED FIT	NTDFIT	527,731	175,275	104,848	66,288	1,625	2,514	0	1120
NETWORK SUPPORT EXP	NETSPX	99,993	33,681	19,652	13,132	319	471	106	1120
GENERAL SUPPORT EXP	GSFX	811,633	273,383	158,727	106,062	2,575	3,808	2,210	1120
COE EXPENSE	COEX	349,800	182,679	29,365	149,733	2,836	745	0	1120
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1120
C&WF EXPENSE	CWFX	119,160	29,926	29,151	0	83	692	0	1120
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1120
NETWORK OPERATIONS EXP	NETOPX	208,546	70,245	41,069	27,443	666	985	81	1120
DEPREC & AMORT EXP	DEPAMX	515,975	185,445	94,979	85,534	1,965	2,286	680	1120
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1120
SERVICES EXPENSE	SERVX	231,039	42,188	7,320	15,123	72	58	19,614	1120
- CABSX EXPENSE	CABSX	3,058	1,529	0	1,442	35	52	0	1120
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1120
GENERAL & ADMIN EXP	GENADX	521,090	192,580	89,435	92,641	1,948	2,010	6,547	1120
OTHER TAXES (EXCL FIT & ITC)	OTAXES	110,381	37,044	22,014	14,130	347	528	25	1120
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1120
NON-OPERATING INC & EXP	NONOPX	11,755	4,344	2,535	1,694	41	61	14	1120
INTEREST & RELATED ITEMS(IRI)	INTREL	348	113	66	44	1	2	0	1120

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	84,983	29,201	12,807	4,412	4,298	7,684	0	1121
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1121
- GENERAL SUPPORT FACILITIES	GSF	2,995,885	1,128,646	494,989	170,532	166,136	296,989	0	1121
- CENTRAL OFFICE EQUIPMENT	COE	10,756,536	4,710,236	1,097,812	1,742,854	1,180,026	689,544	0	1121
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1121
-- COE CAT 2	COE2	51,793	18,176	0	0	18,176	0	0	1121
-- COE CAT 3	COE3	2,536,230	1,742,854	0	1,742,854	0	0	0	1121
-- COE CAT 4.11	COE411	639,992	639,992	0	0	0	639,992	0	1121
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1121
-- COE CAT 4.13	COE413	4,451,022	1,136,974	1,097,812	0	0	39,162	0	1121
-- COE CAT 4.2	COE42	2,411,852	929,054	0	0	918,664	10,390	0	1121
-- COE CAT 4.3	COE43	665,647	243,186	0	0	243,186	0	0	1121
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1121
- CABLE & WIRE FACILITIES	CWF	19,861,703	6,824,640	3,961,024	0	517,905	2,345,711	0	1121
-- C&WF CAT 1.1	CWF11	74,368	0	0	0	0	0	0	1121
-- C&WF CAT 1.2	CWF12	141,299	141,299	0	0	0	141,299	0	1121
-- C&WF CAT 1.3	CWF13	15,844,096	3,961,024	3,961,024	0	0	0	0	1121
-- C&WF CAT 2	CWF2	2,374,397	2,203,475	0	0	0	2,203,475	0	1121
-- C&WF CAT 3	CWF3	195,915	68,881	0	0	67,945	936	0	1121
-- C&WF CAT 4	CWF4	1,231,628	449,961	0	0	449,961	0	0	1121
- TANGIBLES	TANGIB	17,600	6,630	2,908	1,002	976	1,745	0	1121
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1121
TELCOM PLANT-OTHER	PLTOTH	4,111,640	1,548,987	679,337	234,043	228,011	407,596	0	1121
ACCUM DEPRECIATION	ACCDEP	24,047,176	9,272,655	3,976,605	1,877,947	1,043,650	2,374,453	0	1121
ACCUM AMORTIZATION	ACCAMO	3,203	1,207	529	182	178	318	0	1121
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1121
NETWORK SUPPORT EXP	NETSPX	9,741	3,670	1,609	554	540	966	0	1121
GENERAL SUPPORT EXP	GSFX	124,121	46,760	20,508	7,065	6,883	12,304	0	1121
COE EXPENSE	COEX	317,112	138,862	11,562	106,689	13,349	7,262	0	1121
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1121
C&WF EXPENSE	CWFX	256,562	88,157	51,166	0	6,690	30,301	0	1121
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1121
NETWORK OPERATIONS EXP	NETOPX	51,271	19,315	8,471	2,918	2,843	5,083	0	1121
DEPREC & AMORT EXP	DEPAMX	630,599	261,181	90,060	83,011	33,952	54,159	0	1121
MARKETING EXPENSE	MRKTX	27,194	10,372	4,549	1,567	1,527	2,729	0	1121
SERVICES EXPENSE	SERVX	108,216	52,658	12,414	5,552	5,407	2,451	26,835	1121
- CABSX EXPENSE	CABSX	10,458	5,229	0	1,407	1,371	2,451	0	1121
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1121
GENERAL & ADMIN EXP	GENADX	235,991	108,424	35,705	36,239	10,853	17,806	7,821	1121
OTHER TAXES (EXCL FIT & ITC)	OTAXES	83,074	31,297	13,726	4,729	4,607	8,235	0	1121
INVESTMENT TAX CREDITS (ITC)	ITC	71,665	26,999	11,841	4,079	3,974	7,104	0	1121
NON-OPERATING INC & EXP	NONOPX	4,851	2,229	977	337	328	586	0	1121
INTEREST & RELATED ITEMS(IRI)	INTREL	285,466	103,066	45,202	15,573	15,171	27,121	0	1121

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	61,839	16,264	12,102	1,160	837	2,165	0	1122
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1122
- GENERAL SUPPORT FACILITIES	GSF	4,046,222	1,169,943	870,541	83,455	60,220	155,727	0	1122
- CENTRAL OFFICE EQUIPMENT	COE	16,058,755	5,135,620	2,943,720	719,633	447,563	1,024,704	0	1122
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1122
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1122
-- COE CAT 3	COE3	1,778,201	719,633	0	719,633	0	0	0	1122
-- COE CAT 4.11	COE411	1,007,880	1,007,880	0	0	0	1,007,880	0	1122
-- COE CAT 4.12	COE412	82,076	0	0	0	0	0	0	1122
-- COE CAT 4.13	COE413	11,808,549	2,959,881	2,943,720	0	0	16,161	0	1122
-- COE CAT 4.2	COE42	946,439	316,677	0	0	316,014	663	0	1122
-- COE CAT 4.3	COE43	435,610	131,549	0	0	131,549	0	0	1122
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1122
- CABLE & WIRE FACILITIES	CWF	18,831,702	4,952,764	4,562,930	0	71,710	318,124	0	1122
-- C&WF CAT 1.1	CWF11	27,139	0	0	0	0	0	0	1122
-- C&WF CAT 1.2	CWF12	25,051	25,051	0	0	0	25,051	0	1122
-- C&WF CAT 1.3	CWF13	18,251,720	4,562,930	4,562,930	0	0	0	0	1122
-- C&WF CAT 2	CWF2	310,902	293,041	0	0	0	293,041	0	1122
-- C&WF CAT 3	CWF3	57,611	23,642	0	0	23,609	33	0	1122
-- C&WF CAT 4	CWF4	159,279	48,101	0	0	48,101	0	0	1122
- TANGIBLES	TANGIB	13,418	3,880	2,887	277	200	516	0	1122
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1122
TELCOM PLANT-OTHER	PLTOTH	99,868	28,876	21,487	2,060	1,486	3,844	0	1122
ACCUM DEPRECIATION	ACCDEP	26,004,570	7,494,430	5,620,459	516,910	376,583	980,478	0	1122
ACCUM AMORTIZATION	ACCAMO	3,944	1,140	849	81	59	152	0	1122
NET DEFERRED FIT	NTDFIT	220,736	63,825	47,491	4,553	3,285	8,495	0	1122
NETWORK SUPPORT EXP	NETSPX	94,650	27,368	20,364	1,952	1,409	3,643	0	1122
GENERAL SUPPORT EXP	GSFX	636,686	184,094	136,982	13,132	9,476	24,504	0	1122
COE EXPENSE	COEX	2,627,202	840,184	128,864	646,870	19,593	44,858	0	1122
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1122
C&WF EXPENSE	CWFX	779,444	204,995	188,860	0	2,968	13,167	0	1122
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1122
NETWORK OPERATIONS EXP	NETOPX	139,586	40,436	30,087	2,885	2,082	5,382	0	1122
DEPREC & AMORT EXP	DEPAMX	2,378,022	697,524	496,286	71,922	36,371	92,945	0	1122
MARKETING EXPENSE	MRKTX	126,626	45,178	33,616	3,223	2,325	6,013	0	1122
SERVICES EXPENSE	SERVX	468,253	225,910	91,672	13,437	9,633	9,177	101,992	1122
- CABSX EXPENSE	CABSX	35,286	17,643	0	4,918	3,549	9,177	0	1122
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1122
GENERAL & ADMIN EXP	GENADX	1,568,768	577,383	252,710	235,960	16,441	36,959	35,313	1122
OTHER TAXES (EXCL FIT & ITC)	OTAXES	464,146	135,965	101,170	9,699	6,998	18,098	0	1122
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1122
NON-OPERATING INC & EXP	NONOPX	9,897	3,643	2,710	260	187	485	0	1122
INTEREST & RELATED ITEMS(IRI)	INTREL	345,867	100,624	74,873	7,178	5,179	13,394	0	1122

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	224,036	66,805	31,561	18,344	4,441	12,459	0	1123
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1123
- GENERAL SUPPORT FACILITIES	GSF	1,527,343	558,761	263,976	153,434	37,144	104,208	0	1123
- CENTRAL OFFICE EQUIPMENT	COE	3,143,382	1,661,830	203,502	1,075,878	124,314	258,136	0	1123
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1123
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1123
-- COE CAT 3	COE3	1,704,621	1,075,878	0	1,075,878	0	0	0	1123
-- COE CAT 4.11	COE411	274,785	256,258	0	0	0	256,258	0	1123
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1123
-- COE CAT 4.13	COE413	820,379	204,252	203,502	0	0	750	0	1123
-- COE CAT 4.2	COE42	224,582	86,268	0	0	85,139	1,129	0	1123
-- COE CAT 4.3	COE43	119,015	39,174	0	0	39,174	0	0	1123
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1123
- CABLE & WIRE FACILITIES	CWF	7,566,365	2,256,209	1,647,499	0	136,141	472,569	0	1123
-- C&WF CAT 1.1	CWF11	45,511	0	0	0	0	0	0	1123
-- C&WF CAT 1.2	CWF12	6,068	6,068	0	0	0	6,068	0	1123
-- C&WF CAT 1.3	CWF13	6,589,997	1,647,499	1,647,499	0	0	0	0	1123
-- C&WF CAT 2	CWF2	541,529	464,965	0	0	0	464,965	0	1123
-- C&WF CAT 3	CWF3	186,569	72,935	0	0	71,399	1,536	0	1123
-- C&WF CAT 4	CWF4	196,691	64,742	0	0	64,742	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	18,589	6,801	3,213	1,867	452	1,268	0	1123
ACCUM DEPRECIATION	ACCDEP	9,007,153	3,213,504	1,611,679	814,149	200,424	587,253	0	1123
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1123
NET DEFERRED FIT	NTDFIT	255,415	93,441	44,144	25,658	6,212	17,426	0	1123
NETWORK SUPPORT EXP	NETSPX	519	190	90	52	13	35	0	1123
GENERAL SUPPORT EXP	GSFX	96,531	35,315	16,684	9,697	2,348	6,586	0	1123
COE EXPENSE	COEX	318,521	168,394	10,503	138,154	6,416	13,322	0	1123
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1123
C&WF EXPENSE	CWFX	603,471	179,949	131,400	0	10,858	37,691	0	1123
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1123
NETWORK OPERATIONS EXP	NETOPX	58,477	21,393	10,107	5,874	1,422	3,990	0	1123
DEPREC & AMORT EXP	DEPAMX	679,493	271,931	102,157	111,890	15,488	42,396	0	1123
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1123
SERVICES EXPENSE	SERVX	235,868	68,512	10,743	22,869	5,277	12,792	16,831	1123
- CABSX EXPENSE	CABSX	71,507	35,754	0	18,609	4,505	12,639	0	1123
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1123
GENERAL & ADMIN EXP	GENADX	1,669,898	628,986	248,736	228,293	34,032	96,173	21,752	1123
OTHER TAXES (EXCL FIT & ITC)	OTAXES	71,192	27,111	11,897	8,110	1,931	5,174	0	1123
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1123
NON-OPERATING INC & EXP	NONOPX	2,250	847	400	233	56	158	0	1123
INTEREST & RELATED ITEMS(IRI)	INTREL	74,144	28,657	13,539	7,869	1,905	5,345	0	1123

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	483,462	126,925	53,280	22,912	14,902	35,707	123	1124
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1124
- GENERAL SUPPORT FACILITIES	GSF	16,545,911	6,663,841	2,781,092	1,195,968	777,875	1,863,854	45,052	1124
- CENTRAL OFFICE EQUIPMENT	COE	40,602,262	24,498,548	3,805,576	7,181,344	3,774,766	9,736,862	0	1124
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1124
-- COE CAT 2	COE2	2,240,555	1,620,387	0	0	1,620,387	0	0	1124
-- COE CAT 3	COE3	8,448,640	7,181,344	0	7,181,344	0	0	0	1124
-- COE CAT 4.11	COE411	9,973,255	9,495,327	0	0	0	9,495,327	0	1124
-- COE CAT 4.12	COE412	46,043	29,953	0	0	0	29,953	0	1124
-- COE CAT 4.13	COE413	16,186,092	3,910,976	3,805,576	0	0	105,400	0	1124
-- COE CAT 4.2	COE42	2,158,335	1,647,072	0	0	1,540,891	106,182	0	1124
-- COE CAT 4.3	COE43	1,549,342	613,488	0	0	613,488	0	0	1124
- INFORMATION ORIG/TERM	IOT	208,532	52,133	52,084	0	0	49	0	1124
- CABLE & WIRE FACILITIES	CWF	57,869,541	15,192,679	12,841,759	0	896,081	1,454,838	0	1124
-- C&WF CAT 1.1	CWF11	2,896,592	0	0	0	0	0	0	1124
-- C&WF CAT 1.2	CWF12	355,669	355,669	0	0	0	355,669	0	1124
-- C&WF CAT 1.3	CWF13	51,367,037	12,841,759	12,841,759	0	0	0	0	1124
-- C&WF CAT 2	CWF2	1,634,178	1,063,121	0	0	0	1,063,121	0	1124
-- C&WF CAT 3	CWF3	833,784	622,372	0	0	586,324	36,048	0	1124
-- C&WF CAT 4	CWF4	782,281	309,757	0	0	309,757	0	0	1124
- TANGIBLES	TANGIB	187,516	75,522	31,702	13,633	8,867	21,246	73	1124
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1124
TELCOM PLANT-OTHER	PLTOTH	494,826	199,097	83,657	35,975	23,399	56,066	0	1124
ACCUM DEPRECIATION	ACCDEP	72,256,605	28,072,869	12,630,213	3,757,283	3,159,694	8,492,494	33,185	1124
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1124
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1124
NETWORK SUPPORT EXP	NETSPX	161,279	64,955	27,266	11,725	7,626	18,274	63	1124
GENERAL SUPPORT EXP	GSFX	598,891	241,202	100,664	43,289	28,156	67,464	1,631	1124
COE EXPENSE	COEX	1,686,231	1,017,436	135,478	374,198	161,129	346,631	0	1124
IOT EXPENSE	IOTX	50	13	12	0	0	0	0	1124
C&WF EXPENSE	CWFX	1,387,781	364,339	307,961	0	21,489	34,889	0	1124
OTHER PROP & PL EXP	OTHPXX	100,384	40,430	16,988	7,305	4,751	11,385	0	1124
NETWORK OPERATIONS EXP	NETOPX	2,363,021	951,703	399,888	171,966	111,849	268,000	0	1124
DEPREC & AMORT EXP	DEPAMX	8,725,995	3,846,621	1,352,602	737,616	487,000	1,267,649	1,754	1124
MARKETING EXPENSE	MRKTX	197,631	59,378	24,925	10,719	6,972	16,705	58	1124
SERVICES EXPENSE	SERVX	1,596,198	318,475	81,130	29,564	19,229	84,825	103,726	1124
- CABSX EXPENSE	CABSX	72,884	36,443	0	11,357	7,387	17,699	0	1124
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1124
GENERAL & ADMIN EXP	GENADXX	3,876,284	1,504,896	538,543	319,277	177,758	417,410	51,909	1124
OTHER TAXES (EXCL FIT & ITC)	OTAXES	611,221	245,929	103,335	44,438	28,903	69,254	0	1124
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1124
NON-OPERATING INC & EXP	NONOPX	1,781	691	290	125	81	195	1	1124
INTEREST & RELATED ITEMS(IRI)	INTREL	996,030	422,828	177,492	76,328	49,645	118,953	410	1124

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	272,581	158,567	17,183	39,439	6,885	94,989	72	1125
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1125
- GENERAL SUPPORT FACILITIES	GSF	6,140,998	3,985,739	430,983	989,233	172,690	2,382,566	10,267	1125
- CENTRAL OFFICE EQUIPMENT	COE	15,850,256	11,144,233	419,033	4,607,542	514,492	5,603,165	0	1125
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1125
-- COE CAT 2	COE2	122,064	53,019	0	0	53,019	0	0	1125
-- COE CAT 3	COE3	7,467,908	4,607,542	0	4,607,542	0	0	0	1125
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1125
-- COE CAT 4.12	COE412	40,718	0	0	0	0	0	0	1125
-- COE CAT 4.13	COE413	1,691,494	429,362	419,033	0	0	10,329	0	1125
-- COE CAT 4.2	COE42	6,528,072	6,054,310	0	0	461,474	5,592,836	0	1125
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1125
- INFORMATION ORIG/TERM	IOT	10,138	2,474	2,474	0	0	0	0	1125
- CABLE & WIRE FACILITIES	CWF	12,668,902	7,369,819	1,585,878	0	289,846	5,494,094	0	1125
-- C&WF CAT 1.1	CWF11	19,044	0	0	0	0	0	0	1125
-- C&WF CAT 1.2	CWF12	39,089	39,089	0	0	0	39,089	0	1125
-- C&WF CAT 1.3	CWF13	6,343,513	1,585,878	1,585,878	0	0	0	0	1125
-- C&WF CAT 2	CWF2	5,640,379	5,430,295	0	0	0	5,430,295	0	1125
-- C&WF CAT 3	CWF3	626,877	314,556	0	0	289,846	24,710	0	1125
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	10,808	7,012	760	1,745	305	4,202	0	1125
ACCUM DEPRECIATION	ACCDEP	16,737,963	10,961,504	1,079,979	3,028,844	476,299	6,369,755	6,626	1125
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1125
NET DEFERRED FIT	NTDFIT	3,977,393	2,586,572	281,538	620,638	113,828	1,570,567	0	1125
NETWORK SUPPORT EXP	NETSPX	130,902	84,960	9,206	21,131	3,689	50,895	39	1125
GENERAL SUPPORT EXP	GSFX	439,085	284,983	30,816	70,731	12,347	170,355	734	1125
COE EXPENSE	COEX	564,484	396,886	4,973	316,293	9,117	66,503	0	1125
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1125
C&WF EXPENSE	CWFX	499,497	290,570	62,526	0	11,428	216,616	0	1125
OTHER PROP & PL EXP	OTHPPX	1,744	1,132	123	282	49	678	0	1125
NETWORK OPERATIONS EXP	NETOPX	978,996	635,405	68,885	158,110	27,601	380,809	0	1125
DEPREC & AMORT EXP	DEPAMX	2,179,866	1,453,038	130,368	399,837	65,949	856,317	567	1125
MARKETING EXPENSE	MRKTX	26,933	8,752	948	2,177	380	5,243	4	1125
SERVICES EXPENSE	SERVX	464,570	143,970	14,110	24,501	4,277	59,011	42,070	1125
- CABSX EXPENSE	CABSX	175,579	87,790	0	24,501	4,277	59,011	0	1125
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1125
GENERAL & ADMIN EXP	GENADX	1,542,046	967,974	125,357	302,019	35,072	483,713	21,814	1125
OTHER TAXES (EXCL FIT & ITC)	OTAXES	469,073	304,629	34,275	72,508	13,210	184,618	20	1125
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1125
NON-OPERATING INC & EXP	NONOPX	169,942	106,676	11,560	26,533	4,632	63,904	49	1125
INTEREST & RELATED ITEMS(IRI)	INTREL	378,563	242,447	26,272	60,302	10,527	145,236	111	1125

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	130,436	37,889	19,148	9,116	1,104	8,522	0	1126
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1126
- GENERAL SUPPORT FACILITIES	GSF	4,182,998	1,477,064	746,450	355,361	43,044	332,209	0	1126
- CENTRAL OFFICE EQUIPMENT	COE	5,383,387	3,042,554	131,752	2,005,804	140,331	764,667	0	1126
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1126
-- COE CAT 2	COE2	102,177	31,171	0	0	31,171	0	0	1126
-- COE CAT 3	COE3	3,387,215	2,005,804	0	2,005,804	0	0	0	1126
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1126
-- COE CAT 4.12	COE412	33,448	0	0	0	0	0	0	1126
-- COE CAT 4.13	COE413	533,050	134,332	131,752	0	0	2,580	0	1126
-- COE CAT 4.2	COE42	1,172,086	841,597	0	0	79,509	762,087	0	1126
-- COE CAT 4.3	COE43	155,411	29,651	0	0	29,651	0	0	1126
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1126
- CABLE & WIRE FACILITIES	CWF	18,227,156	5,294,598	4,081,516	0	102,624	1,110,458	0	1126
-- C&WF CAT 1.1	CWF11	107,284	0	0	0	0	0	0	1126
-- C&WF CAT 1.2	CWF12	79,937	79,937	0	0	0	79,937	0	1126
-- C&WF CAT 1.3	CWF13	16,326,062	4,081,516	4,081,516	0	0	0	0	1126
-- C&WF CAT 2	CWF2	1,286,729	1,022,641	0	0	0	1,022,641	0	1126
-- C&WF CAT 3	CWF3	171,937	61,813	0	0	53,933	7,880	0	1126
-- C&WF CAT 4	CWF4	255,207	48,691	0	0	48,691	0	0	1126
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1126
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1126
TELCOM PLANT-OTHER	PLTOTH	82,560	29,153	14,733	7,014	850	6,557	0	1126
ACCUM DEPRECIATION	ACCDEP	19,369,549	6,919,418	3,387,854	1,925,758	187,262	1,418,544	0	1126
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1126
NET DEFERRED FIT	NTDFIT	1,915,390	677,367	340,451	173,875	18,764	144,277	0	1126
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1126
GENERAL SUPPORT EXP	GSFX	294,838	104,111	52,613	25,048	3,034	23,416	0	1126
COE EXPENSE	COEX	1,100,198	621,804	76	611,718	9,569	441	0	1126
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1126
C&WF EXPENSE	CWFX	777,823	225,941	174,174	0	4,379	47,388	0	1126
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1126
NETWORK OPERATIONS EXP	NETOPX	677,759	239,324	120,945	57,578	6,974	53,827	0	1126
DEPREC & AMORT EXP	DEPAMX	1,628,580	597,876	274,787	157,537	19,684	145,867	0	1126
MARKETING EXPENSE	MRKTX	41,223	11,314	5,718	2,722	330	2,545	0	1126
SERVICES EXPENSE	SERVX	695,745	225,085	23,986	56,169	6,476	48,529	89,925	1126
- CABSX EXPENSE	CABSX	210,632	105,316	0	51,224	6,205	47,887	0	1126
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1126
GENERAL & ADMIN EXP	GENADX	1,779,420	741,451	221,495	372,975	15,233	87,220	44,528	1126
OTHER TAXES (EXCL FIT & ITC)	OTAXES	256,962	90,797	47,144	18,754	2,820	22,078	0	1126
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1126
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1126
INTEREST & RELATED ITEMS(IRI)	INTREL	177,814	60,434	30,541	14,540	1,761	13,592	0	1126

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	156,952	57,719	15,967	15,879	7,791	18,082	0	1127
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1127
- GENERAL SUPPORT FACILITIES	GSF	1,339,621	641,937	178,040	175,401	86,873	201,622	0	1127
- CENTRAL OFFICE EQUIPMENT	COE	4,793,722	3,413,245	155,739	1,939,000	339,058	979,447	0	1127
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1127
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1127
-- COE CAT 3	COE3	2,378,768	1,918,987	0	1,918,987	0	0	0	1127
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1127
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1127
-- COE CAT 4.13	COE413	624,141	155,871	155,739	0	0	132	0	1127
-- COE CAT 4.2	COE42	1,293,786	1,113,705	0	0	134,389	979,316	0	1127
-- COE CAT 4.3	COE43	497,026	204,669	0	0	204,669	0	0	1127
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1127
- CABLE & WIRE FACILITIES	CWF	10,015,306	3,683,141	1,812,430	0	621,294	1,249,417	0	1127
-- C&WF CAT 1.1	CWF11	12,236	0	0	0	0	0	0	1127
-- C&WF CAT 1.2	CWF12	3,059	3,059	0	0	0	3,059	0	1127
-- C&WF CAT 1.3	CWF13	7,249,721	1,812,430	1,812,430	0	0	0	0	1127
-- C&WF CAT 2	CWF2	1,250,704	1,246,048	0	0	0	1,246,048	0	1127
-- C&WF CAT 3	CWF3	165,734	72,343	0	0	72,033	310	0	1127
-- C&WF CAT 4	CWF4	1,333,853	549,262	0	0	549,262	0	0	1127
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1127
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1127
TELCOM PLANT-OTHER	PLTOTH	273,598	131,106	36,268	36,069	17,697	41,072	0	1127
ACCUM DEPRECIATION	ACCDEP	8,475,149	4,234,042	1,058,088	1,463,542	515,765	1,196,647	0	1127
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1127
NET DEFERRED FIT	NTDFIT	685,508	330,813	90,294	97,063	43,354	100,103	0	1127
NETWORK SUPPORT EXP	NETSPX	15,193	7,280	2,014	2,003	983	2,281	0	1127
GENERAL SUPPORT EXP	GSFX	57,183	27,402	7,600	7,487	3,708	8,606	0	1127
COE EXPENSE	COEX	279,427	198,959	8,784	115,809	19,124	55,243	0	1127
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1127
C&WF EXPENSE	CWFX	314,578	115,686	56,928	0	19,515	39,244	0	1127
OTHER PROP & PL EXP	OTHPX	43,830	21,003	5,825	5,739	2,842	6,597	0	1127
NETWORK OPERATIONS EXP	NETOPX	229,174	109,819	30,458	30,007	14,862	34,492	0	1127
DEPREC & AMORT EXP	DEPAMX	796,064	402,922	96,814	135,892	50,531	119,685	0	1127
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1127
SERVICES EXPENSE	SERVX	169,471	55,302	7,611	7,512	2,104	4,884	33,191	1127
- CABSX EXPENSE	CABSX	22,560	11,280	0	4,292	2,104	4,884	0	1127
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1127
GENERAL & ADMIN EXP	GENADX	1,168,441	674,090	170,267	204,028	76,424	183,196	40,176	1127
OTHER TAXES (EXCL FIT & ITC)	OTAXES	202,056	96,280	27,933	23,027	13,644	31,675	0	1127
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1127
NON-OPERATING INC & EXP	NONOPX	3,549	2,047	566	563	276	641	0	1127
INTEREST & RELATED ITEMS(IRI)	INTREL	275,085	125,185	34,630	34,440	16,898	39,217	0	1127



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	4,440	1,524	579	372	85	487	0	1128
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1128
- GENERAL SUPPORT FACILITIES	GSF	411,112	161,460	61,397	39,459	9,040	51,564	0	1128
- CENTRAL OFFICE EQUIPMENT	COE	2,434,965	1,157,957	147,254	623,938	67,220	319,546	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	1,357,087	623,938	0	623,938	0	0	0	1128
-- COE CAT 4.11	COE411	263,269	263,269	0	0	0	263,269	0	1128
-- COE CAT 4.12	COE412	10,939	0	0	0	0	0	0	1128
-- COE CAT 4.13	COE413	598,729	156,968	147,254	0	0	9,715	0	1128
-- COE CAT 4.2	COE42	204,941	113,782	0	0	67,220	46,562	0	1128
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1128
- INFORMATION ORIG/TERM	IOT	1,191	298	298	0	0	0	0	1128
- CABLE & WIRE FACILITIES	CWF	4,064,458	1,394,799	823,268	0	75,728	495,804	0	1128
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1128
-- C&WF CAT 1.2	CWF12	54,313	54,313	0	0	0	54,313	0	1128
-- C&WF CAT 1.3	CWF13	3,293,071	823,268	823,268	0	0	0	0	1128
-- C&WF CAT 2	CWF2	536,890	422,542	0	0	0	422,542	0	1128
-- C&WF CAT 3	CWF3	180,184	94,677	0	0	75,728	18,949	0	1128
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1128
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1128
- INTANGIBLES	INTANG	59,020	23,180	8,814	5,665	1,298	7,403	0	1128
TELCOM PLANT-OTHER	PLTOTH	18,751	7,364	2,800	1,800	412	2,352	0	1128
ACCUM DEPRECIATION	ACCDEP	4,370,119	1,679,225	685,648	368,248	91,251	534,077	0	1128
ACCUM AMORTIZATION	ACCAMO	44,302	17,399	6,616	4,252	974	5,557	0	1128
NET DEFERRED FIT	NTDFIT	378,000	148,456	56,452	36,281	8,312	47,411	0	1128
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1128
GENERAL SUPPORT EXP	GSFX	60,628	23,811	9,054	5,819	1,333	7,604	0	1128
COE EXPENSE	COEX	164,297	78,132	3,571	50,963	15,850	7,748	0	1128
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1128
C&WF EXPENSE	CWFX	358,075	122,881	72,529	0	6,672	43,680	0	1128
OTHER PROP & PL EXP	OTHPPX	10,281	4,038	1,535	987	226	1,290	0	1128
NETWORK OPERATIONS EXP	NETOPX	108,888	42,765	16,262	10,451	2,394	13,657	0	1128
DEPREC & AMORT EXP	DEPAMX	524,347	209,200	81,383	36,748	14,007	77,061	0	1128
MARKETING EXPENSE	MRKTX	161,304	58,275	22,160	14,242	3,263	18,611	0	1128
SERVICES EXPENSE	SERVX	126,367	45,021	7,110	10,577	1,851	8,141	17,341	1128
- CABSX EXPENSE	CABSX	31,213	15,607	0	6,154	1,410	8,042	0	1128
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1128
GENERAL & ADMIN EXP	GENADX	286,309	122,717	43,278	30,453	10,340	32,971	5,676	1128
OTHER TAXES (EXCL FIT & ITC)	OTAXES	86,506	34,143	12,983	8,344	1,912	10,904	0	1128
INVESTMENT TAX CREDITS (ITC)	ITC	522	205	78	50	11	65	0	1128
NON-OPERATING INC & EXP	NONOPX	2,358	1,011	384	247	57	323	0	1128
INTEREST & RELATED ITEMS(IRI)	INTREL	34,217	14,012	5,328	3,424	785	4,475	0	1128

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	33,235	8,841	5,604	1,424	368	1,446	0	1129
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1129
- GENERAL SUPPORT FACILITIES	GSF	6,164,690	1,741,892	1,104,030	280,467	72,494	284,901	0	1129
- CENTRAL OFFICE EQUIPMENT	COE	11,447,460	3,663,744	718,212	1,701,694	238,802	1,005,036	0	1129
-- COE CAT 1	COE1	331,928	1,591	0	1,591	0	0	0	1129
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1129
-- COE CAT 3	COE3	6,284,481	1,700,103	0	1,700,103	0	0	0	1129
-- COE CAT 4.11	COE411	511,721	511,721	0	0	0	511,721	0	1129
-- COE CAT 4.12	COE412	303,871	0	0	0	0	0	0	1129
-- COE CAT 4.13	COE413	2,898,616	724,303	718,212	0	0	6,091	0	1129
-- COE CAT 4.2	COE42	1,116,843	726,026	0	0	238,802	487,224	0	1129
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1129
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1129
- CABLE & WIRE FACILITIES	CWF	25,955,906	6,904,936	5,980,333	0	201,042	723,561	0	1129
-- C&WF CAT 1.1	CWF11	163,845	0	0	0	0	0	0	1129
-- C&WF CAT 1.2	CWF12	50,714	50,714	0	0	0	50,714	0	1129
-- C&WF CAT 1.3	CWF13	23,921,331	5,980,333	5,980,333	0	0	0	0	1129
-- C&WF CAT 2	CWF2	1,302,484	671,176	0	0	0	671,176	0	1129
-- C&WF CAT 3	CWF3	517,532	202,713	0	0	201,042	1,671	0	1129
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1129
- TANGIBLES	TANGIB	2,643,768	715,203	0	715,203	0	0	0	1129
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1129
TELCOM PLANT-OTHER	PLTOTH	38,372	10,816	6,479	2,240	425	1,672	0	1129
ACCUM DEPRECIATION	ACCDEP	20,864,735	5,908,347	3,966,130	639,951	263,905	1,038,361	0	1129
ACCUM AMORTIZATION	ACCAMO	2,636,390	713,207	0	713,207	0	0	0	1129
NET DEFERRED FIT	NTDFIT	2,642,277	746,642	473,137	120,259	31,083	122,164	0	1129
NETWORK SUPPORT EXP	NETSPX	9,031	2,552	1,617	411	106	417	0	1129
GENERAL SUPPORT EXP	GSFX	424,590	119,972	76,040	19,317	4,993	19,622	0	1129
COE EXPENSE	COEX	729,220	233,386	4,946	193,790	27,730	6,921	0	1129
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1129
C&WF EXPENSE	CWFX	225,313	59,939	51,913	0	1,745	6,281	0	1129
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1129
NETWORK OPERATIONS EXP	NETOPX	493,421	139,421	88,366	22,449	5,802	22,803	0	1129
DEPREC & AMORT EXP	DEPAMX	2,128,701	614,657	371,685	94,213	29,795	118,965	0	1129
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1129
SERVICES EXPENSE	SERVX	684,425	177,203	53,658	26,112	6,749	20,466	70,218	1129
- CABSX EXPENSE	CABSX	76,714	38,357	0	16,866	4,359	17,132	0	1129
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1129
GENERAL & ADMIN EXP	GENADX	1,304,716	410,401	174,262	135,737	24,408	39,627	36,368	1129
OTHER TAXES (EXCL FIT & ITC)	OTAXES	312,503	89,184	56,526	14,360	3,712	14,587	0	1129
INVESTMENT TAX CREDITS (ITC)	ITC	-2,243	-632	-401	-102	-26	-103	0	1129
NON-OPERATING INC & EXP	NONOPX	61,507	19,347	12,262	3,115	805	3,164	0	1129
INTEREST & RELATED ITEMS(IRI)	INTREL	443,043	124,889	79,156	20,109	5,198	20,427	0	1129

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	574,487	167,588	97,328	23,052	9,246	37,961	0	1130
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1130
- GENERAL SUPPORT FACILITIES	GSF	8,134,257	2,543,179	1,476,974	349,824	140,310	576,071	0	1130
- CENTRAL OFFICE EQUIPMENT	COE	13,018,048	4,641,051	1,304,998	1,732,865	532,076	1,071,112	0	1130
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1130
-- COE CAT 2	COE2	1,286,551	422,864	0	0	422,864	0	0	1130
-- COE CAT 3	COE3	4,699,550	1,732,865	0	1,732,865	0	0	0	1130
-- COE CAT 4.11	COE411	498,106	481,027	0	0	0	481,027	0	1130
-- COE CAT 4.12	COE412	256,990	0	0	0	0	0	0	1130
-- COE CAT 4.13	COE413	5,244,575	1,316,566	1,304,998	0	0	11,568	0	1130
-- COE CAT 4.2	COE42	933,038	676,516	0	0	97,999	578,517	0	1130
-- COE CAT 4.3	COE43	99,238	11,213	0	0	11,213	0	0	1130
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1130
- CABLE & WIRE FACILITIES	CWF	27,275,243	7,956,662	6,011,236	0	162,954	1,782,471	0	1130
-- C&WF CAT 1.1	CWF11	59,946	0	0	0	0	0	0	1130
-- C&WF CAT 1.2	CWF12	53,285	53,285	0	0	0	53,285	0	1130
-- C&WF CAT 1.3	CWF13	24,044,946	6,011,236	6,011,236	0	0	0	0	1130
-- C&WF CAT 2	CWF2	1,270,587	663,403	0	0	0	663,403	0	1130
-- C&WF CAT 3	CWF3	1,570,555	1,197,559	0	0	131,776	1,065,783	0	1130
-- C&WF CAT 4	CWF4	275,924	31,178	0	0	31,178	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	89,508	27,985	16,252	3,849	1,544	6,339	0	1130
ACCUM DEPRECIATION	ACCDEP	28,544,069	8,805,041	5,431,808	938,335	419,866	2,015,032	0	1130
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1130
NET DEFERRED FIT	NTDFIT	15,743	4,922	2,859	677	272	1,115	0	1130
NETWORK SUPPORT EXP	NETSPX	50,904	15,915	9,243	2,189	878	3,605	0	1130
GENERAL SUPPORT EXP	GSFX	393,348	122,980	71,422	16,916	6,785	27,857	0	1130
COE EXPENSE	COEX	759,421	270,740	33,125	166,922	43,505	27,188	0	1130
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1130
C&WF EXPENSE	CWFX	619,303	180,661	136,489	0	3,700	40,472	0	1130
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1130
NETWORK OPERATIONS EXP	NETOPX	515,178	161,071	93,543	22,156	8,886	36,485	0	1130
DEPREC & AMORT EXP	DEPAMX	3,663,700	1,183,165	567,269	279,681	91,846	244,368	0	1130
MARKETING EXPENSE	MRKTX	51,447	26,181	15,205	3,601	1,444	5,930	0	1130
SERVICES EXPENSE	SERVX	781,400	242,393	32,850	17,230	5,978	19,966	166,368	1130
- CABSX EXPENSE	CABSX	72,317	36,159	0	11,864	4,758	19,536	0	1130
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1130
GENERAL & ADMIN EXP	GENADX	2,454,511	812,829	340,879	172,089	53,485	121,360	125,015	1130
OTHER TAXES (EXCL FIT & ITC)	OTAXES	226,376	69,312	40,254	9,534	3,824	15,700	0	1130
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1130
NON-OPERATING INC & EXP	NONOPX	3,967	1,314	763	181	72	298	0	1130
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1130

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	2,149,864	553,500	367,110	96,280	42,591	47,519	0	1131
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1131
- GENERAL SUPPORT FACILITIES	GSF	24,433,339	6,619,912	4,390,672	1,151,516	509,395	568,330	0	1131
- CENTRAL OFFICE EQUIPMENT	COE	40,388,734	12,179,462	2,858,068	6,225,519	1,529,739	1,566,135	0	1131
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1131
-- COE CAT 2	COE2	352,109	138,966	0	0	138,966	0	0	1131
-- COE CAT 3	COE3	22,400,239	6,225,519	0	6,225,519	0	0	0	1131
-- COE CAT 4.11	COE411	1,488,567	1,488,567	0	0	0	1,488,567	0	1131
-- COE CAT 4.12	COE412	1,341,471	0	0	0	0	0	0	1131
-- COE CAT 4.13	COE413	11,517,817	2,896,392	2,858,068	0	0	38,324	0	1131
-- COE CAT 4.2	COE42	3,288,531	1,430,018	0	0	1,390,773	39,244	0	1131
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1131
- INFORMATION ORIG/TERM	IOT	64,566	16,142	16,142	0	0	0	0	1131
- CABLE & WIRE FACILITIES	CWF	91,642,372	23,594,093	20,863,391	0	1,224,237	1,506,466	0	1131
-- C&WF CAT 1.1	CWF11	344,705	0	0	0	0	0	0	1131
-- C&WF CAT 1.2	CWF12	279,761	279,761	0	0	0	279,761	0	1131
-- C&WF CAT 1.3	CWF13	83,453,563	20,863,391	20,863,391	0	0	0	0	1131
-- C&WF CAT 2	CWF2	4,340,732	1,132,150	0	0	0	1,132,150	0	1131
-- C&WF CAT 3	CWF3	3,223,612	1,318,792	0	0	1,224,237	94,555	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	812,719	220,196	146,046	38,303	16,944	18,904	0	1131
ACCUM DEPRECIATION	ACCDEP	100,579,606	27,027,955	18,547,493	4,383,163	1,930,580	2,166,719	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	227,557	61,654	40,892	10,725	4,744	5,293	0	1131
GENERAL SUPPORT EXP	GSFX	1,194,927	323,751	214,728	56,316	24,912	27,795	0	1131
COE EXPENSE	COEX	2,161,225	651,730	123,540	391,636	68,858	67,696	0	1131
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1131
C&WF EXPENSE	CWFX	3,615,434	930,824	823,093	0	48,298	59,432	0	1131
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1131
NETWORK OPERATIONS EXP	NETOPX	3,038,907	823,354	546,092	143,220	63,356	70,686	0	1131
DEPREC & AMORT EXP	DEPAMX	9,270,762	2,538,033	1,618,327	468,243	213,946	237,516	0	1131
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1131
SERVICES EXPENSE	SERVX	3,064,532	843,226	150,635	126,601	44,842	43,964	477,184	1131
- CABSX EXPENSE	CABSX	328,824	164,413	0	84,927	37,569	41,916	0	1131
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1131
GENERAL & ADMIN EXP	GENADX	5,530,487	1,553,098	859,435	291,164	101,922	109,858	190,719	1131
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,038,002	277,933	184,340	48,346	21,387	23,861	0	1131
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1131
NON-OPERATING INC & EXP	NONOPX	86,293	24,233	16,073	4,215	1,865	2,080	0	1131
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1131

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	91,049	27,508	13,572	5,891	387	7,658	0	1132
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1132
- GENERAL SUPPORT FACILITIES	GSF	804,729	298,534	147,295	63,932	4,198	83,109	0	1132
- CENTRAL OFFICE EQUIPMENT	COE	2,194,944	961,204	346,471	343,932	4,692	266,109	0	1132
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1132
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1132
-- COE CAT 3	COE3	404,626	343,932	0	343,932	0	0	0	1132
-- COE CAT 4.11	COE411	219,246	155,342	0	0	0	155,342	0	1132
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1132
-- COE CAT 4.13	COE413	1,385,885	346,471	346,471	0	0	0	0	1132
-- COE CAT 4.2	COE42	185,187	115,459	0	0	4,692	110,767	0	1132
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1132
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1132
- CABLE & WIRE FACILITIES	CWF	2,134,238	644,812	445,927	0	17,894	180,992	0	1132
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1132
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1132
-- C&WF CAT 1.3	CWF13	1,783,706	445,927	445,927	0	0	0	0	1132
-- C&WF CAT 2	CWF2	250,846	163,912	0	0	0	163,912	0	1132
-- C&WF CAT 3	CWF3	99,686	34,974	0	0	17,894	17,080	0	1132
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1132
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1132
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1132
TELCOM PLANT-OTHER	PLTOTH	927,846	344,207	169,830	73,713	4,841	95,824	0	1132
ACCUM DEPRECIATION	ACCDEP	1,933,856	735,896	347,272	154,708	7,674	226,241	0	1132
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1132
NET DEFERRED FIT	NTDFIT	10,689	4,026	1,933	935	54	1,104	0	1132
NETWORK SUPPORT EXP	NETSPX	4,835	1,794	885	384	25	499	0	1132
GENERAL SUPPORT EXP	GSFX	67,553	25,060	12,365	5,367	352	6,977	0	1132
COE EXPENSE	COEX	246,274	107,848	31,164	52,327	422	23,935	0	1132
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1132
C&WF EXPENSE	CWFX	41,825	12,636	8,739	0	351	3,547	0	1132
OTHER PROP & PL EXP	OTHPX	380	141	70	30	2	39	0	1132
NETWORK OPERATIONS EXP	NETOPX	74,397	27,599	13,617	5,910	388	7,683	0	1132
DEPREC & AMORT EXP	DEPAMX	377,442	163,831	60,035	64,638	1,428	37,730	0	1132
MARKETING EXPENSE	MRKTX	8,924	1,889	932	404	27	526	0	1132
SERVICES EXPENSE	SERVX	28,608	8,199	1,729	1,007	54	1,076	4,333	1132
- CABSX EXPENSE	CABSX	3,885	1,943	0	821	54	1,067	0	1132
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1132
GENERAL & ADMIN EXP	GENADX	537,705	232,730	87,352	82,236	2,038	55,658	5,446	1132
OTHER TAXES (EXCL FIT & ITC)	OTAXES	6,383	2,368	1,168	507	33	659	0	1132
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1132
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1132
INTEREST & RELATED ITEMS(IRI)	INTREL	138,416	50,533	24,932	10,822	711	14,068	0	1132

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	508,092	147,338	76,350	48,574	6,127	16,287	0	1133
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1133
- GENERAL SUPPORT FACILITIES	GSF	4,283,255	1,498,894	776,722	494,157	62,329	165,687	0	1133
- CENTRAL OFFICE EQUIPMENT	COE	8,489,102	3,606,497	1,076,426	2,202,723	184,482	142,866	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	3,278,237	2,202,723	0	2,202,723	0	0	0	1133
-- COE CAT 4.11	COE411	132,430	118,593	0	0	0	118,593	0	1133
-- COE CAT 4.12	COE412	38,982	0	0	0	0	0	0	1133
-- COE CAT 4.13	COE413	4,336,386	1,096,881	1,076,426	0	0	20,455	0	1133
-- COE CAT 4.2	COE42	203,908	84,350	0	0	80,532	3,819	0	1133
-- COE CAT 4.3	COE43	499,159	103,950	0	0	103,950	0	0	1133
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1133
- CABLE & WIRE FACILITIES	CWF	10,603,674	3,074,881	2,385,841	0	93,351	595,688	0	1133
-- C&WF CAT 1.1	CWF11	22,668	0	0	0	0	0	0	1133
-- C&WF CAT 1.2	CWF12	45,337	45,337	0	0	0	45,337	0	1133
-- C&WF CAT 1.3	CWF13	9,543,365	2,385,841	2,385,841	0	0	0	0	1133
-- C&WF CAT 2	CWF2	676,963	546,845	0	0	0	546,845	0	1133
-- C&WF CAT 3	CWF3	140,995	60,551	0	0	57,044	3,507	0	1133
-- C&WF CAT 4	CWF4	174,346	36,308	0	0	36,308	0	0	1133
- TANGIBLES	TANGIB	23,828	8,338	4,321	2,749	347	922	0	1133
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1133
TELCOM PLANT-OTHER	PLTOTH	51,454	18,006	9,331	5,936	749	1,990	0	1133
ACCUM DEPRECIATION	ACCDEP	15,599,361	5,264,039	2,919,232	1,485,747	252,287	606,774	0	1133
ACCUM AMORTIZATION	ACCAMO	10,950	3,832	1,986	1,263	159	424	0	1133
NET DEFERRED FIT	NTDFIT	1,143,785	399,896	207,413	131,595	16,644	44,244	0	1133
NETWORK SUPPORT EXP	NETSPX	44,818	15,684	8,127	5,171	652	1,734	0	1133
GENERAL SUPPORT EXP	GSFX	124,482	43,562	22,573	14,361	1,811	4,815	0	1133
COE EXPENSE	COEX	671,252	285,174	102,713	151,226	17,603	13,632	0	1133
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1133
C&WF EXPENSE	CWFX	674,104	195,478	151,674	0	5,935	37,870	0	1133
OTHER PROP & PL EXP	OTHPPX	-19,959	-6,985	-3,619	-2,303	-290	-772	0	1133
NETWORK OPERATIONS EXP	NETOPX	307,107	107,470	55,691	35,431	4,469	11,880	0	1133
DEPREC & AMORT EXP	DEPAMX	1,488,443	541,978	253,754	213,269	24,357	50,598	0	1133
MARKETING EXPENSE	MRKTX	22,039	6,340	3,285	2,090	264	701	0	1133
SERVICES EXPENSE	SERVX	130,727	25,574	4,991	4,714	582	1,412	13,875	1133
- CABSX EXPENSE	CABSX	11,678	5,839	0	3,995	504	1,340	0	1133
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1133
GENERAL & ADMIN EXP	GENADX	1,273,326	483,948	256,575	146,562	21,582	49,578	9,652	1133
OTHER TAXES (EXCL FIT & ITC)	OTAXES	222,985	77,729	40,279	25,626	3,232	8,592	0	1133
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1133
NON-OPERATING INC & EXP	NONOPX	2,945	1,119	580	369	47	124	0	1133
INTEREST & RELATED ITEMS(IRI)	INTREL	420,548	156,766	81,236	51,683	6,519	17,329	0	1133

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	0	0	0	0	0	0	0	1134
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1134
- GENERAL SUPPORT FACILITIES	GSF	9,432,383	2,960,184	1,580,348	545,860	124,218	709,758	0	1134
- CENTRAL OFFICE EQUIPMENT	COE	26,388,411	9,156,254	2,291,104	3,597,891	795,260	2,472,000	0	1134
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1134
-- COE CAT 2	COE2	1,024,915	504,781	0	0	504,781	0	0	1134
-- COE CAT 3	COE3	12,283,055	3,597,891	0	3,597,891	0	0	0	1134
-- COE CAT 4.11	COE411	1,473,798	1,344,070	0	0	0	1,344,070	0	1134
-- COE CAT 4.12	COE412	144,717	0	0	0	0	0	0	1134
-- COE CAT 4.13	COE413	9,466,138	2,557,437	2,291,104	0	0	266,333	0	1134
-- COE CAT 4.2	COE42	1,578,719	1,102,591	0	0	240,994	861,597	0	1134
-- COE CAT 4.3	COE43	417,069	49,484	0	0	49,484	0	0	1134
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1134
- CABLE & WIRE FACILITIES	CWF	41,454,028	12,134,876	9,075,550	328,211	98,180	2,632,934	0	1134
-- C&WF CAT 1.1	CWF11	140,185	0	0	0	0	0	0	1134
-- C&WF CAT 1.2	CWF12	1,055,002	1,055,002	0	0	0	1,055,002	0	1134
-- C&WF CAT 1.3	CWF13	36,302,200	9,075,550	9,075,550	0	0	0	0	1134
-- C&WF CAT 2	CWF2	610,580	208,755	0	0	0	208,755	0	1134
-- C&WF CAT 3	CWF3	2,518,567	1,697,388	0	328,211	0	1,369,177	0	1134
-- C&WF CAT 4	CWF4	827,493	98,180	0	0	98,180	0	0	1134
- TANGIBLES	TANGIB	2,250	706	377	130	30	169	0	1134
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1134
TELCOM PLANT-OTHER	PLTOTH	391,514	122,870	65,596	22,657	5,156	29,460	0	1134
ACCUM DEPRECIATION	ACCDEP	43,049,608	13,606,044	6,876,858	2,844,493	631,614	3,253,079	0	1134
ACCUM AMORTIZATION	ACCAMO	691	217	116	40	9	52	0	1134
NET DEFERRED FIT	NTDFIT	5,302,512	1,716,738	785,547	400,970	92,902	437,318	0	1134
NETWORK SUPPORT EXP	NETSPX	3,549	1,114	595	205	47	267	0	1134
GENERAL SUPPORT EXP	GSFX	89,685	28,146	15,026	5,190	1,181	6,749	0	1134
COE EXPENSE	COEX	349,401	121,235	23,595	60,679	11,505	25,458	0	1134
IOT EXPENSE	IOTX	59,061	0	0	0	0	0	0	1134
C&WF EXPENSE	CWFX	628,797	184,068	137,663	4,978	1,489	39,938	0	1134
OTHER PROP & PL EXP	OTHPXX	-203	-64	-34	-12	-3	-15	0	1134
NETWORK OPERATIONS EXP	NETOPX	740,346	232,344	124,041	42,844	9,750	55,709	0	1134
DEPREC & AMORT EXP	DEPAMX	4,432,841	1,427,658	723,940	253,676	66,391	383,652	0	1134
MARKETING EXPENSE	MRKTX	227,448	2,116	1,130	390	89	507	0	1134
SERVICES EXPENSE	SERVX	1,731,223	639,233	77,944	96,781	22,019	97,967	344,522	1134
- CABSX EXPENSE	CABSX	377,925	188,963	0	74,753	17,011	97,198	0	1134
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1134
GENERAL & ADMIN EXP	GENADXX	1,566,634	494,357	243,957	63,809	13,930	68,502	104,160	1134
OTHER TAXES (EXCL FIT & ITC)	OTAXES	956,387	307,062	163,930	56,622	12,885	73,624	0	1134
INVESTMENT TAX CREDITS (ITC)	ITC	38,177	11,981	6,396	2,209	503	2,873	0	1134
NON-OPERATING INC & EXP	NONOPX	211	67	36	12	3	16	0	1134
INTEREST & RELATED ITEMS(IRI)	INTREL	145,675	44,973	24,009	8,293	1,887	10,783	0	1134

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	56,556	16,321	8,466	4,179	1,245	2,431	0	1135
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1135
- GENERAL SUPPORT FACILITIES	GSF	3,116,128	1,039,349	539,126	266,153	79,261	154,809	0	1135
- CENTRAL OFFICE EQUIPMENT	COE	4,652,875	2,063,525	298,563	1,369,224	307,598	88,140	0	1135
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1135
-- COE CAT 2	COE2	343,731	129,962	0	0	129,962	0	0	1135
-- COE CAT 3	COE3	2,457,974	1,369,224	0	1,369,224	0	0	0	1135
-- COE CAT 4.11	COE411	96,947	71,640	0	0	0	71,640	0	1135
-- COE CAT 4.12	COE412	35,162	0	0	0	0	0	0	1135
-- COE CAT 4.13	COE413	1,205,667	307,473	298,563	0	0	8,910	0	1135
-- COE CAT 4.2	COE42	394,657	160,938	0	0	153,349	7,590	0	1135
-- COE CAT 4.3	COE43	118,737	24,288	0	0	24,288	0	0	1135
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1135
- CABLE & WIRE FACILITIES	CWF	11,378,034	3,283,401	2,474,968	0	100,158	708,275	0	1135
-- C&WF CAT 1.1	CWF11	20,774	0	0	0	0	0	0	1135
-- C&WF CAT 1.2	CWF12	73,862	73,862	0	0	0	73,862	0	1135
-- C&WF CAT 1.3	CWF13	9,899,872	2,474,968	2,474,968	0	0	0	0	1135
-- C&WF CAT 2	CWF2	976,269	624,970	0	0	0	624,970	0	1135
-- C&WF CAT 3	CWF3	117,165	50,261	0	0	40,818	9,443	0	1135
-- C&WF CAT 4	CWF4	290,092	59,340	0	0	59,340	0	0	1135
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1135
- INTANGIBLES	INTANG	184	61	32	16	5	9	0	1135
TELCOM PLANT-OTHER	PLTOTH	149,343	49,812	25,838	12,756	3,799	7,419	0	1135
ACCUM DEPRECIATION	ACCDEP	11,862,802	3,972,279	2,042,492	1,047,059	296,354	586,374	0	1135
ACCUM AMORTIZATION	ACCAMO	184	61	32	16	5	9	0	1135
NET DEFERRED FIT	NTDFIT	903,130	301,229	156,252	77,138	22,972	44,867	0	1135
NETWORK SUPPORT EXP	NETSPX	64,687	21,576	11,192	5,525	1,645	3,214	0	1135
GENERAL SUPPORT EXP	GSFX	227,181	75,774	39,305	19,404	5,778	11,286	0	1135
COE EXPENSE	COEX	317,409	140,769	20,011	94,021	20,830	5,907	0	1135
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1135
C&WF EXPENSE	CWFX	319,750	92,271	69,553	0	2,815	19,904	0	1135
OTHER PROP & PL EXP	OTHPXX	798	266	138	68	20	40	0	1135
NETWORK OPERATIONS EXP	NETOPX	311,818	104,003	53,948	26,633	7,931	15,491	0	1135
DEPREC & AMORT EXP	DEPAMX	1,065,790	369,858	171,233	119,163	30,263	49,199	0	1135
MARKETING EXPENSE	MRKTX	61,830	16,019	8,310	4,102	1,222	2,386	0	1135
SERVICES EXPENSE	SERVX	360,872	84,078	13,783	18,574	5,366	9,026	37,329	1135
- CABSX EXPENSE	CABSX	56,570	28,285	0	15,050	4,482	8,754	0	1135
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1135
GENERAL & ADMIN EXP	GENADX	1,472,686	504,378	226,618	146,788	39,772	58,648	32,552	1135
OTHER TAXES (EXCL FIT & ITC)	OTAXES	277,083	92,624	48,045	23,719	7,063	13,796	0	1135
INVESTMENT TAX CREDITS (ITC)	ITC	5,906	1,970	1,022	504	150	293	0	1135
NON-OPERATING INC & EXP	NONOPX	6,789	2,358	1,223	604	180	351	0	1135
INTEREST & RELATED ITEMS(IRI)	INTREL	84,115	27,824	14,433	7,125	2,122	4,144	0	1135



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	197,613	53,266	21,766	13,227	5,469	12,628	175	1136
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1136
- GENERAL SUPPORT FACILITIES	GSF	8,563,123	2,702,259	1,094,993	665,435	275,123	635,301	31,407	1136
- CENTRAL OFFICE EQUIPMENT	COE	8,124,897	3,187,328	150,817	1,703,761	455,681	877,069	0	1136
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1136
-- COE CAT 2	COE2	20,593	6,991	0	0	6,991	0	0	1136
-- COE CAT 3	COE3	3,602,366	1,703,761	0	1,703,761	0	0	0	1136
-- COE CAT 4.11	COE411	407,790	407,790	0	0	0	407,790	0	1136
-- COE CAT 4.12	COE412	220,805	0	0	0	0	0	0	1136
-- COE CAT 4.13	COE413	612,123	154,359	150,817	0	0	3,542	0	1136
-- COE CAT 4.2	COE42	1,871,044	649,733	0	0	183,996	465,737	0	1136
-- COE CAT 4.3	COE43	1,390,176	264,694	0	0	264,694	0	0	1136
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1136
- CABLE & WIRE FACILITIES	CWF	13,545,062	3,651,048	2,652,773	0	248,736	749,539	0	1136
-- C&WF CAT 1.1	CWF11	93,462	0	0	0	0	0	0	1136
-- C&WF CAT 1.2	CWF12	62,308	62,308	0	0	0	62,308	0	1136
-- C&WF CAT 1.3	CWF13	10,611,093	2,652,773	2,652,773	0	0	0	0	1136
-- C&WF CAT 2	CWF2	1,569,626	625,489	0	0	0	625,489	0	1136
-- C&WF CAT 3	CWF3	317,158	140,749	0	0	79,008	61,741	0	1136
-- C&WF CAT 4	CWF4	891,414	169,728	0	0	169,728	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	99,543	31,309	12,836	7,801	3,225	7,447	0	1136
ACCUM DEPRECIATION	ACCDEP	24,115,743	7,402,287	3,308,180	1,403,882	800,672	1,865,524	24,029	1136
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1136
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1136
NETWORK SUPPORT EXP	NETSPX	73,617	23,231	9,493	5,769	2,385	5,508	76	1136
GENERAL SUPPORT EXP	GSFX	255,957	80,772	32,730	19,890	8,224	18,990	939	1136
COE EXPENSE	COEX	513,785	201,553	4,112	148,139	25,388	23,914	0	1136
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1136
C&WF EXPENSE	CWFX	566,012	152,568	110,852	0	10,394	31,321	0	1136
OTHER PROP & PL EXP	OTHPX	7,134	2,251	923	561	232	535	0	1136
NETWORK OPERATIONS EXP	NETOPX	409,009	129,071	52,916	32,158	13,295	30,701	0	1136
DEPREC & AMORT EXP	DEPAMX	1,470,741	471,836	161,343	106,517	63,862	138,331	1,783	1136
MARKETING EXPENSE	MRKTX	6,177	1,477	604	367	152	350	5	1136
SERVICES EXPENSE	SERVX	467,230	123,148	32,664	19,900	8,228	14,287	48,069	1136
- CABSX EXPENSE	CABSX	60,548	30,273	0	12,783	5,285	12,204	0	1136
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1136
GENERAL & ADMIN EXP	GENADX	1,379,958	454,630	166,789	138,955	41,847	76,962	30,078	1136
OTHER TAXES (EXCL FIT & ITC)	OTAXES	161,946	51,427	21,084	12,813	5,298	12,233	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	102,446	35,504	10,222	15,386	3,030	6,745	122	1136

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	312,925	89,087	50,617	14,123	3,960	20,284	103	1137
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1137
- GENERAL SUPPORT FACILITIES	GSF	3,070,355	1,029,416	582,195	162,438	45,553	233,302	5,928	1137
- CENTRAL OFFICE EQUIPMENT	COE	2,955,641	1,458,780	245,521	649,403	77,003	486,853	0	1137
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1137
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1137
-- COE CAT 3	COE3	994,243	649,403	0	649,403	0	0	0	1137
-- COE CAT 4.11	COE411	389,281	336,003	0	0	0	336,003	0	1137
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1137
-- COE CAT 4.13	COE413	989,572	249,265	245,521	0	0	3,743	0	1137
-- COE CAT 4.2	COE42	330,990	147,107	0	0	0	147,107	0	1137
-- COE CAT 4.3	COE43	251,555	77,003	0	0	77,003	0	0	1137
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1137
- CABLE & WIRE FACILITIES	CWF	9,248,515	2,632,979	2,082,010	0	105,112	445,857	0	1137
-- C&WF CAT 1.1	CWF11	31,741	0	0	0	0	0	0	1137
-- C&WF CAT 1.2	CWF12	31,741	31,741	0	0	0	31,741	0	1137
-- C&WF CAT 1.3	CWF13	8,328,038	2,082,010	2,082,010	0	0	0	0	1137
-- C&WF CAT 2	CWF2	448,095	385,468	0	0	0	385,468	0	1137
-- C&WF CAT 3	CWF3	65,517	28,648	0	0	0	28,648	0	1137
-- C&WF CAT 4	CWF4	343,383	105,112	0	0	105,112	0	0	1137
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1137
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1137
TELCOM PLANT-OTHER	PLTOTH	102,405	34,294	19,508	5,443	1,526	7,817	0	1137
ACCUM DEPRECIATION	ACCDEP	12,157,044	4,030,216	2,347,904	607,749	176,620	893,219	4,725	1137
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1137
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1137
NETWORK SUPPORT EXP	NETSPX	9,886	3,315	1,883	525	147	755	4	1137
GENERAL SUPPORT EXP	GSFX	113,459	38,040	21,514	6,003	1,683	8,621	219	1137
COE EXPENSE	COEX	367,827	181,544	14,855	132,575	4,659	29,456	0	1137
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1137
C&WF EXPENSE	CWFX	1,410,974	401,693	317,636	0	16,036	68,021	0	1137
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1137
NETWORK OPERATIONS EXP	NETOPX	233,435	78,265	44,520	12,421	3,483	17,840	0	1137
DEPREC & AMORT EXP	DEPAMX	1,068,931	373,214	194,096	77,573	16,258	84,978	310	1137
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1137
SERVICES EXPENSE	SERVX	253,610	98,572	27,546	15,621	3,807	12,947	38,650	1137
- CABSX EXPENSE	CABSX	44,322	22,161	0	8,157	2,288	11,716	0	1137
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1137
GENERAL & ADMIN EXP	GENADX	1,721,054	606,886	325,818	125,789	22,439	103,585	29,255	1137
OTHER TAXES (EXCL FIT & ITC)	OTAXES	88,227	29,217	16,619	4,637	1,300	6,660	0	1137
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1137
NON-OPERATING INC & EXP	NONOPX	3,637	1,282	729	203	57	292	1	1137
INTEREST & RELATED ITEMS(IRI)	INTREL	76,097	26,158	14,862	4,147	1,163	5,956	30	1137

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	880,148	240,386	124,479	64,948	36,106	13,229	1,624	1138
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1138
- GENERAL SUPPORT FACILITIES	GSF	14,818,169	5,269,246	2,643,405	1,379,224	766,733	280,923	198,961	1138
- CENTRAL OFFICE EQUIPMENT	COE	17,559,248	10,405,879	1,457,083	6,579,801	1,462,929	906,067	0	1138
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1138
-- COE CAT 2	COE2	133,240	73,017	0	0	73,017	0	0	1138
-- COE CAT 3	COE3	7,740,942	6,579,801	0	6,579,801	0	0	0	1138
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1138
-- COE CAT 4.12	COE412	72,660	0	0	0	0	0	0	1138
-- COE CAT 4.13	COE413	5,918,572	1,474,003	1,457,083	0	0	16,920	0	1138
-- COE CAT 4.2	COE42	3,314,273	2,198,872	0	0	1,309,726	889,146	0	1138
-- COE CAT 4.3	COE43	379,561	80,186	0	0	80,186	0	0	1138
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1138
- CABLE & WIRE FACILITIES	CWF	50,463,852	13,782,699	11,153,689	0	2,194,890	434,120	0	1138
-- C&WF CAT 1.1	CWF11	561,260	0	0	0	0	0	0	1138
-- C&WF CAT 1.2	CWF12	129,521	129,521	0	0	0	129,521	0	1138
-- C&WF CAT 1.3	CWF13	44,614,757	11,153,689	11,153,689	0	0	0	0	1138
-- C&WF CAT 2	CWF2	507,817	163,553	0	0	0	163,553	0	1138
-- C&WF CAT 3	CWF3	4,586,357	2,322,385	0	0	2,181,340	141,045	0	1138
-- C&WF CAT 4	CWF4	64,140	13,550	0	0	13,550	0	0	1138
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1138
- INTANGIBLES	INTANG	10,513	3,738	1,936	1,010	561	206	25	1138
TELCOM PLANT-OTHER	PLTOTH	5,623,892	1,986,313	1,035,569	540,319	300,372	110,053	0	1138
ACCUM DEPRECIATION	ACCDEP	29,156,962	11,116,357	5,078,190	3,911,810	1,498,913	548,877	78,568	1138
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1138
NET DEFERRED FIT	NTDFIT	1,731,307	605,719	322,358	158,565	91,780	33,015	0	1138
NETWORK SUPPORT EXP	NETSPX	26,709	9,498	4,918	2,566	1,427	523	64	1138
GENERAL SUPPORT EXP	GSFX	607,481	216,016	108,368	56,542	31,433	11,517	8,157	1138
COE EXPENSE	COEX	431,757	255,866	31,358	173,175	31,834	19,499	0	1138
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1138
C&WF EXPENSE	CWFX	1,351,508	369,124	298,715	0	58,783	11,626	0	1138
OTHER PROP & PL EXP	OTHPXX	2,353	837	436	228	127	46	0	1138
NETWORK OPERATIONS EXP	NETOPX	701,124	249,315	129,981	67,819	37,702	13,813	0	1138
DEPREC & AMORT EXP	DEPAMX	4,621,109	1,774,698	790,079	577,452	275,909	118,540	12,718	1138
MARKETING EXPENSE	MRKTX	148,226	56,380	29,195	15,233	8,468	3,103	381	1138
SERVICES EXPENSE	SERVX	905,996	357,622	28,648	71,449	38,384	12,295	206,846	1138
- CABSX EXPENSE	CABSX	205,409	102,705	0	58,368	32,448	11,889	0	1138
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1138
GENERAL & ADMIN EXP	GENADX	2,384,291	901,267	439,086	202,561	108,949	37,906	112,765	1138
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,457,141	518,466	271,524	139,173	78,709	28,840	220	1138
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1138
NON-OPERATING INC & EXP	NONOPX	4,029	1,523	789	411	229	84	10	1138
INTEREST & RELATED ITEMS(IRI)	INTREL	5,644,372	1,928,517	1,065,286	431,439	306,585	112,421	12,786	1138

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	186,588	56,306	29,063	16,702	791	9,750	0	1139
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1139
- GENERAL SUPPORT FACILITIES	GSF	1,137,419	422,141	217,892	125,221	5,931	73,098	0	1139
- CENTRAL OFFICE EQUIPMENT	COE	2,023,577	1,019,331	228,397	648,572	30,717	111,645	0	1139
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1139
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1139
-- COE CAT 3	COE3	875,121	648,572	0	648,572	0	0	0	1139
-- COE CAT 4.11	COE411	111,645	111,645	0	0	0	111,645	0	1139
-- COE CAT 4.12	COE412	63,797	0	0	0	0	0	0	1139
-- COE CAT 4.13	COE413	913,586	228,397	228,397	0	0	0	0	1139
-- COE CAT 4.2	COE42	59,428	30,717	0	0	30,717	0	0	1139
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1139
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1139
- CABLE & WIRE FACILITIES	CWF	3,867,596	1,167,118	900,160	0	0	266,958	0	1139
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1139
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1139
-- C&WF CAT 1.3	CWF13	3,600,638	900,160	900,160	0	0	0	0	1139
-- C&WF CAT 2	CWF2	266,958	266,958	0	0	0	266,958	0	1139
-- C&WF CAT 3	CWF3	0	0	0	0	0	0	0	1139
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1139
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1139
- INTANGIBLES	INTANG	1,695	629	325	187	9	109	0	1139
TELCOM PLANT-OTHER	PLTOTH	452,564	167,964	86,696	49,824	2,360	29,085	0	1139
ACCUM DEPRECIATION	ACCDEP	2,085,906	787,852	388,795	247,187	15,051	136,819	0	1139
ACCUM AMORTIZATION	ACCAMO	1,695	629	325	187	9	109	0	1139
NET DEFERRED FIT	NTDFIT	439,412	163,083	84,177	48,376	2,291	28,239	0	1139
NETWORK SUPPORT EXP	NETSPX	27,199	10,095	5,210	2,994	142	1,748	0	1139
GENERAL SUPPORT EXP	GSFX	44,542	16,531	8,533	4,904	232	2,863	0	1139
COE EXPENSE	COEX	141,169	71,111	15,710	45,609	2,113	7,679	0	1139
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1139
C&WF EXPENSE	CWFX	172,473	52,047	40,142	0	0	11,905	0	1139
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1139
NETWORK OPERATIONS EXP	NETOPX	44,934	16,677	8,608	4,947	234	2,888	0	1139
DEPREC & AMORT EXP	DEPAMX	393,545	159,728	67,770	65,788	2,499	23,671	0	1139
MARKETING EXPENSE	MRKTX	35,702	13,037	6,729	3,867	183	2,257	0	1139
SERVICES EXPENSE	SERVX	18,092	4,060	411	2,181	103	1,273	90	1139
- CABSX EXPENSE	CABSX	6,966	3,483	0	2,135	101	1,247	0	1139
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1139
GENERAL & ADMIN EXP	GENADX	667,507	281,295	130,786	98,848	4,609	46,914	138	1139
OTHER TAXES (EXCL FIT & ITC)	OTAXES	96,675	35,900	18,596	10,600	490	6,215	0	1139
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1139
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1139
INTEREST & RELATED ITEMS(IRI)	INTREL	296,212	108,402	55,953	32,156	1,523	18,771	0	1139

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	31,348	8,940	2,590	3,889	1,027	1,434	0	1140
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1140
- GENERAL SUPPORT FACILITIES	GSF	898,642	440,150	127,541	191,459	50,563	70,588	0	1140
- CENTRAL OFFICE EQUIPMENT	COE	2,680,914	1,895,863	140,436	1,179,258	209,926	366,243	0	1140
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1140
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1140
-- COE CAT 3	COE3	1,387,362	1,147,409	0	1,147,409	0	0	0	1140
-- COE CAT 4.11	COE411	265,277	265,277	0	0	0	265,277	0	1140
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1140
-- COE CAT 4.13	COE413	582,403	151,258	140,436	0	0	10,822	0	1140
-- COE CAT 4.2	COE42	298,721	244,899	0	0	154,755	90,144	0	1140
-- COE CAT 4.3	COE43	111,362	55,171	0	0	55,171	0	0	1140
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1140
- CABLE & WIRE FACILITIES	CWF	3,003,608	856,539	666,350	0	109,917	80,271	0	1140
-- C&WF CAT 1.1	CWF11	46,679	0	0	0	0	0	0	1140
-- C&WF CAT 1.2	CWF12	51,347	51,347	0	0	0	51,347	0	1140
-- C&WF CAT 1.3	CWF13	2,665,399	666,350	666,350	0	0	0	0	1140
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1140
-- C&WF CAT 3	CWF3	56,448	47,815	0	0	18,891	28,924	0	1140
-- C&WF CAT 4	CWF4	183,734	91,026	0	0	91,026	0	0	1140
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1140
- INTANGIBLES	INTANG	91,505	44,819	12,987	19,495	5,149	7,188	0	1140
TELCOM PLANT-OTHER	PLTOTH	113,344	55,515	16,087	24,148	6,377	8,903	0	1140
ACCUM DEPRECIATION	ACCDEP	3,084,782	1,683,937	370,085	883,082	174,319	256,451	0	1140
ACCUM AMORTIZATION	ACCAMO	15,138	7,415	2,148	3,225	852	1,189	0	1140
NET DEFERRED FIT	NTDFIT	152,113	74,504	21,589	32,408	8,559	11,948	0	1140
NETWORK SUPPORT EXP	NETSPX	10,372	5,080	1,472	2,210	584	815	0	1140
GENERAL SUPPORT EXP	GSFX	72,567	35,543	10,299	15,461	4,083	5,700	0	1140
COE EXPENSE	COEX	348,061	250,273	31,929	87,350	47,728	83,267	0	1140
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1140
C&WF EXPENSE	CWFX	284,028	80,996	63,012	0	10,394	7,591	0	1140
OTHER PROP & PL EXP	OTHPXX	46	23	7	10	3	4	0	1140
NETWORK OPERATIONS EXP	NETOPX	55,840	27,350	7,925	11,897	3,142	4,386	0	1140
DEPREC & AMORT EXP	DEPAMX	429,773	236,966	50,640	125,070	24,659	36,598	0	1140
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1140
SERVICES EXPENSE	SERVX	143,449	59,606	12,655	23,266	6,228	6,058	11,400	1140
- CABSX EXPENSE	CABSX	37,990	18,995	0	11,634	3,072	4,289	0	1140
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1140
GENERAL & ADMIN EXP	GENADX	532,369	306,128	91,634	90,691	46,681	69,748	7,374	1140
OTHER TAXES (EXCL FIT & ITC)	OTAXES	0	0	0	0	0	0	0	1140
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1140
NON-OPERATING INC & EXP	NONOPX	895	531	154	231	61	85	0	1140
INTEREST & RELATED ITEMS(IRI)	INTREL	140,182	61,801	22,465	21,059	7,839	10,437	0	1140

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<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	91,048	24,620	7,803	7,825	4,236	4,756	0	1141
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1141
- GENERAL SUPPORT FACILITIES	GSF	3,133,432	1,437,170	455,504	456,790	247,255	277,621	0	1141
- CENTRAL OFFICE EQUIPMENT	COE	12,629,760	7,979,913	803,783	3,534,896	1,913,398	1,727,836	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	4,158,701	3,534,896	0	3,534,896	0	0	0	1141
-- COE CAT 4.11	COE411	645,681	631,279	0	0	0	631,279	0	1141
-- COE CAT 4.12	COE412	354,694	266,022	0	0	0	266,022	0	1141
-- COE CAT 4.13	COE413	3,353,766	873,100	803,783	0	0	69,317	0	1141
-- COE CAT 4.2	COE42	4,116,918	2,674,616	0	0	1,913,398	761,219	0	1141
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1141
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1141
- CABLE & WIRE FACILITIES	CWF	11,618,510	3,141,719	2,721,168	0	0	420,550	0	1141
-- C&WF CAT 1.1	CWF11	234,669	0	0	0	0	0	0	1141
-- C&WF CAT 1.2	CWF12	234,669	234,669	0	0	0	234,669	0	1141
-- C&WF CAT 1.3	CWF13	10,884,673	2,721,168	2,721,168	0	0	0	0	1141
-- C&WF CAT 2	CWF2	264,500	185,882	0	0	0	185,882	0	1141
-- C&WF CAT 3	CWF3	0	0	0	0	0	0	0	1141
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1141
- TANGIBLES	TANGIB	324,680	84,526	77,815	0	0	6,711	0	1141
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1141
TELCOM PLANT-OTHER	PLTOTH	2,071,541	945,312	303,427	298,449	161,547	181,889	0	1141
ACCUM DEPRECIATION	ACCDEP	16,781,421	7,485,769	2,496,438	1,847,106	1,499,598	1,642,627	0	1141
ACCUM AMORTIZATION	ACCAMO	196,697	51,207	47,142	0	0	4,066	0	1141
NET DEFERRED FIT	NTDFIT	1,005,711	609,023	84,326	341,148	92,768	90,781	0	1141
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1141
GENERAL SUPPORT EXP	GSFX	155,477	71,311	22,602	22,665	12,268	13,775	0	1141
COE EXPENSE	COEX	839,682	530,540	43,701	288,870	104,029	93,940	0	1141
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1141
C&WF EXPENSE	CWFX	359,397	97,183	84,174	0	0	13,009	0	1141
OTHER PROP & PL EXP	OTHPXX	12,452	5,682	1,801	1,806	978	1,098	0	1141
NETWORK OPERATIONS EXP	NETOPX	448,200	205,570	65,154	65,338	35,367	39,710	0	1141
DEPREC & AMORT EXP	DEPAMX	2,665,202	1,307,206	349,665	477,103	232,317	248,120	0	1141
MARKETING EXPENSE	MRKTX	100,614	47,834	15,161	15,204	8,230	9,240	0	1141
SERVICES EXPENSE	SERVX	325,218	83,082	21,241	28,909	12,982	7,279	12,671	1141
- CABSX EXPENSE	CABSX	49,919	24,960	0	11,614	6,287	7,059	0	1141
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1141
GENERAL & ADMIN EXP	GENADX	1,081,932	536,515	149,736	207,688	85,402	87,464	6,224	1141
OTHER TAXES (EXCL FIT & ITC)	OTAXES	356,511	178,503	56,663	60,724	28,500	32,617	0	1141
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1141
NON-OPERATING INC & EXP	NONOPX	10,978	5,696	1,805	1,810	980	1,100	0	1141
INTEREST & RELATED ITEMS(IRI)	INTREL	431,028	198,937	63,347	76,729	26,745	32,117	0	1141

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	54,279	21,036	8,060	4,486	1,485	7,004	0	1142
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1142
- GENERAL SUPPORT FACILITIES	GSF	471,253	208,321	79,822	44,429	14,709	69,361	0	1142
- CENTRAL OFFICE EQUIPMENT	COE	1,282,829	703,527	145,204	356,933	7,132	194,258	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	463,285	356,933	0	356,933	0	0	0	1142
-- COE CAT 4.11	COE411	170,582	168,536	0	0	0	168,536	0	1142
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1142
-- COE CAT 4.13	COE413	590,018	145,204	145,204	0	0	0	0	1142
-- COE CAT 4.2	COE42	58,944	32,854	0	0	7,132	25,722	0	1142
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1142
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1142
- CABLE & WIRE FACILITIES	CWF	2,503,112	970,080	496,068	0	111,037	362,976	0	1142
-- C&WF CAT 1.1	CWF11	31,441	0	0	0	0	0	0	1142
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1142
-- C&WF CAT 1.3	CWF13	1,984,271	496,068	496,068	0	0	0	0	1142
-- C&WF CAT 2	CWF2	105,824	105,824	0	0	105,824	0	0	1142
-- C&WF CAT 3	CWF3	381,576	368,189	0	0	5,213	362,976	0	1142
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1142
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1142
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1142
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1142
ACCUM DEPRECIATION	ACCDEP	2,071,355	973,049	321,276	314,164	59,513	278,095	0	1142
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1142
NET DEFERRED FIT	NTDFIT	305,742	137,185	50,753	33,316	9,489	43,627	0	1142
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1142
GENERAL SUPPORT EXP	GSFX	58,211	25,733	9,860	5,488	1,817	8,568	0	1142
COE EXPENSE	COEX	65,280	35,801	3,462	27,538	170	4,631	0	1142
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1142
C&WF EXPENSE	CWFX	74,827	28,999	14,829	0	3,319	10,851	0	1142
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1142
NETWORK OPERATIONS EXP	NETOPX	2,741	1,212	464	258	86	403	0	1142
DEPREC & AMORT EXP	DEPAMX	233,786	114,680	33,748	45,226	6,153	29,552	0	1142
MARKETING EXPENSE	MRKTX	6,203	1,968	754	420	139	655	0	1142
SERVICES EXPENSE	SERVX	46,851	20,869	5,074	3,996	1,237	2,463	8,098	1142
- CABSX EXPENSE	CABSX	8,906	4,454	0	1,540	510	2,404	0	1142
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1142
GENERAL & ADMIN EXP	GENADX	319,982	164,423	49,425	54,101	9,711	39,565	11,621	1142
OTHER TAXES (EXCL FIT & ITC)	OTAXES	35,492	16,973	6,858	2,885	1,261	5,969	0	1142
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1142
NON-OPERATING INC & EXP	NONOPX	650	334	128	71	24	111	0	1142
INTEREST & RELATED ITEMS(IRI)	INTREL	45,349	18,614	8,362	1,419	1,531	7,302	0	1142

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	17,206	4,369	2,733	1,208	79	348	0	1143
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1143
- GENERAL SUPPORT FACILITIES	GSF	510,513	155,493	97,277	43,009	2,815	12,392	0	1143
- CENTRAL OFFICE EQUIPMENT	COE	1,703,683	630,508	219,504	329,034	8,563	73,407	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	700,632	329,034	0	329,034	0	0	0	1143
-- COE CAT 4.11	COE411	70,631	70,631	0	0	0	70,631	0	1143
-- COE CAT 4.12	COE412	47,766	8,849	0	0	8,563	286	0	1143
-- COE CAT 4.13	COE413	884,654	221,993	219,504	0	0	2,490	0	1143
-- COE CAT 4.2	COE42	0	0	0	0	0	0	0	1143
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1143
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1143
- CABLE & WIRE FACILITIES	CWF	2,201,896	559,060	524,695	0	12,971	21,394	0	1143
-- C&WF CAT 1.1	CWF11	9,919	0	0	0	0	0	0	1143
-- C&WF CAT 1.2	CWF12	5,951	5,951	0	0	0	5,951	0	1143
-- C&WF CAT 1.3	CWF13	2,098,780	524,695	524,695	0	0	0	0	1143
-- C&WF CAT 2	CWF2	72,127	13,295	0	0	12,971	324	0	1143
-- C&WF CAT 3	CWF3	15,119	15,119	0	0	0	15,119	0	1143
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	30,739	9,363	5,857	2,590	169	746	0	1143
ACCUM DEPRECIATION	ACCDEP	3,431,012	1,051,831	644,584	309,153	18,528	79,566	0	1143
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1143
NET DEFERRED FIT	NTDFIT	-64,323	-19,592	-12,257	-5,419	-355	-1,561	0	1143
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1143
GENERAL SUPPORT EXP	GSFX	56,445	17,192	10,755	4,755	311	1,370	0	1143
COE EXPENSE	COEX	116,849	43,244	13,344	24,916	521	4,463	0	1143
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1143
C&WF EXPENSE	CWFX	67,815	17,218	16,160	0	399	659	0	1143
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1143
NETWORK OPERATIONS EXP	NETOPX	20,007	6,094	3,812	1,686	110	486	0	1143
DEPREC & AMORT EXP	DEPAMX	294,153	95,307	50,618	34,438	1,573	8,678	0	1143
MARKETING EXPENSE	MRKTX	25,057	7,035	4,401	1,946	127	561	0	1143
SERVICES EXPENSE	SERVX	70,000	25,975	6,187	9,010	510	1,841	8,426	1143
- CABSX EXPENSE	CABSX	14,939	7,470	0	5,518	361	1,590	0	1143
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1143
GENERAL & ADMIN EXP	GENADX	243,075	107,033	57,355	33,851	1,583	7,503	6,741	1143
OTHER TAXES (EXCL FIT & ITC)	OTAXES	20,274	6,802	4,368	1,728	127	578	0	1143
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1143
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1143
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1143



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	6,725	2,109	662	808	601	38	0	1144
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1144
- GENERAL SUPPORT FACILITIES	GSF	194,170	83,319	26,161	31,937	23,726	1,496	0	1144
- CENTRAL OFFICE EQUIPMENT	COE	493,129	300,742	26,083	208,051	64,687	1,921	0	1144
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1144
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1144
-- COE CAT 3	COE3	253,869	208,051	0	208,051	0	0	0	1144
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1144
-- COE CAT 4.12	COE412	134,493	66,608	0	0	64,687	1,921	0	1144
-- COE CAT 4.13	COE413	104,767	26,083	26,083	0	0	0	0	1144
-- COE CAT 4.2	COE42	0	0	0	0	0	0	0	1144
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1144
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1144
- CABLE & WIRE FACILITIES	CWF	771,793	242,042	144,343	0	89,873	7,826	0	1144
-- C&WF CAT 1.1	CWF11	2,406	0	0	0	0	0	0	1144
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1144
-- C&WF CAT 1.3	CWF13	577,372	144,343	144,343	0	0	0	0	1144
-- C&WF CAT 2	CWF2	186,858	92,542	0	0	89,873	2,669	0	1144
-- C&WF CAT 3	CWF3	5,157	5,157	0	0	0	5,157	0	1144
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1144
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1144
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1144
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1144
ACCUM DEPRECIATION	ACCDEP	1,186,078	522,142	151,878	209,266	152,161	8,837	0	1144
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1144
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1144
NETWORK SUPPORT EXP	NETSPX	1,472	632	198	242	180	11	0	1144
GENERAL SUPPORT EXP	GSFX	8,200	3,519	1,105	1,349	1,002	63	0	1144
COE EXPENSE	COEX	61,188	37,316	418	35,830	1,037	31	0	1144
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1144
C&WF EXPENSE	CWFX	36,337	11,396	6,796	0	4,231	368	0	1144
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1144
NETWORK OPERATIONS EXP	NETOPX	4,778	2,050	644	786	584	37	0	1144
DEPREC & AMORT EXP	DEPAMX	47,730	16,251	8,346	1,826	5,622	457	0	1144
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1144
SERVICES EXPENSE	SERVX	29,657	14,420	2,570	3,930	2,715	104	5,101	1144
- CABSX EXPENSE	CABSX	6,050	3,026	0	1,691	1,256	79	0	1144
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1144
GENERAL & ADMIN EXP	GENADX	127,559	76,402	12,927	46,433	10,743	677	5,622	1144
OTHER TAXES (EXCL FIT & ITC)	OTAXES	7,335	3,147	988	1,206	896	57	0	1144
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1144
NON-OPERATING INC & EXP	NONOPX	1,702	1,019	320	391	290	18	0	1144
INTEREST & RELATED ITEMS(IRI)	INTREL	3	1	0	0	0	0	0	1144

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	110,689	42,565	11,961	7,758	19,131	3,715	0	1145
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1145
- GENERAL SUPPORT FACILITIES	GSF	2,986,878	1,341,381	376,937	244,483	602,893	117,068	0	1145
- CENTRAL OFFICE EQUIPMENT	COE	4,884,753	2,757,362	314,679	1,114,625	986,473	341,585	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	1,311,324	1,114,625	0	1,114,625	0	0	0	1145
-- COE CAT 4.11	COE411	136,217	132,307	0	0	0	132,307	0	1145
-- COE CAT 4.12	COE412	260,513	0	0	0	0	0	0	1145
-- COE CAT 4.13	COE413	1,267,850	320,768	314,679	0	0	6,090	0	1145
-- COE CAT 4.2	COE42	1,387,189	966,130	0	0	762,941	203,188	0	1145
-- COE CAT 4.3	COE43	521,660	223,531	0	0	223,531	0	0	1145
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1145
- CABLE & WIRE FACILITIES	CWF	8,732,756	3,358,145	1,403,818	0	1,762,186	192,142	0	1145
-- C&WF CAT 1.1	CWF11	13,583	0	0	0	0	0	0	1145
-- C&WF CAT 1.2	CWF12	27,166	27,166	0	0	0	27,166	0	1145
-- C&WF CAT 1.3	CWF13	5,615,271	1,403,818	1,403,818	0	0	0	0	1145
-- C&WF CAT 2	CWF2	202,544	44,167	0	0	0	44,167	0	1145
-- C&WF CAT 3	CWF3	2,629,515	1,778,150	0	0	1,657,342	120,809	0	1145
-- C&WF CAT 4	CWF4	244,677	104,844	0	0	104,844	0	0	1145
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1145
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1145
TELCOM PLANT-OTHER	PLTOTH	453,964	203,871	57,289	37,158	91,631	17,793	0	1145
ACCUM DEPRECIATION	ACCDEP	9,986,140	4,190,435	1,010,244	1,069,751	1,736,024	374,414	0	1145
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1145
NET DEFERRED FIT	NTDFIT	40,459	18,170	5,106	3,312	8,167	1,586	0	1145
NETWORK SUPPORT EXP	NETSPX	10,429	4,684	1,316	854	2,105	409	0	1145
GENERAL SUPPORT EXP	GSFX	163,423	73,392	20,624	13,377	32,987	6,405	0	1145
COE EXPENSE	COEX	220,546	124,495	6,958	88,170	21,813	7,553	0	1145
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1145
C&WF EXPENSE	CWFX	427,368	164,343	68,701	0	86,239	9,403	0	1145
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1145
NETWORK OPERATIONS EXP	NETOPX	18,863	8,471	2,380	1,544	3,807	739	0	1145
DEPREC & AMORT EXP	DEPAMX	1,069,144	511,378	123,877	172,342	183,880	31,279	0	1145
MARKETING EXPENSE	MRKTX	10,989	5,135	1,443	936	2,308	448	0	1145
SERVICES EXPENSE	SERVX	173,747	62,104	9,034	7,880	12,224	1,670	31,296	1145
- CABSX EXPENSE	CABSX	26,778	13,389	0	3,394	8,370	1,625	0	1145
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1145
GENERAL & ADMIN EXP	GENADX	567,386	267,996	76,488	65,011	93,102	15,352	18,044	1145
OTHER TAXES (EXCL FIT & ITC)	OTAXES	119,654	65,339	21,029	7,028	31,718	5,564	0	1145
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1145
NON-OPERATING INC & EXP	NONOPX	25,194	11,900	3,344	2,169	5,349	1,039	0	1145
INTEREST & RELATED ITEMS(IRI)	INTREL	192,429	94,471	26,547	17,218	42,461	8,245	0	1145

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

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<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	199,778	60,222	30,314	11,364	9,347	9,197	0	1146
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1146
- GENERAL SUPPORT FACILITIES	GSF	1,964,049	719,860	362,360	135,837	111,730	109,932	0	1146
- CENTRAL OFFICE EQUIPMENT	COE	4,898,660	2,651,351	561,306	1,248,456	325,161	516,428	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	1,468,772	1,248,456	0	1,248,456	0	0	0	1146
-- COE CAT 4.11	COE411	443,922	443,922	0	0	0	443,922	0	1146
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1146
-- COE CAT 4.13	COE413	2,292,334	564,313	561,306	0	0	3,007	0	1146
-- COE CAT 4.2	COE42	198,089	161,792	0	0	92,293	69,499	0	1146
-- COE CAT 4.3	COE43	495,543	232,869	0	0	232,869	0	0	1146
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1146
- CABLE & WIRE FACILITIES	CWF	13,152,576	3,964,756	2,769,085	0	701,734	493,937	0	1146
-- C&WF CAT 1.1	CWF11	217,571	0	0	0	0	0	0	1146
-- C&WF CAT 1.2	CWF12	14,834	14,834	0	0	0	14,834	0	1146
-- C&WF CAT 1.3	CWF13	11,076,341	2,769,085	2,769,085	0	0	0	0	1146
-- C&WF CAT 2	CWF2	84,300	84,300	0	0	0	84,300	0	1146
-- C&WF CAT 3	CWF3	642,529	571,628	0	0	176,826	394,802	0	1146
-- C&WF CAT 4	CWF4	1,117,001	524,908	0	0	524,908	0	0	1146
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1146
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1146
TELCOM PLANT-OTHER	PLTOTH	298,830	109,527	55,133	20,668	17,000	16,726	0	1146
ACCUM DEPRECIATION	ACCDEP	9,429,549	3,829,325	1,485,480	1,293,951	501,136	548,758	0	1146
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1146
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1146
NETWORK SUPPORT EXP	NETSPX	13,681	5,014	2,524	946	778	766	0	1146
GENERAL SUPPORT EXP	GSFX	114,021	41,791	21,036	7,886	6,486	6,382	0	1146
COE EXPENSE	COEX	345,565	187,034	21,799	132,551	12,628	20,056	0	1146
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1146
C&WF EXPENSE	CWFX	886,761	267,308	186,695	0	47,312	33,302	0	1146
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1146
NETWORK OPERATIONS EXP	NETOPX	29,666	10,873	5,473	2,052	1,688	1,660	0	1146
DEPREC & AMORT EXP	DEPAMX	1,370,069	544,389	237,121	144,404	78,552	84,313	0	1146
MARKETING EXPENSE	MRKTX	2,150	1,321	665	249	205	202	0	1146
SERVICES EXPENSE	SERVX	184,992	77,882	13,782	11,205	9,057	15,736	28,101	1146
- CABSX EXPENSE	CABSX	54,343	27,172	0	10,324	8,492	8,355	0	1146
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1146
GENERAL & ADMIN EXP	GENADX	567,766	237,149	111,617	57,313	28,919	28,901	10,398	1146
OTHER TAXES (EXCL FIT & ITC)	OTAXES	54,326	19,911	10,023	3,757	3,090	3,041	0	1146
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1146
NON-OPERATING INC & EXP	NONOPX	11,263	4,704	2,368	888	730	718	0	1146
INTEREST & RELATED ITEMS(IRI)	INTREL	264,764	87,962	44,278	16,598	13,653	13,433	0	1146

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	85,071	40,581	12,862	6,189	17,104	4,409	18	1147
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1147
- GENERAL SUPPORT FACILITIES	GSF	1,314,833	631,681	197,991	95,266	263,288	67,868	7,268	1147
- CENTRAL OFFICE EQUIPMENT	COE	10,970,045	5,347,214	1,680,353	2,460,246	635,274	571,341	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	2,894,407	2,460,246	0	2,460,246	0	0	0	1147
-- COE CAT 4.11	COE411	501,010	501,010	0	0	0	501,010	0	1147
-- COE CAT 4.12	COE412	305	0	0	0	0	0	0	1147
-- COE CAT 4.13	COE413	6,787,517	1,722,760	1,680,353	0	0	42,406	0	1147
-- COE CAT 4.2	COE42	786,806	663,199	0	0	635,274	27,924	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	22,594,929	10,778,289	3,432,768	0	6,164,156	1,181,366	0	1147
-- C&WF CAT 1.1	CWF11	48,412	0	0	0	0	0	0	1147
-- C&WF CAT 1.2	CWF12	86,631	86,631	0	0	0	86,631	0	1147
-- C&WF CAT 1.3	CWF13	13,731,070	3,432,768	3,432,768	0	0	0	0	1147
-- C&WF CAT 2	CWF2	262,287	5,248	0	0	0	5,248	0	1147
-- C&WF CAT 3	CWF3	8,466,529	7,253,642	0	0	6,164,156	1,089,486	0	1147
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1147
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1147
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1147
TELCOM PLANT-OTHER	PLTOTH	95,646	45,931	14,564	7,008	19,367	4,992	0	1147
ACCUM DEPRECIATION	ACCDEP	24,147,240	11,793,634	3,597,318	2,174,145	4,783,563	1,233,110	5,498	1147
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1147
NET DEFERRED FIT	NTDFIT	-560,522	-269,173	-85,350	-41,067	-113,499	-29,257	0	1147
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1147
GENERAL SUPPORT EXP	GSFX	470,930	226,247	70,914	34,121	94,301	24,308	2,603	1147
COE EXPENSE	COEX	491,729	239,687	65,880	126,500	24,907	22,400	0	1147
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1147
C&WF EXPENSE	CWFX	541,699	258,403	82,298	0	147,782	28,322	0	1147
OTHER PROP & PL EXP	OTHPXX	557	268	85	41	113	29	0	1147
NETWORK OPERATIONS EXP	NETOPX	364,225	174,983	55,484	26,697	73,783	19,019	0	1147
DEPREC & AMORT EXP	DEPAMX	2,914,080	1,422,288	435,505	295,638	541,364	149,175	606	1147
MARKETING EXPENSE	MRKTX	118,376	40,301	12,773	6,146	16,986	4,378	17	1147
SERVICES EXPENSE	SERVX	290,277	118,070	20,441	15,104	27,876	7,010	47,639	1147
- CABSX EXPENSE	CABSX	25,343	12,672	0	2,831	7,824	2,017	0	1147
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1147
GENERAL & ADMIN EXP	GENADX	1,384,475	680,224	237,323	123,177	227,772	62,275	29,677	1147
OTHER TAXES (EXCL FIT & ITC)	OTAXES	263,968	132,045	43,865	14,783	58,333	15,036	28	1147
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1147
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1147
INTEREST & RELATED ITEMS(IRI)	INTREL	809	375	119	57	158	41	0	1147

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	19,101	6,972	1,806	1,808	2,770	589	0	1148
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1148
- GENERAL SUPPORT FACILITIES	GSF	1,981,949	901,318	233,431	233,667	358,075	76,146	0	1148
- CENTRAL OFFICE EQUIPMENT	COE	3,769,029	2,394,013	198,837	1,337,674	684,815	172,688	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	1,573,734	1,337,674	0	1,337,674	0	0	0	1148
-- COE CAT 4.11	COE411	158,978	156,853	0	0	0	156,853	0	1148
-- COE CAT 4.12	COE412	24,296	0	0	0	0	0	0	1148
-- COE CAT 4.13	COE413	800,301	200,960	198,837	0	0	2,123	0	1148
-- COE CAT 4.2	COE42	1,211,720	698,527	0	0	684,815	13,712	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	7,577,058	2,765,771	1,137,486	0	1,365,059	263,226	0	1148
-- C&WF CAT 1.1	CWF11	16,192	0	0	0	0	0	0	1148
-- C&WF CAT 1.2	CWF12	12,144	12,144	0	0	0	12,144	0	1148
-- C&WF CAT 1.3	CWF13	4,549,944	1,137,486	1,137,486	0	0	0	0	1148
-- C&WF CAT 2	CWF2	149,281	24,357	0	0	0	24,357	0	1148
-- C&WF CAT 3	CWF3	2,849,497	1,591,784	0	0	1,365,059	226,725	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	48,877	22,227	5,757	5,762	8,831	1,878	0	1148
ACCUM DEPRECIATION	ACCDEP	8,555,352	4,182,042	904,127	1,404,444	1,536,165	337,305	0	1148
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1148
NET DEFERRED FIT	NTDFIT	216,505	98,459	25,500	25,525	39,116	8,318	0	1148
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1148
GENERAL SUPPORT EXP	GSFX	82,610	37,568	9,730	9,740	14,925	3,174	0	1148
COE EXPENSE	COEX	620,117	393,886	30,982	229,291	106,705	26,908	0	1148
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1148
C&WF EXPENSE	CWFX	484,866	176,985	72,789	0	87,352	16,844	0	1148
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1148
NETWORK OPERATIONS EXP	NETOPX	42,311	19,241	4,983	4,988	7,644	1,626	0	1148
DEPREC & AMORT EXP	DEPAMX	803,906	320,819	106,350	-2,591	178,116	38,944	0	1148
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1148
SERVICES EXPENSE	SERVX	216,135	75,577	12,452	7,526	11,688	1,410	42,501	1148
- CABSX EXPENSE	CABSX	24,494	12,247	0	4,285	6,566	1,396	0	1148
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1148
GENERAL & ADMIN EXP	GENADX	428,792	220,130	44,318	77,272	70,136	15,347	13,056	1148
OTHER TAXES (EXCL FIT & ITC)	OTAXES	71,366	39,695	13,184	5,097	17,802	3,613	0	1148
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1148
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1148
INTEREST & RELATED ITEMS(IRI)	INTREL	161,199	63,090	16,340	16,356	25,064	5,330	0	1148

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	253,401	69,902	30,330	18,953	8,491	12,129	0	1149
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1149
- GENERAL SUPPORT FACILITIES	GSF	4,433,527	1,523,370	660,975	413,040	185,037	264,318	0	1149
- CENTRAL OFFICE EQUIPMENT	COE	13,633,617	5,814,076	884,917	2,861,560	486,523	1,581,076	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	7,322,857	2,760,040	0	2,760,040	0	0	0	1149
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1149
-- COE CAT 4.12	COE412	704,408	564,356	0	0	0	564,356	0	1149
-- COE CAT 4.13	COE413	3,644,117	921,519	884,917	0	0	36,602	0	1149
-- COE CAT 4.2	COE42	1,743,608	1,451,629	0	0	471,511	980,118	0	1149
-- COE CAT 4.3	COE43	82,649	15,012	0	0	15,012	0	0	1149
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1149
- CABLE & WIRE FACILITIES	CWF	18,171,811	5,012,820	3,856,816	0	840,901	315,103	0	1149
-- C&WF CAT 1.1	CWF11	295,705	0	0	0	0	0	0	1149
-- C&WF CAT 1.2	CWF12	159,525	159,525	0	0	0	159,525	0	1149
-- C&WF CAT 1.3	CWF13	15,427,264	3,856,816	3,856,816	0	0	0	0	1149
-- C&WF CAT 2	CWF2	214,861	77,978	0	0	0	77,978	0	1149
-- C&WF CAT 3	CWF3	1,132,953	747,488	0	0	669,888	77,600	0	1149
-- C&WF CAT 4	CWF4	941,502	171,013	0	0	171,013	0	0	1149
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1149
- INTANGIBLES	INTANG	14,413	4,952	2,149	1,343	602	859	0	1149
TELCOM PLANT-OTHER	PLTOTH	103,063	35,413	15,365	9,602	4,301	6,144	0	1149
ACCUM DEPRECIATION	ACCDEP	21,682,702	7,666,235	2,765,113	2,935,689	788,024	1,177,409	0	1149
ACCUM AMORTIZATION	ACCAMO	14,413	4,952	2,149	1,343	602	859	0	1149
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1149
NETWORK SUPPORT EXP	NETSPX	32,470	11,157	4,841	3,025	1,355	1,936	0	1149
GENERAL SUPPORT EXP	GSFX	151,282	51,981	22,554	14,094	6,314	9,019	0	1149
COE EXPENSE	COEX	971,057	421,340	24,354	340,082	13,390	43,513	0	1149
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1149
C&WF EXPENSE	CWFX	637,989	175,994	135,408	0	29,523	11,063	0	1149
OTHER PROP & PL EXP	OTHPXX	-23	-8	-3	-2	-1	-1	0	1149
NETWORK OPERATIONS EXP	NETOPX	467,123	160,505	69,641	43,518	19,496	27,849	0	1149
DEPREC & AMORT EXP	DEPAMX	2,285,898	814,906	312,930	254,400	93,277	154,299	0	1149
MARKETING EXPENSE	MRKTX	387,489	91,733	39,802	24,872	11,142	15,917	0	1149
SERVICES EXPENSE	SERVX	816,920	275,212	97,032	64,359	20,874	11,863	81,083	1149
- CABSX EXPENSE	CABSX	74,111	37,056	0	17,748	7,951	11,357	0	1149
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1149
GENERAL & ADMIN EXP	GENADX	1,192,148	460,067	177,105	174,543	36,371	43,163	28,886	1149
OTHER TAXES (EXCL FIT & ITC)	OTAXES	219,194	75,316	32,679	20,421	9,148	13,068	0	1149
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1149
NON-OPERATING INC & EXP	NONOPX	1,788	702	305	190	85	122	0	1149
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1149

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	314,049	107,795	55,224	8,075	28,917	15,551	28	1150
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1150
- GENERAL SUPPORT FACILITIES	GSF	4,122,071	1,598,099	817,330	119,518	427,980	230,153	3,118	1150
- CENTRAL OFFICE EQUIPMENT	COE	7,493,155	3,787,276	1,162,626	794,277	971,451	858,921	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	934,444	794,277	0	794,277	0	0	0	1150
-- COE CAT 4.11	COE411	553,492	553,492	0	0	0	553,492	0	1150
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1150
-- COE CAT 4.13	COE413	4,684,947	1,195,255	1,162,626	0	0	32,629	0	1150
-- COE CAT 4.2	COE42	1,320,272	1,244,252	0	0	971,451	272,800	0	1150
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1150
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1150
- CABLE & WIRE FACILITIES	CWF	19,847,339	6,812,447	4,269,080	0	1,872,767	670,600	0	1150
-- C&WF CAT 1.1	CWF11	6,656	0	0	0	0	0	0	1150
-- C&WF CAT 1.2	CWF12	119,810	119,810	0	0	0	119,810	0	1150
-- C&WF CAT 1.3	CWF13	17,076,320	4,269,080	4,269,080	0	0	0	0	1150
-- C&WF CAT 2	CWF2	72,147	0	0	0	0	0	0	1150
-- C&WF CAT 3	CWF3	2,572,405	2,423,556	0	0	1,872,767	550,790	0	1150
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	1,255,484	486,618	249,362	36,464	130,574	70,218	0	1150
ACCUM DEPRECIATION	ACCDEP	18,656,501	7,226,410	3,708,015	535,551	1,939,659	1,041,246	1,938	1150
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1150
NET DEFERRED FIT	NTDFIT	426,338	165,246	84,678	12,383	44,340	23,845	0	1150
NETWORK SUPPORT EXP	NETSPX	2,034	789	404	59	212	114	0	1150
GENERAL SUPPORT EXP	GSFX	573,632	222,393	113,740	16,632	59,558	32,028	434	1150
COE EXPENSE	COEX	619,335	313,031	33,139	227,721	27,690	24,482	0	1150
IOT EXPENSE	IOTX	8,527	2,132	2,132	0	0	0	0	1150
C&WF EXPENSE	CWFX	1,750,124	600,717	376,444	0	165,139	59,133	0	1150
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1150
NETWORK OPERATIONS EXP	NETOPX	412,161	159,792	81,884	11,974	42,877	23,058	0	1150
DEPREC & AMORT EXP	DEPAMX	2,590,205	1,039,706	501,229	100,890	276,154	161,212	221	1150
MARKETING EXPENSE	MRKTX	144,177	60,042	30,760	4,498	16,107	8,662	15	1150
SERVICES EXPENSE	SERVX	546,456	294,498	119,740	61,734	48,610	10,817	53,597	1150
- CABSX EXPENSE	CABSX	8,854	4,427	0	680	2,436	1,310	0	1150
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1150
GENERAL & ADMIN EXP	GENADX	1,333,970	590,676	280,438	111,812	124,834	54,861	18,731	1150
OTHER TAXES (EXCL FIT & ITC)	OTAXES	253,373	110,703	56,662	8,353	29,690	15,985	13	1150
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1150
NON-OPERATING INC & EXP	NONOPX	10,742	4,757	2,437	356	1,276	686	1	1150
INTEREST & RELATED ITEMS(IRI)	INTREL	470,382	182,115	93,105	13,835	48,818	26,313	44	1150

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	0	0	0	0	0	0	0	1151
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1151
- GENERAL SUPPORT FACILITIES	GSF	482,504	161,501	90,309	47,281	22,202	1,038	671	1151
- CENTRAL OFFICE EQUIPMENT	COE	603,850	310,740	67,196	221,805	20,789	950	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	272,271	219,016	0	219,016	0	0	0	1151
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1151
-- COE CAT 4.12	COE412	25,357	0	0	0	0	0	0	1151
-- COE CAT 4.13	COE413	269,430	67,196	67,196	0	0	0	0	1151
-- COE CAT 4.2	COE42	32,759	21,739	0	0	20,789	950	0	1151
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1151
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1151
- CABLE & WIRE FACILITIES	CWF	1,678,637	450,451	361,794	0	84,677	3,980	0	1151
-- C&WF CAT 1.1	CWF11	3,470	0	0	0	0	0	0	1151
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1151
-- C&WF CAT 1.3	CWF13	1,447,175	361,794	361,794	0	0	0	0	1151
-- C&WF CAT 2	CWF2	95,937	0	0	0	0	0	0	1151
-- C&WF CAT 3	CWF3	132,055	88,657	0	0	84,677	3,980	0	1151
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1151
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1151
- INTANGIBLES	INTANG	4,764	1,595	895	468	220	10	1	1151
TELCOM PLANT-OTHER	PLTOTH	122,723	41,047	23,049	12,067	5,667	265	0	1151
ACCUM DEPRECIATION	ACCDEP	1,798,904	648,840	318,490	246,177	80,075	3,734	365	1151
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1151
NET DEFERRED FIT	NTDFIT	116,584	36,169	23,068	7,275	5,565	261	0	1151
NETWORK SUPPORT EXP	NETSPX	19,156	6,412	3,598	1,884	884	41	5	1151
GENERAL SUPPORT EXP	GSFX	44,972	15,053	8,417	4,407	2,069	97	63	1151
COE EXPENSE	COEX	51,678	26,832	5,416	19,664	1,676	77	0	1151
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1151
C&WF EXPENSE	CWFX	112,912	30,299	24,336	0	5,696	268	0	1151
OTHER PROP & PL EXP	OTHPX	544	182	102	54	25	1	0	1151
NETWORK OPERATIONS EXP	NETOPX	54,038	18,087	10,156	5,317	2,497	117	0	1151
DEPREC & AMORT EXP	DEPAMX	87,620	25,526	18,033	2,978	4,289	201	25	1151
MARKETING EXPENSE	MRKTX	97	62	35	18	8	0	0	1151
SERVICES EXPENSE	SERVX	43,975	17,407	1,692	3,059	1,077	50	11,529	1151
- CABSX EXPENSE	CABSX	4,660	2,330	0	1,562	734	34	0	1151
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1151
GENERAL & ADMIN EXP	GENADX	273,785	99,463	48,921	28,701	11,624	543	9,674	1151
OTHER TAXES (EXCL FIT & ITC)	OTAXES	33,664	10,547	7,011	1,770	1,681	79	7	1151
INVESTMENT TAX CREDITS (ITC)	ITC	-990	-331	-186	-97	-46	-2	0	1151
NON-OPERATING INC & EXP	NONOPX	7,018	2,550	1,431	749	352	16	2	1151
INTEREST & RELATED ITEMS(IRI)	INTREL	21,812	6,321	3,547	1,857	872	41	5	1151



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	126,897	36,340	19,794	7,617	3,946	4,983	0	1152
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1152
- GENERAL SUPPORT FACILITIES	GSF	12,802,744	4,474,118	2,437,038	937,805	485,787	613,488	0	1152
- CENTRAL OFFICE EQUIPMENT	COE	11,942,025	6,045,016	1,324,687	3,047,686	893,375	779,268	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	3,585,513	3,047,686	0	3,047,686	0	0	0	1152
-- COE CAT 4.11	COE411	515,106	480,559	0	0	0	480,559	0	1152
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1152
-- COE CAT 4.13	COE413	5,312,821	1,327,746	1,324,687	0	0	3,059	0	1152
-- COE CAT 4.2	COE42	769,177	295,650	0	0	0	295,650	0	1152
-- COE CAT 4.3	COE43	1,759,408	893,375	0	0	893,375	0	0	1152
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1152
- CABLE & WIRE FACILITIES	CWF	29,664,430	8,495,006	6,595,218	0	685,339	1,214,450	0	1152
-- C&WF CAT 1.1	CWF11	54,827	0	0	0	0	0	0	1152
-- C&WF CAT 1.2	CWF12	15,230	15,230	0	0	0	15,230	0	1152
-- C&WF CAT 1.3	CWF13	26,380,870	6,595,218	6,595,218	0	0	0	0	1152
-- C&WF CAT 2	CWF2	1,022,006	832,720	0	0	0	832,720	0	1152
-- C&WF CAT 3	CWF3	841,794	366,500	0	0	0	366,500	0	1152
-- C&WF CAT 4	CWF4	1,349,703	685,339	0	0	685,339	0	0	1152
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1152
- INTANGIBLES	INTANG	136,265	47,620	25,938	9,981	5,170	6,530	0	1152
TELCOM PLANT-OTHER	PLTOTH	1,067,788	373,155	203,256	78,216	40,516	51,167	0	1152
ACCUM DEPRECIATION	ACCDEP	26,247,058	9,877,412	4,738,834	3,049,780	916,081	1,172,718	0	1152
ACCUM AMORTIZATION	ACCAMO	80,369	28,086	15,298	5,887	3,050	3,851	0	1152
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1152
NETWORK SUPPORT EXP	NETSPX	80	28	15	6	3	4	0	1152
GENERAL SUPPORT EXP	GSFX	584,138	204,136	111,192	42,788	22,165	27,991	0	1152
COE EXPENSE	COEX	1,069,352	541,303	69,281	384,542	46,724	40,756	0	1152
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1152
C&WF EXPENSE	CWFX	810,107	231,990	180,109	0	18,716	33,165	0	1152
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1152
NETWORK OPERATIONS EXP	NETOPX	660,986	230,992	125,821	48,417	25,080	31,673	0	1152
DEPREC & AMORT EXP	DEPAMX	2,889,316	1,029,786	521,149	177,237	160,267	171,133	0	1152
MARKETING EXPENSE	MRKTX	117,893	57,230	31,173	11,996	6,214	7,847	0	1152
SERVICES EXPENSE	SERVX	971,862	119,498	67,133	30,131	12,714	9,520	0	1152
- CABSX EXPENSE	CABSX	41,031	20,516	0	9,445	4,893	6,179	0	1152
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1152
GENERAL & ADMIN EXP	GENADX	1,565,684	557,240	257,325	194,040	49,314	56,561	0	1152
OTHER TAXES (EXCL FIT & ITC)	OTAXES	564,763	197,365	107,504	41,369	21,429	27,063	0	1152
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1152
NON-OPERATING INC & EXP	NONOPX	26,977	10,976	5,979	2,301	1,192	1,505	0	1152
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1152

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	84,041	22,000	13,338	5,521	1,044	2,098	0	1153
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1153
- GENERAL SUPPORT FACILITIES	GSF	2,958,249	1,002,695	607,916	251,616	47,562	95,601	0	1153
- CENTRAL OFFICE EQUIPMENT	COE	7,184,985	3,330,752	1,136,450	1,598,002	144,091	452,209	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	1,880,002	1,598,002	0	1,598,002	0	0	0	1153
-- COE CAT 4.11	COE411	525,217	432,779	0	0	0	432,779	0	1153
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1153
-- COE CAT 4.13	COE413	4,554,032	1,142,624	1,136,450	0	0	6,174	0	1153
-- COE CAT 4.2	COE42	225,734	157,348	0	0	144,091	13,257	0	1153
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1153
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1153
- CABLE & WIRE FACILITIES	CWF	11,602,704	3,037,315	2,724,395	0	157,970	154,950	0	1153
-- C&WF CAT 1.1	CWF11	4,933	0	0	0	0	0	0	1153
-- C&WF CAT 1.2	CWF12	14,800	14,800	0	0	0	14,800	0	1153
-- C&WF CAT 1.3	CWF13	10,897,580	2,724,395	2,724,395	0	0	0	0	1153
-- C&WF CAT 2	CWF2	306,685	83,818	0	0	0	83,818	0	1153
-- C&WF CAT 3	CWF3	378,706	214,302	0	0	157,970	56,332	0	1153
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1153
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1153
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1153
TELCOM PLANT-OTHER	PLTOTH	124,338	42,144	25,551	10,576	1,999	4,018	0	1153
ACCUM DEPRECIATION	ACCDEP	12,572,604	4,670,266	2,424,127	1,595,484	203,050	447,605	0	1153
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1153
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1153
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1153
GENERAL SUPPORT EXP	GSFX	180,987	61,345	37,193	15,394	2,910	5,849	0	1153
COE EXPENSE	COEX	267,363	123,942	16,683	98,505	2,115	6,638	0	1153
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1153
C&WF EXPENSE	CWFX	531,619	139,165	124,828	0	7,238	7,100	0	1153
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1153
NETWORK OPERATIONS EXP	NETOPX	351,879	119,269	72,311	29,929	5,657	11,372	0	1153
DEPREC & AMORT EXP	DEPAMX	1,460,442	558,726	275,172	207,711	23,382	52,460	0	1153
MARKETING EXPENSE	MRKTX	73,490	24,528	14,871	6,155	1,163	2,339	0	1153
SERVICES EXPENSE	SERVX	185,758	92,460	8,067	19,818	3,746	7,530	53,300	1153
- CABSX EXPENSE	CABSX	60,638	30,319	0	19,324	3,653	7,342	0	1153
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1153
GENERAL & ADMIN EXP	GENADX	783,896	299,953	153,629	86,645	11,649	20,833	27,197	1153
OTHER TAXES (EXCL FIT & ITC)	OTAXES	182,182	62,406	37,836	15,660	2,960	5,950	0	1153
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1153
NON-OPERATING INC & EXP	NONOPX	600	230	139	58	11	22	0	1153
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1153

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	670,827	211,505	94,805	29,912	28,720	57,954	114	1154
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1154
- GENERAL SUPPORT FACILITIES	GSF	14,143,094	5,300,668	2,368,609	747,324	717,538	1,447,918	19,280	1154
- CENTRAL OFFICE EQUIPMENT	COE	28,544,249	13,854,461	2,800,520	4,326,600	2,553,754	4,173,587	0	1154
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1154
-- COE CAT 2	COE2	461,051	242,271	0	0	242,271	0	0	1154
-- COE CAT 3	COE3	6,805,088	4,326,600	0	4,326,600	0	0	0	1154
-- COE CAT 4.11	COE411	2,030,074	2,030,074	0	0	0	2,030,074	0	1154
-- COE CAT 4.12	COE412	116,598	0	0	0	0	0	0	1154
-- COE CAT 4.13	COE413	11,444,492	2,848,593	2,800,520	0	0	48,073	0	1154
-- COE CAT 4.2	COE42	6,070,504	3,702,376	0	0	1,606,937	2,095,439	0	1154
-- COE CAT 4.3	COE43	1,616,442	704,546	0	0	704,546	0	0	1154
- INFORMATION ORIG/TERM	IOT	10,611	2,653	2,653	0	0	0	0	1154
- CABLE & WIRE FACILITIES	CWF	53,028,200	16,719,276	10,909,796	0	1,600,405	4,209,075	0	1154
-- C&WF CAT 1.1	CWF11	757,071	0	0	0	0	0	0	1154
-- C&WF CAT 1.2	CWF12	187,276	187,276	0	0	0	187,276	0	1154
-- C&WF CAT 1.3	CWF13	43,639,182	10,909,796	10,909,796	0	0	0	0	1154
-- C&WF CAT 2	CWF2	5,144,919	4,010,504	0	0	0	4,010,504	0	1154
-- C&WF CAT 3	CWF3	1,434,173	798,566	0	0	787,270	11,295	0	1154
-- C&WF CAT 4	CWF4	1,865,579	813,135	0	0	813,135	0	0	1154
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1154
- INTANGIBLES	INTANG	1,100,558	412,476	184,889	58,335	56,010	113,022	222	1154
TELCOM PLANT-OTHER	PLTOTH	2,247,347	841,827	377,545	119,120	114,372	230,791	0	1154
ACCUM DEPRECIATION	ACCDEP	73,397,272	27,900,334	12,081,495	4,304,287	3,850,485	7,650,498	13,569	1154
ACCUM AMORTIZATION	ACCAMO	979,769	367,009	164,597	51,932	49,862	100,617	0	1154
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1154
NETWORK SUPPORT EXP	NETSPX	309,419	115,967	51,981	16,401	15,747	31,776	62	1154
GENERAL SUPPORT EXP	GSFX	652,989	244,733	109,359	34,504	33,129	66,851	890	1154
COE EXPENSE	COEX	914,216	443,731	84,812	102,144	130,381	126,394	0	1154
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1154
C&WF EXPENSE	CWFX	1,020,765	321,837	210,008	0	30,807	81,022	0	1154
OTHER PROP & PL EXP	OTHPXX	14,127	5,295	2,375	749	719	1,452	0	1154
NETWORK OPERATIONS EXP	NETOPX	1,876,204	703,180	315,364	99,501	95,535	192,780	0	1154
DEPREC & AMORT EXP	DEPAMX	5,359,299	2,118,874	828,510	470,914	281,443	536,957	1,049	1154
MARKETING EXPENSE	MRKTX	57,096	24,233	10,862	3,427	3,291	6,640	13	1154
SERVICES EXPENSE	SERVX	629,443	164,193	18,561	15,541	14,922	26,814	88,356	1154
- CABSX EXPENSE	CABSX	103,205	51,603	0	13,240	12,712	25,651	0	1154
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1154
GENERAL & ADMIN EXP	GENADX	1,610,398	666,584	284,012	85,389	101,780	167,389	28,013	1154
OTHER TAXES (EXCL FIT & ITC)	OTAXES	805,334	302,564	135,695	42,813	41,107	82,949	0	1154
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1154
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1154
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1154

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	1,555,556	444,963	193,791	140,327	35,487	75,358	0	1155
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1155
- GENERAL SUPPORT FACILITIES	GSF	4,484,115	1,737,925	756,903	548,086	138,604	294,332	0	1155
- CENTRAL OFFICE EQUIPMENT	COE	15,603,834	8,727,120	1,192,912	5,133,107	929,434	1,471,668	0	1155
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1155
-- COE CAT 2	COE2	465,118	247,740	0	0	247,740	0	0	1155
-- COE CAT 3	COE3	7,411,358	5,133,107	0	5,133,107	0	0	0	1155
-- COE CAT 4.11	COE411	1,375,251	1,375,251	0	0	0	1,375,251	0	1155
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1155
-- COE CAT 4.13	COE413	4,924,859	1,240,836	1,192,912	0	0	47,923	0	1155
-- COE CAT 4.2	COE42	1,427,248	730,186	0	0	681,693	48,493	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	26,392,168	7,549,421	5,895,866	0	368,658	1,284,897	0	1155
-- C&WF CAT 1.1	CWF11	520,369	0	0	0	0	0	0	1155
-- C&WF CAT 1.2	CWF12	236,857	236,857	0	0	0	236,857	0	1155
-- C&WF CAT 1.3	CWF13	23,583,463	5,895,866	5,895,866	0	0	0	0	1155
-- C&WF CAT 2	CWF2	1,184,759	1,031,486	0	0	0	1,031,486	0	1155
-- C&WF CAT 3	CWF3	289,584	148,616	0	0	132,061	16,554	0	1155
-- C&WF CAT 4	CWF4	577,136	236,597	0	0	236,597	0	0	1155
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1155
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1155
TELCOM PLANT-OTHER	PLTOTH	277,386	107,507	46,822	33,904	8,574	18,207	0	1155
ACCUM DEPRECIATION	ACCDEP	30,056,887	11,946,074	4,894,656	4,370,242	883,314	1,797,862	0	1155
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1155
NET DEFERRED FIT	NTDFIT	665,229	257,900	112,246	81,432	20,566	43,656	0	1155
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1155
GENERAL SUPPORT EXP	GSFX	1,258,584	487,794	212,445	153,835	38,903	82,612	0	1155
COE EXPENSE	COEX	2,259,550	1,263,751	265,623	494,765	175,670	327,693	0	1155
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1155
C&WF EXPENSE	CWFX	2,264,884	647,865	505,963	0	31,637	110,265	0	1155
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1155
NETWORK OPERATIONS EXP	NETOPX	545,182	211,298	92,025	66,637	16,852	35,785	0	1155
DEPREC & AMORT EXP	DEPAMX	2,338,087	1,020,303	335,345	386,898	101,505	196,554	0	1155
MARKETING EXPENSE	MRKTX	41,021	9,119	3,972	2,876	727	1,544	0	1155
SERVICES EXPENSE	SERVX	952,161	342,831	63,238	152,707	31,595	51,410	43,881	1155
- CABSX EXPENSE	CABSX	318,707	159,354	0	89,029	22,514	47,810	0	1155
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1155
GENERAL & ADMIN EXP	GENADX	1,654,784	699,223	295,501	193,234	65,545	135,205	9,737	1155
OTHER TAXES (EXCL FIT & ITC)	OTAXES	363,679	140,952	61,388	44,452	11,241	23,871	0	1155
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1155
NON-OPERATING INC & EXP	NONOPX	50	21	9	7	2	4	0	1155
INTEREST & RELATED ITEMS(IRI)	INTREL	3,927	1,443	628	455	115	244	0	1155

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	284,739	83,052	43,034	18,583	9,627	11,808	0	1156
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1156
- GENERAL SUPPORT FACILITIES	GSF	2,454,730	870,528	451,069	194,784	100,912	123,763	0	1156
- CENTRAL OFFICE EQUIPMENT	COE	5,837,289	2,676,674	811,177	1,227,753	283,386	354,359	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	1,444,415	1,227,753	0	1,227,753	0	0	0	1156
-- COE CAT 4.11	COE411	346,965	296,527	0	0	0	296,527	0	1156
-- COE CAT 4.12	COE412	22,189	0	0	0	0	0	0	1156
-- COE CAT 4.13	COE413	3,292,576	838,233	811,177	0	0	27,057	0	1156
-- COE CAT 4.2	COE42	731,144	314,161	0	0	283,386	30,775	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	9,635,265	2,810,400	2,031,986	0	352,677	425,737	0	1156
-- C&WF CAT 1.1	CWF11	52,136	0	0	0	0	0	0	1156
-- C&WF CAT 1.2	CWF12	67,776	67,776	0	0	0	67,776	0	1156
-- C&WF CAT 1.3	CWF13	8,127,944	2,031,986	2,031,986	0	0	0	0	1156
-- C&WF CAT 2	CWF2	302,864	144,990	0	0	0	144,990	0	1156
-- C&WF CAT 3	CWF3	1,084,545	565,648	0	0	352,677	212,970	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	2,737	971	503	217	113	138	0	1156
TELCOM PLANT-OTHER	PLTOTH	106,187	37,657	19,512	8,426	4,365	5,354	0	1156
ACCUM DEPRECIATION	ACCDEP	13,087,994	4,797,040	2,361,330	1,349,742	488,938	597,030	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	57,133	20,261	10,498	4,534	2,349	2,881	0	1156
COE EXPENSE	COEX	387,738	177,796	35,219	114,889	12,304	15,385	0	1156
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1156
C&WF EXPENSE	CWFX	251,260	73,287	52,988	0	9,197	11,102	0	1156
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1156
NETWORK OPERATIONS EXP	NETOPX	19,374	6,871	3,560	1,537	796	977	0	1156
DEPREC & AMORT EXP	DEPAMX	1,208,572	491,554	197,664	188,609	47,197	58,083	0	1156
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1156
SERVICES EXPENSE	SERVX	242,104	66,007	39,196	12,805	4,359	5,346	4,301	1156
- CABSX EXPENSE	CABSX	35,790	17,895	0	8,310	4,305	5,280	0	1156
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1156
GENERAL & ADMIN EXP	GENADX	496,916	203,694	89,805	75,134	16,292	20,047	2,416	1156
OTHER TAXES (EXCL FIT & ITC)	OTAXES	75,426	26,749	13,860	5,985	3,101	3,803	0	1156
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1156
NON-OPERATING INC & EXP	NONOPX	1,076	459	238	103	53	65	0	1156
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1156

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	833,648	232,321	90,573	61,555	51,633	28,561	0	1157
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1157
- GENERAL SUPPORT FACILITIES	GSF	5,352,465	2,050,813	799,532	543,375	455,789	252,118	0	1157
- CENTRAL OFFICE EQUIPMENT	COE	9,848,303	5,476,411	707,076	2,654,632	1,568,797	545,906	0	1157
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1157
-- COE CAT 2	COE2	416,445	221,491	0	0	221,491	0	0	1157
-- COE CAT 3	COE3	3,123,097	2,654,632	0	2,654,632	0	0	0	1157
-- COE CAT 4.11	COE411	390,476	379,691	0	0	0	379,691	0	1157
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1157
-- COE CAT 4.13	COE413	2,866,345	717,341	707,076	0	0	10,265	0	1157
-- COE CAT 4.2	COE42	2,200,026	1,097,293	0	0	941,344	155,950	0	1157
-- COE CAT 4.3	COE43	851,914	405,963	0	0	405,963	0	0	1157
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1157
- CABLE & WIRE FACILITIES	CWF	16,300,924	4,542,746	3,199,000	0	657,941	685,805	0	1157
-- C&WF CAT 1.1	CWF11	125,665	0	0	0	0	0	0	1157
-- C&WF CAT 1.2	CWF12	46,441	46,441	0	0	0	46,441	0	1157
-- C&WF CAT 1.3	CWF13	12,795,998	3,199,000	3,199,000	0	0	0	0	1157
-- C&WF CAT 2	CWF2	627,310	136,963	0	0	0	136,963	0	1157
-- C&WF CAT 3	CWF3	1,854,365	754,746	0	0	252,345	502,400	0	1157
-- C&WF CAT 4	CWF4	851,144	405,596	0	0	405,596	0	0	1157
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1157
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1157
TELCOM PLANT-OTHER	PLTOTH	638,468	244,631	95,372	64,816	54,369	30,074	0	1157
ACCUM DEPRECIATION	ACCDEP	26,047,669	10,312,561	3,747,945	2,999,985	2,331,300	1,233,332	0	1157
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1157
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1157
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1157
GENERAL SUPPORT EXP	GSFX	188,497	72,223	28,157	19,136	16,051	8,879	0	1157
COE EXPENSE	COEX	602,073	334,799	24,747	225,017	65,929	19,106	0	1157
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1157
C&WF EXPENSE	CWFX	588,962	164,132	115,582	0	23,772	24,779	0	1157
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1157
NETWORK OPERATIONS EXP	NETOPX	117,412	44,987	17,539	11,919	9,998	5,530	0	1157
DEPREC & AMORT EXP	DEPAMX	1,833,822	686,521	277,733	152,210	165,611	90,968	0	1157
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1157
SERVICES EXPENSE	SERVX	287,614	67,453	21,777	13,095	10,985	8,191	13,404	1157
- CABSX EXPENSE	CABSX	36,722	18,361	0	7,973	6,688	3,700	0	1157
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1157
GENERAL & ADMIN EXP	GENADX	994,879	415,883	161,189	144,086	67,842	35,590	7,175	1157
OTHER TAXES (EXCL FIT & ITC)	OTAXES	144,772	55,470	21,626	14,697	12,328	6,819	0	1157
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1157
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1157
INTEREST & RELATED ITEMS(IRI)	INTREL	2,137	689	269	183	153	85	0	1157

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	1,739,992	663,823	226,885	89,582	125,717	221,639	0	1158
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1158
- GENERAL SUPPORT FACILITIES	GSF	7,330,907	3,023,747	1,033,474	408,049	572,649	1,009,576	0	1158
- CENTRAL OFFICE EQUIPMENT	COE	22,920,392	10,935,749	2,019,306	3,940,277	2,995,757	1,980,408	0	1158
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1158
-- COE CAT 2	COE2	1,612,202	812,324	0	0	812,324	0	0	1158
-- COE CAT 3	COE3	6,347,914	3,940,277	0	3,940,277	0	0	0	1158
-- COE CAT 4.11	COE411	1,280,982	1,237,215	0	0	0	1,237,215	0	1158
-- COE CAT 4.12	COE412	28,687	0	0	0	0	0	0	1158
-- COE CAT 4.13	COE413	8,182,545	2,042,138	2,019,306	0	0	22,832	0	1158
-- COE CAT 4.2	COE42	4,566,751	2,526,290	0	0	1,805,928	720,362	0	1158
-- COE CAT 4.3	COE43	901,311	377,505	0	0	377,505	0	0	1158
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1158
- CABLE & WIRE FACILITIES	CWF	47,869,677	18,262,723	7,960,317	0	2,533,960	7,768,446	0	1158
-- C&WF CAT 1.1	CWF11	325,178	0	0	0	0	0	0	1158
-- C&WF CAT 1.2	CWF12	90,004	90,004	0	0	0	90,004	0	1158
-- C&WF CAT 1.3	CWF13	31,841,268	7,960,317	7,960,317	0	0	0	0	1158
-- C&WF CAT 2	CWF2	4,896,851	4,288,182	0	0	0	4,288,182	0	1158
-- C&WF CAT 3	CWF3	7,516,040	4,583,790	0	0	1,193,532	3,390,259	0	1158
-- C&WF CAT 4	CWF4	3,200,336	1,340,429	0	0	1,340,429	0	0	1158
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1158
- INTANGIBLES	INTANG	4,610	1,901	650	257	360	635	0	1158
TELCOM PLANT-OTHER	PLTOTH	3,862,517	1,593,156	544,518	214,993	301,718	531,926	0	1158
ACCUM DEPRECIATION	ACCDEP	38,537,973	16,371,050	5,086,404	3,455,882	2,861,597	4,967,166	0	1158
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1158
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1158
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1158
GENERAL SUPPORT EXP	GSFX	424,067	174,913	59,783	23,604	33,126	58,400	0	1158
COE EXPENSE	COEX	969,554	462,592	40,268	281,298	101,534	39,493	0	1158
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1158
C&WF EXPENSE	CWFX	833,237	317,888	138,560	0	44,107	135,220	0	1158
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1158
NETWORK OPERATIONS EXP	NETOPX	799,256	329,666	112,675	44,488	62,433	110,070	0	1158
DEPREC & AMORT EXP	DEPAMX	4,313,892	1,871,744	535,218	434,723	378,732	523,071	0	1158
MARKETING EXPENSE	MRKTX	25,010	8,764	2,995	1,183	1,660	2,926	0	1158
SERVICES EXPENSE	SERVX	947,600	245,416	37,022	62,211	43,406	64,798	37,979	1158
- CABSX EXPENSE	CABSX	249,158	124,579	0	25,541	35,844	63,193	0	1158
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1158
GENERAL & ADMIN EXP	GENADX	1,191,285	484,379	153,436	119,003	82,529	118,462	10,949	1158
OTHER TAXES (EXCL FIT & ITC)	OTAXES	675,943	278,803	95,291	37,624	52,801	93,087	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

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	120,519	36,642	20,052	6,950	2,990	6,649	0	1159
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1159
- GENERAL SUPPORT FACILITIES	GSF	1,077,238	383,684	209,973	72,773	31,310	69,628	0	1159
- CENTRAL OFFICE EQUIPMENT	COE	10,393,625	5,299,536	1,336,826	2,772,131	379,558	811,021	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	3,261,330	2,772,131	0	2,772,131	0	0	0	1159
-- COE CAT 4.11	COE411	609,222	575,295	0	0	0	575,295	0	1159
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1159
-- COE CAT 4.13	COE413	5,391,512	1,346,846	1,336,826	0	0	10,020	0	1159
-- COE CAT 4.2	COE42	565,909	225,706	0	0	0	225,706	0	1159
-- COE CAT 4.3	COE43	565,652	379,558	0	0	379,558	0	0	1159
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1159
- CABLE & WIRE FACILITIES	CWF	30,641,182	9,315,979	6,661,587	0	813,107	1,841,285	0	1159
-- C&WF CAT 1.1	CWF11	170,358	0	0	0	0	0	0	1159
-- C&WF CAT 1.2	CWF12	49,933	49,933	0	0	0	49,933	0	1159
-- C&WF CAT 1.3	CWF13	26,646,348	6,661,587	6,661,587	0	0	0	0	1159
-- C&WF CAT 2	CWF2	1,387,996	1,205,847	0	0	0	1,205,847	0	1159
-- C&WF CAT 3	CWF3	1,174,781	585,506	0	0	0	585,506	0	1159
-- C&WF CAT 4	CWF4	1,211,766	813,107	0	0	813,107	0	0	1159
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1159
- INTANGIBLES	INTANG	173,611	61,836	33,840	11,728	5,046	11,221	0	1159
TELCOM PLANT-OTHER	PLTOTH	615,069	219,071	119,888	41,551	17,877	39,755	0	1159
ACCUM DEPRECIATION	ACCDEP	23,566,428	9,217,534	4,244,510	2,709,209	706,390	1,557,425	0	1159
ACCUM AMORTIZATION	ACCAMO	173,611	61,836	33,840	11,728	5,046	11,221	0	1159
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1159
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1159
GENERAL SUPPORT EXP	GSFX	461,736	164,458	90,001	31,193	13,420	29,845	0	1159
COE EXPENSE	COEX	921,239	469,724	63,192	350,254	17,942	38,337	0	1159
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1159
C&WF EXPENSE	CWFX	613,550	186,540	133,390	0	16,281	36,869	0	1159
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1159
NETWORK OPERATIONS EXP	NETOPX	582,112	207,333	113,464	39,325	16,919	37,625	0	1159
DEPREC & AMORT EXP	DEPAMX	2,713,034	941,180	533,577	102,748	95,467	209,387	0	1159
MARKETING EXPENSE	MRKTX	112,277	48,202	26,379	9,142	3,933	8,747	0	1159
SERVICES EXPENSE	SERVX	925,564	114,019	65,484	28,077	9,422	11,036	0	1159
- CABSX EXPENSE	CABSX	39,077	19,539	0	8,186	3,522	7,832	0	1159
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1159
GENERAL & ADMIN EXP	GENADX	1,511,540	539,227	248,568	190,614	32,429	67,615	0	1159
OTHER TAXES (EXCL FIT & ITC)	OTAXES	373,490	133,027	72,800	25,231	10,855	24,141	0	1159
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1159
NON-OPERATING INC & EXP	NONOPX	25,692	10,591	5,796	2,009	864	1,922	0	1159
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1159



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	479,183	155,592	65,614	45,282	23,450	21,246	0	1160
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1160
- GENERAL SUPPORT FACILITIES	GSF	1,020,269	405,653	171,068	118,057	61,138	55,391	0	1160
- CENTRAL OFFICE EQUIPMENT	COE	5,120,401	3,254,011	408,490	2,526,251	149,235	170,035	0	1160
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1160
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1160
-- COE CAT 3	COE3	2,972,060	2,526,251	0	2,526,251	0	0	0	1160
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1160
-- COE CAT 4.12	COE412	47,220	0	0	0	0	0	0	1160
-- COE CAT 4.13	COE413	1,704,264	437,972	408,490	0	0	29,482	0	1160
-- COE CAT 4.2	COE42	396,857	289,788	0	0	149,235	140,554	0	1160
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1160
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1160
- CABLE & WIRE FACILITIES	CWF	16,711,890	5,426,381	3,252,109	0	1,159,022	1,015,249	0	1160
-- C&WF CAT 1.1	CWF11	324,985	0	0	0	0	0	0	1160
-- C&WF CAT 1.2	CWF12	234,712	234,712	0	0	0	234,712	0	1160
-- C&WF CAT 1.3	CWF13	13,008,436	3,252,109	3,252,109	0	0	0	0	1160
-- C&WF CAT 2	CWF2	967,685	579,568	0	0	0	579,568	0	1160
-- C&WF CAT 3	CWF3	2,176,072	1,359,992	0	0	1,159,022	200,970	0	1160
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1160
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1160
- INTANGIBLES	INTANG	4,273	1,699	716	494	256	232	0	1160
TELCOM PLANT-OTHER	PLTOTH	890,032	353,872	149,231	102,987	53,333	48,320	0	1160
ACCUM DEPRECIATION	ACCDEP	9,058,641	3,770,824	1,456,253	1,319,925	520,660	473,987	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	1,694	674	284	196	102	92	0	1160
GENERAL SUPPORT EXP	GSFX	145,821	57,978	24,450	16,873	8,738	7,917	0	1160
COE EXPENSE	COEX	78,791	50,072	11,499	29,586	4,201	4,786	0	1160
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1160
C&WF EXPENSE	CWFX	484,901	157,448	94,361	0	33,629	29,458	0	1160
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1160
NETWORK OPERATIONS EXP	NETOPX	208,476	82,889	34,955	24,123	12,493	11,318	0	1160
DEPREC & AMORT EXP	DEPAMX	1,419,772	565,504	237,795	162,340	85,253	80,115	0	1160
MARKETING EXPENSE	MRKTX	34,389	12,882	5,432	3,749	1,941	1,759	0	1160
SERVICES EXPENSE	SERVX	207,881	61,592	8,765	9,653	4,608	2,807	35,759	1160
- CABSX EXPENSE	CABSX	23,775	11,888	0	5,983	3,098	2,807	0	1160
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1160
GENERAL & ADMIN EXP	GENADX	515,022	199,245	84,559	39,601	30,913	27,350	16,822	1160
OTHER TAXES (EXCL FIT & ITC)	OTAXES	94,797	37,691	15,895	10,969	5,681	5,147	0	1160
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1160
NON-OPERATING INC & EXP	NONOPX	17,755	7,149	3,015	2,081	1,077	976	0	1160
INTEREST & RELATED ITEMS(IRI)	INTREL	2,613	1,004	423	292	151	137	0	1160

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	120,181	33,670	16,483	6,343	2,076	8,768	0	1161
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1161
- GENERAL SUPPORT FACILITIES	GSF	3,021,682	1,027,529	503,026	193,561	63,351	267,591	0	1161
- CENTRAL OFFICE EQUIPMENT	COE	2,995,626	1,455,514	386,271	659,134	101,007	309,102	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	775,452	659,134	0	659,134	0	0	0	1161
-- COE CAT 4.11	COE411	252,148	244,231	0	0	0	244,231	0	1161
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1161
-- COE CAT 4.13	COE413	1,570,645	391,749	386,271	0	0	5,478	0	1161
-- COE CAT 4.2	COE42	218,148	84,878	0	0	25,485	59,393	0	1161
-- COE CAT 4.3	COE43	179,233	75,522	0	0	75,522	0	0	1161
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1161
- CABLE & WIRE FACILITIES	CWF	7,294,142	2,043,541	1,326,690	0	114,722	602,129	0	1161
-- C&WF CAT 1.1	CWF11	68,989	0	0	0	0	0	0	1161
-- C&WF CAT 1.2	CWF12	18,815	18,815	0	0	0	18,815	0	1161
-- C&WF CAT 1.3	CWF13	5,306,757	1,326,690	1,326,690	0	0	0	0	1161
-- C&WF CAT 2	CWF2	121,334	95,461	0	0	0	95,461	0	1161
-- C&WF CAT 3	CWF3	1,635,263	542,327	0	0	54,474	487,853	0	1161
-- C&WF CAT 4	CWF4	142,984	60,248	0	0	60,248	0	0	1161
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1161
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1161
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1161
ACCUM DEPRECIATION	ACCDEP	6,090,709	2,108,652	1,000,610	455,339	124,137	528,567	0	1161
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1161
NET DEFERRED FIT	NTDFIT	727,107	248,381	120,643	48,534	15,138	64,067	0	1161
NETWORK SUPPORT EXP	NETSPX	2,752	936	458	176	58	244	0	1161
GENERAL SUPPORT EXP	GSFX	151,306	51,452	25,188	9,692	3,172	13,399	0	1161
COE EXPENSE	COEX	598,608	290,852	110,275	63,495	28,836	88,245	0	1161
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1161
C&WF EXPENSE	CWFX	180,730	50,634	32,872	0	2,843	14,919	0	1161
OTHER PROP & PL EXP	OTHPX	69	23	11	4	1	6	0	1161
NETWORK OPERATIONS EXP	NETOPX	60,609	20,610	10,090	3,882	1,271	5,367	0	1161
DEPREC & AMORT EXP	DEPAMX	640,964	245,888	98,747	76,180	14,449	56,513	0	1161
MARKETING EXPENSE	MRKTX	38,714	10,985	5,378	2,069	677	2,861	0	1161
SERVICES EXPENSE	SERVX	141,913	34,031	9,016	5,863	1,835	4,388	12,928	1161
- CABSX EXPENSE	CABSX	16,954	8,477	0	3,128	1,024	4,325	0	1161
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1161
GENERAL & ADMIN EXP	GENADX	953,794	427,443	188,650	76,404	34,705	116,089	11,595	1161
OTHER TAXES (EXCL FIT & ITC)	OTAXES	121,822	40,928	20,406	7,031	2,592	10,899	0	1161
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1161
NON-OPERATING INC & EXP	NONOPX	5,552	2,591	1,269	488	160	675	0	1161
INTEREST & RELATED ITEMS(IRI)	INTREL	151,340	50,415	24,681	9,497	3,108	13,129	0	1161

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	432,490	166,045	55,211	26,363	26,876	57,595	0	1162
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1162
- GENERAL SUPPORT FACILITIES	GSF	8,028,468	3,661,978	1,217,620	581,416	592,735	1,270,208	0	1162
- CENTRAL OFFICE EQUIPMENT	COE	22,597,517	14,198,333	1,482,660	5,539,620	3,472,919	3,703,135	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	6,517,200	5,539,620	0	5,539,620	0	0	0	1162
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1162
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1162
-- COE CAT 4.13	COE413	6,059,417	1,504,833	1,482,660	0	0	22,174	0	1162
-- COE CAT 4.2	COE42	6,755,424	5,240,647	0	0	1,559,686	3,680,961	0	1162
-- COE CAT 4.3	COE43	3,265,476	1,913,233	0	0	1,913,233	0	0	1162
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1162
- CABLE & WIRE FACILITIES	CWF	53,896,187	20,692,289	10,118,586	0	2,174,543	8,399,160	0	1162
-- C&WF CAT 1.1	CWF11	727,537	0	0	0	0	0	0	1162
-- C&WF CAT 1.2	CWF12	151,328	151,328	0	0	0	151,328	0	1162
-- C&WF CAT 1.3	CWF13	40,474,345	10,118,586	10,118,586	0	0	0	0	1162
-- C&WF CAT 2	CWF2	8,571,104	8,190,840	0	0	0	8,190,840	0	1162
-- C&WF CAT 3	CWF3	2,709,279	1,491,785	0	0	1,434,793	56,992	0	1162
-- C&WF CAT 4	CWF4	1,262,594	739,750	0	0	739,750	0	0	1162
- TANGIBLES	TANGIB	22,658	10,335	3,436	1,641	1,673	3,585	0	1162
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1162
TELCOM PLANT-OTHER	PLTOTH	4,702,444	2,144,898	713,186	340,548	347,177	743,988	0	1162
ACCUM DEPRECIATION	ACCDEP	63,272,011	28,562,055	9,824,596	4,958,553	4,080,395	9,698,510	0	1162
ACCUM AMORTIZATION	ACCAMO	2,501,382	1,140,941	379,366	181,148	184,675	395,751	0	1162
NET DEFERRED FIT	NTDFIT	493,891	226,763	74,444	39,651	35,549	77,119	0	1162
NETWORK SUPPORT EXP	NETSPX	21,836	9,960	3,312	1,581	1,612	3,455	0	1162
GENERAL SUPPORT EXP	GSFX	294,979	134,547	44,737	21,362	21,778	46,669	0	1162
COE EXPENSE	COEX	614,621	386,175	39,500	155,497	92,522	98,656	0	1162
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1162
C&WF EXPENSE	CWFX	531,108	203,908	99,711	0	21,429	82,768	0	1162
OTHER PROP & PL EXP	OTHPPX	6,413	2,925	973	464	473	1,015	0	1162
NETWORK OPERATIONS EXP	NETOPX	1,172,889	534,983	177,884	84,940	86,593	185,566	0	1162
DEPREC & AMORT EXP	DEPAMX	5,603,243	2,645,457	809,375	532,918	430,345	872,818	0	1162
MARKETING EXPENSE	MRKTX	2,078	728	242	116	118	252	0	1162
SERVICES EXPENSE	SERVX	553,292	149,885	29,807	19,211	10,930	17,911	72,028	1162
- CABSX EXPENSE	CABSX	67,446	33,723	0	8,021	8,178	17,524	0	1162
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1162
GENERAL & ADMIN EXP	GENADX	3,130,675	1,488,619	464,845	282,297	234,728	434,944	71,805	1162
OTHER TAXES (EXCL FIT & ITC)	OTAXES	236,353	108,751	36,160	17,267	17,603	37,722	0	1162
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1162
NON-OPERATING INC & EXP	NONOPX	30,379	14,802	4,922	2,350	2,396	5,134	0	1162
INTEREST & RELATED ITEMS(IRI)	INTREL	326,783	149,075	49,568	23,669	24,130	51,709	0	1162

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	247,507	80,910	37,018	17,839	8,552	17,501	0	1163
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1163
- GENERAL SUPPORT FACILITIES	GSF	13,009,347	5,075,392	2,322,117	1,119,047	536,432	1,097,797	0	1163
- CENTRAL OFFICE EQUIPMENT	COE	11,540,115	6,643,694	1,212,521	3,905,726	439,404	1,086,042	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	4,594,972	3,905,726	0	3,905,726	0	0	0	1163
-- COE CAT 4.11	COE411	759,160	759,160	0	0	0	759,160	0	1163
-- COE CAT 4.12	COE412	18,095	0	0	0	0	0	0	1163
-- COE CAT 4.13	COE413	4,896,994	1,235,265	1,212,521	0	0	22,744	0	1163
-- COE CAT 4.2	COE42	667,522	462,109	0	0	157,970	304,139	0	1163
-- COE CAT 4.3	COE43	603,372	281,434	0	0	281,434	0	0	1163
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1163
- CABLE & WIRE FACILITIES	CWF	33,865,450	11,070,572	6,892,191	0	1,432,864	2,745,516	0	1163
-- C&WF CAT 1.1	CWF11	137,359	0	0	0	0	0	0	1163
-- C&WF CAT 1.2	CWF12	129,279	129,279	0	0	0	129,279	0	1163
-- C&WF CAT 1.3	CWF13	27,568,764	6,892,191	6,892,191	0	0	0	0	1163
-- C&WF CAT 2	CWF2	3,009,505	2,605,021	0	0	0	2,605,021	0	1163
-- C&WF CAT 3	CWF3	292,229	171,499	0	0	160,283	11,216	0	1163
-- C&WF CAT 4	CWF4	2,728,314	1,272,581	0	0	1,272,581	0	0	1163
- TANGIBLES	TANGIB	9,387	3,662	1,676	807	387	792	0	1163
- INTANGIBLES	INTANG	45,685	17,823	8,155	3,930	1,884	3,855	0	1163
TELCOM PLANT-OTHER	PLTOTH	1,311,360	511,606	234,073	112,801	54,073	110,659	0	1163
ACCUM DEPRECIATION	ACCDEP	31,126,434	13,042,216	5,203,942	4,044,093	1,233,405	2,560,776	0	1163
ACCUM AMORTIZATION	ACCAMO	30,497	11,898	5,444	2,623	1,258	2,573	0	1163
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1163
NETWORK SUPPORT EXP	NETSPX	13,181	5,142	2,353	1,134	544	1,112	0	1163
GENERAL SUPPORT EXP	GSFX	642,447	250,641	114,674	55,262	26,491	54,213	0	1163
COE EXPENSE	COEX	379,213	218,315	48,370	93,225	33,394	43,325	0	1163
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1163
C&WF EXPENSE	CWFX	589,769	192,795	120,028	0	24,953	47,813	0	1163
OTHER PROP & PL EXP	OTHPX	400	156	71	34	16	34	0	1163
NETWORK OPERATIONS EXP	NETOPX	317,387	123,824	56,652	27,301	13,087	26,783	0	1163
DEPREC & AMORT EXP	DEPAMX	3,265,529	1,384,659	539,329	440,727	130,526	274,078	0	1163
MARKETING EXPENSE	MRKTX	173,319	52,642	24,085	11,607	5,564	11,386	0	1163
SERVICES EXPENSE	SERVX	427,226	110,138	17,165	31,668	15,180	25,917	20,207	1163
- CABSX EXPENSE	CABSX	127,590	63,795	0	25,929	12,429	25,437	0	1163
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1163
GENERAL & ADMIN EXP	GENADX	1,610,389	654,816	279,733	144,857	78,423	138,511	13,291	1163
OTHER TAXES (EXCL FIT & ITC)	OTAXES	217,172	84,726	38,764	18,681	8,955	18,326	0	1163
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1163
NON-OPERATING INC & EXP	NONOPX	25,115	10,436	4,775	2,301	1,103	2,257	0	1163
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1163

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	55,730	18,167	6,578	4,833	1,134	5,601	22	1164
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1164
- GENERAL SUPPORT FACILITIES	GSF	2,264,005	917,328	329,581	242,125	56,818	280,617	8,188	1164
- CENTRAL OFFICE EQUIPMENT	COE	4,637,567	2,670,621	345,358	1,579,041	93,830	652,391	0	1164
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1164
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1164
-- COE CAT 3	COE3	2,212,990	1,579,041	0	1,579,041	0	0	0	1164
-- COE CAT 4.11	COE411	315,440	303,360	0	0	0	303,360	0	1164
-- COE CAT 4.12	COE412	67,916	0	0	0	0	0	0	1164
-- COE CAT 4.13	COE413	1,390,663	347,204	345,358	0	0	1,846	0	1164
-- COE CAT 4.2	COE42	488,865	393,403	0	0	46,218	347,185	0	1164
-- COE CAT 4.3	COE43	161,693	47,612	0	0	47,612	0	0	1164
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1164
- CABLE & WIRE FACILITIES	CWF	9,995,587	3,258,433	1,804,037	0	276,715	1,177,681	0	1164
-- C&WF CAT 1.1	CWF11	38,570	0	0	0	0	0	0	1164
-- C&WF CAT 1.2	CWF12	9,642	9,642	0	0	0	9,642	0	1164
-- C&WF CAT 1.3	CWF13	7,216,147	1,804,037	1,804,037	0	0	0	0	1164
-- C&WF CAT 2	CWF2	316,310	139,477	0	0	0	139,477	0	1164
-- C&WF CAT 3	CWF3	1,569,070	1,056,210	0	0	27,648	1,028,562	0	1164
-- C&WF CAT 4	CWF4	845,848	249,067	0	0	249,067	0	0	1164
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1164
- INTANGIBLES	INTANG	-1	0	0	0	0	0	0	1164
TELCOM PLANT-OTHER	PLTOTH	232,814	94,219	34,156	25,093	5,888	29,082	0	1164
ACCUM DEPRECIATION	ACCDEP	10,822,600	4,204,250	1,667,043	892,402	281,553	1,358,384	4,869	1164
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1164
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1164
NETWORK SUPPORT EXP	NETSPX	5,162	2,092	757	556	131	645	3	1164
GENERAL SUPPORT EXP	GSFX	300,638	121,812	43,765	32,152	7,545	37,263	1,087	1164
COE EXPENSE	COEX	301,282	173,498	19,494	111,884	5,296	36,824	0	1164
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1164
C&WF EXPENSE	CWFX	405,683	132,247	73,219	0	11,231	47,798	0	1164
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1164
NETWORK OPERATIONS EXP	NETOPX	107,176	43,426	15,743	11,565	2,714	13,404	0	1164
DEPREC & AMORT EXP	DEPAMX	1,126,130	510,609	141,503	203,196	26,187	139,208	516	1164
MARKETING EXPENSE	MRKTX	13,631	44	16	12	3	14	0	1164
SERVICES EXPENSE	SERVX	419,381	109,660	32,220	22,559	4,190	5,267	45,423	1164
- CABSX EXPENSE	CABSX	21,493	10,747	0	4,490	1,054	5,203	0	1164
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1164
GENERAL & ADMIN EXP	GENADX	1,005,527	411,814	143,812	120,482	20,971	95,194	31,355	1164
OTHER TAXES (EXCL FIT & ITC)	OTAXES	53,076	21,480	7,787	5,721	1,342	6,630	0	1164
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1164
NON-OPERATING INC & EXP	NONOPX	3,082	1,310	474	348	82	404	2	1164
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1164

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	600,931	192,971	53,311	64,692	35,555	39,268	145	1165
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1165
- GENERAL SUPPORT FACILITIES	GSF	8,324,750	3,790,839	1,041,150	1,263,433	694,383	766,906	24,967	1165
- CENTRAL OFFICE EQUIPMENT	COE	29,119,353	18,021,809	1,205,916	9,867,515	3,963,404	2,984,974	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	12,038,400	9,867,515	0	9,867,515	0	0	0	1165
-- COE CAT 4.11	COE411	247,810	196,712	0	0	0	196,712	0	1165
-- COE CAT 4.12	COE412	246,471	0	0	0	0	0	0	1165
-- COE CAT 4.13	COE413	4,936,813	1,261,641	1,205,916	0	0	55,726	0	1165
-- COE CAT 4.2	COE42	6,908,853	4,647,067	0	0	1,914,531	2,732,536	0	1165
-- COE CAT 4.3	COE43	4,741,007	2,048,874	0	0	2,048,874	0	0	1165
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1165
- CABLE & WIRE FACILITIES	CWF	35,469,415	11,389,958	6,925,548	0	1,459,786	3,004,624	0	1165
-- C&WF CAT 1.1	CWF11	329,788	0	0	0	0	0	0	1165
-- C&WF CAT 1.2	CWF12	320,031	320,031	0	0	0	320,031	0	1165
-- C&WF CAT 1.3	CWF13	27,702,192	6,925,548	6,925,548	0	0	0	0	1165
-- C&WF CAT 2	CWF2	1,225,192	793,533	0	0	0	793,533	0	1165
-- C&WF CAT 3	CWF3	3,398,060	2,272,973	0	0	381,914	1,891,059	0	1165
-- C&WF CAT 4	CWF4	2,494,152	1,077,873	0	0	1,077,873	0	0	1165
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1165
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1165
TELCOM PLANT-OTHER	PLTOTH	1,762,110	801,808	221,676	269,003	147,844	163,285	0	1165
ACCUM DEPRECIATION	ACCDEP	46,490,295	22,389,491	5,064,344	7,861,300	4,782,988	4,663,116	17,743	1165
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1165
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1165
NETWORK SUPPORT EXP	NETSPX	197,693	90,023	24,870	30,180	16,587	18,319	68	1165
GENERAL SUPPORT EXP	GSFX	399,349	181,851	49,945	60,609	33,310	36,789	1,198	1165
COE EXPENSE	COEX	764,629	473,225	33,479	246,845	110,032	82,869	0	1165
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1165
C&WF EXPENSE	CWFX	1,532,941	492,259	299,313	0	63,090	129,856	0	1165
OTHER PROP & PL EXP	OTHPXX	933	425	117	143	78	87	0	1165
NETWORK OPERATIONS EXP	NETOPX	494,903	225,364	62,306	75,609	41,554	45,895	0	1165
DEPREC & AMORT EXP	DEPAMX	4,878,661	2,514,163	488,025	1,181,178	420,290	422,400	2,270	1165
MARKETING EXPENSE	MRKTX	189,050	86,592	23,922	29,029	15,955	17,621	65	1165
SERVICES EXPENSE	SERVX	777,168	347,168	79,123	85,146	44,922	9,611	128,367	1165
- CABSX EXPENSE	CABSX	68,004	34,002	0	15,767	8,665	9,570	0	1165
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1165
GENERAL & ADMIN EXP	GENADX	1,954,941	890,501	315,547	229,125	141,380	148,120	56,329	1165
OTHER TAXES (EXCL FIT & ITC)	OTAXES	495,053	225,263	62,278	75,575	41,536	45,874	0	1165
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1165
NON-OPERATING INC & EXP	NONOPX	17,332	7,895	2,181	2,647	1,455	1,607	6	1165
INTEREST & RELATED ITEMS(IRI)	INTREL	788,923	325,125	89,820	108,996	59,904	66,161	244	1165

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	230,573	57,980	29,669	11,101	7,432	9,734	44	1166
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1166
- GENERAL SUPPORT FACILITIES	GSF	7,526,823	2,657,150	1,355,369	507,133	339,529	444,665	10,453	1166
- CENTRAL OFFICE EQUIPMENT	COE	15,122,812	6,982,174	1,738,945	2,101,522	1,329,626	1,812,081	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	3,144,330	2,053,599	0	2,053,599	0	0	0	1166
-- COE CAT 4.11	COE411	1,779,406	1,779,406	0	0	0	1,779,406	0	1166
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1166
-- COE CAT 4.13	COE413	7,023,608	1,742,227	1,738,945	0	0	3,282	0	1166
-- COE CAT 4.2	COE42	2,993,853	1,278,001	0	0	1,248,608	29,393	0	1166
-- COE CAT 4.3	COE43	133,494	81,018	0	0	81,018	0	0	1166
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1166
- CABLE & WIRE FACILITIES	CWF	16,653,579	4,187,733	4,005,689	0	109,443	72,600	0	1166
-- C&WF CAT 1.1	CWF11	148,686	0	0	0	0	0	0	1166
-- C&WF CAT 1.2	CWF12	7,560	7,560	0	0	0	7,560	0	1166
-- C&WF CAT 1.3	CWF13	16,022,756	4,005,689	4,005,689	0	0	0	0	1166
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1166
-- C&WF CAT 3	CWF3	393,044	125,001	0	0	59,960	65,040	0	1166
-- C&WF CAT 4	CWF4	81,533	49,483	0	0	49,483	0	0	1166
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1166
- INTANGIBLES	INTANG	2,000	706	361	135	91	119	1	1166
TELCOM PLANT-OTHER	PLTOTH	218,865	77,206	39,537	14,794	9,904	12,971	0	1166
ACCUM DEPRECIATION	ACCDEP	23,100,111	8,375,870	4,040,008	1,572,359	1,187,561	1,569,179	6,762	1166
ACCUM AMORTIZATION	ACCAMO	2,000	706	361	135	91	119	0	1166
NET DEFERRED FIT	NTDFIT	1,990,510	702,169	359,579	134,542	90,077	117,970	0	1166
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1166
GENERAL SUPPORT EXP	GSFX	370,099	130,654	66,644	24,936	16,695	21,864	514	1166
COE EXPENSE	COEX	831,967	386,754	26,041	313,665	19,911	27,136	0	1166
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1166
C&WF EXPENSE	CWFX	666,198	167,523	160,241	0	4,378	2,904	0	1166
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1166
NETWORK OPERATIONS EXP	NETOPX	1	0	0	0	0	0	0	1166
DEPREC & AMORT EXP	DEPAMX	2,593,417	983,053	428,234	193,675	154,427	205,976	740	1166
MARKETING EXPENSE	MRKTX	144,581	44,448	22,745	8,510	5,698	7,462	33	1166
SERVICES EXPENSE	SERVX	279,801	96,069	27,607	17,927	11,683	9,825	29,028	1166
- CABSX EXPENSE	CABSX	48,991	24,496	0	9,620	6,441	8,435	0	1166
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1166
GENERAL & ADMIN EXP	GENADX	1,558,008	615,491	251,394	254,533	40,696	48,246	20,622	1166
OTHER TAXES (EXCL FIT & ITC)	OTAXES	252,210	87,724	46,541	17,012	10,496	13,654	21	1166
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1166
NON-OPERATING INC & EXP	NONOPX	6,701	2,647	1,355	507	339	444	2	1166
INTEREST & RELATED ITEMS(IRI)	INTREL	466,337	157,488	88,369	31,144	16,586	21,283	104	1166

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	919,843	303,390	122,914	61,628	59,739	59,109	0	1167
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1167
- GENERAL SUPPORT FACILITIES	GSF	10,131,388	4,018,386	1,627,991	816,260	791,238	782,897	0	1167
- CENTRAL OFFICE EQUIPMENT	COE	32,748,853	17,942,559	2,456,829	8,612,878	3,958,985	2,913,868	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	12,080,450	8,612,878	0	8,612,878	0	0	0	1167
-- COE CAT 4.11	COE411	1,196,320	1,164,827	0	0	0	1,164,827	0	1167
-- COE CAT 4.12	COE412	126,637	0	0	0	0	0	0	1167
-- COE CAT 4.13	COE413	10,234,621	2,561,772	2,456,829	0	0	104,944	0	1167
-- COE CAT 4.2	COE42	9,110,825	5,603,082	0	0	3,958,985	1,644,097	0	1167
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1167
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1167
- CABLE & WIRE FACILITIES	CWF	74,153,856	24,457,980	14,721,134	0	4,389,872	5,346,975	0	1167
-- C&WF CAT 1.1	CWF11	1,811,736	0	0	0	0	0	0	1167
-- C&WF CAT 1.2	CWF12	628,816	628,816	0	0	0	628,816	0	1167
-- C&WF CAT 1.3	CWF13	58,884,535	14,721,134	14,721,134	0	0	0	0	1167
-- C&WF CAT 2	CWF2	1,320,744	950,155	0	0	0	950,155	0	1167
-- C&WF CAT 3	CWF3	11,508,025	8,157,875	0	0	4,389,872	3,768,004	0	1167
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1167
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1167
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1167
TELCOM PLANT-OTHER	PLTOTH	2,027,209	804,047	325,748	163,327	158,320	156,651	0	1167
ACCUM DEPRECIATION	ACCDEP	85,088,900	34,496,608	13,228,542	7,478,590	7,043,256	6,746,221	0	1167
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1167
NET DEFERRED FIT	NTDFIT	-1,444,051	-572,144	-232,348	-115,121	-112,935	-111,741	0	1167
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1167
GENERAL SUPPORT EXP	GSFX	322,945	128,089	51,893	26,019	25,221	24,955	0	1167
COE EXPENSE	COEX	1,823,691	999,170	85,056	676,175	137,061	100,879	0	1167
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1167
C&WF EXPENSE	CWFX	1,959,475	646,289	388,998	0	116,000	141,291	0	1167
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1167
NETWORK OPERATIONS EXP	NETOPX	301,878	119,733	48,508	24,322	23,576	23,327	0	1167
DEPREC & AMORT EXP	DEPAMX	6,959,691	2,973,790	1,016,740	1,079,592	429,206	448,252	0	1167
MARKETING EXPENSE	MRKTX	196,932	71,043	28,782	14,431	13,989	13,841	0	1167
SERVICES EXPENSE	SERVX	1,515,234	440,937	213,019	103,353	90,533	12,517	21,514	1167
- CABSX EXPENSE	CABSX	75,093	37,547	0	12,821	12,428	12,297	0	1167
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1167
GENERAL & ADMIN EXP	GENADX	2,385,621	985,772	384,844	319,296	153,684	119,811	8,136	1167
OTHER TAXES (EXCL FIT & ITC)	OTAXES	591,661	234,669	95,073	47,669	46,207	45,720	0	1167
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1167
NON-OPERATING INC & EXP	NONOPX	18,422	8,166	3,308	1,659	1,608	1,591	0	1167
INTEREST & RELATED ITEMS(IRI)	INTREL	2,000,436	751,143	345,074	126,836	134,253	144,980	0	1167



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	13,417	6,216	740	2,205	2,303	966	0	1168
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1168
- GENERAL SUPPORT FACILITIES	GSF	486,107	257,088	30,624	91,223	95,268	39,974	0	1168
- CENTRAL OFFICE EQUIPMENT	COE	1,636,829	912,132	54,844	466,762	220,353	170,173	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	549,132	452,409	0	452,409	0	0	0	1168
-- COE CAT 4.11	COE411	48,411	48,411	0	0	0	48,411	0	1168
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1168
-- COE CAT 4.13	COE413	223,317	57,471	54,844	0	0	2,627	0	1168
-- COE CAT 4.2	COE42	536,106	119,135	0	0	0	119,135	0	1168
-- COE CAT 4.3	COE43	265,402	220,353	0	0	220,353	0	0	1168
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1168
- CABLE & WIRE FACILITIES	CWF	926,937	429,419	106,668	0	282,097	40,654	0	1168
-- C&WF CAT 1.1	CWF11	2,555	0	0	0	0	0	0	1168
-- C&WF CAT 1.2	CWF12	5,110	5,110	0	0	0	5,110	0	1168
-- C&WF CAT 1.3	CWF13	426,673	106,668	106,668	0	0	0	0	1168
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1168
-- C&WF CAT 3	CWF3	152,830	35,545	0	0	0	35,545	0	1168
-- C&WF CAT 4	CWF4	339,769	282,097	0	0	282,097	0	0	1168
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1168
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1168
TELCOM PLANT-OTHER	PLTOTH	643	340	41	121	126	53	0	1168
ACCUM DEPRECIATION	ACCDEP	2,221,155	1,235,055	121,458	549,703	387,068	176,825	0	1168
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1168
NET DEFERRED FIT	NTDFIT	78,403	41,465	4,939	14,713	15,365	6,447	0	1168
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1168
GENERAL SUPPORT EXP	GSFX	23,944	12,663	1,508	4,493	4,693	1,969	0	1168
COE EXPENSE	COEX	104,050	58,895	2,117	41,703	8,506	6,569	0	1168
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1168
C&WF EXPENSE	CWFX	43,447	20,128	5,000	0	13,222	1,906	0	1168
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1168
NETWORK OPERATIONS EXP	NETOPX	0	0	0	0	0	0	0	1168
DEPREC & AMORT EXP	DEPAMX	213,802	120,465	10,835	56,899	35,343	17,388	0	1168
MARKETING EXPENSE	MRKTX	343	147	18	52	55	23	0	1168
SERVICES EXPENSE	SERVX	37,097	18,420	1,553	4,615	3,636	1,040	7,576	1168
- CABSX EXPENSE	CABSX	9,627	4,814	0	1,939	2,025	850	0	1168
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1168
GENERAL & ADMIN EXP	GENADX	237,084	147,487	17,200	66,231	39,209	14,982	9,865	1168
OTHER TAXES (EXCL FIT & ITC)	OTAXES	8,784	4,520	538	1,604	1,675	703	0	1168
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1168
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1168
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1168

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	112,635	44,090	14,662	11,323	12,579	5,527	0	1169
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1169
- GENERAL SUPPORT FACILITIES	GSF	2,580,672	1,190,123	395,765	305,645	339,531	149,183	0	1169
- CENTRAL OFFICE EQUIPMENT	COE	5,646,523	3,338,495	573,248	1,916,430	528,461	320,357	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	2,254,623	1,916,430	0	1,916,430	0	0	0	1169
-- COE CAT 4.11	COE411	183,042	183,042	0	0	0	183,042	0	1169
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1169
-- COE CAT 4.13	COE413	2,330,387	590,962	573,248	0	0	17,714	0	1169
-- COE CAT 4.2	COE42	814,845	618,834	0	0	499,233	119,601	0	1169
-- COE CAT 4.3	COE43	63,626	29,227	0	0	29,227	0	0	1169
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1169
- CABLE & WIRE FACILITIES	CWF	10,534,614	4,123,727	1,908,245	0	1,600,441	615,041	0	1169
-- C&WF CAT 1.1	CWF11	65,519	0	0	0	0	0	0	1169
-- C&WF CAT 1.2	CWF12	58,967	58,967	0	0	0	58,967	0	1169
-- C&WF CAT 1.3	CWF13	7,632,982	1,908,245	1,908,245	0	0	0	0	1169
-- C&WF CAT 2	CWF2	96,534	96,534	0	0	0	96,534	0	1169
-- C&WF CAT 3	CWF3	2,638,928	2,040,832	0	0	1,581,293	459,540	0	1169
-- C&WF CAT 4	CWF4	41,684	19,148	0	0	19,148	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	2,483,001	1,145,080	380,786	294,077	326,681	143,537	0	1169
ACCUM DEPRECIATION	ACCDEP	10,449,737	5,285,859	1,417,417	2,069,865	1,228,574	570,002	0	1169
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1169
NET DEFERRED FIT	NTDFIT	76,834	36,671	11,293	11,350	9,710	4,317	0	1169
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1169
GENERAL SUPPORT EXP	GSFX	44,462	20,504	6,819	5,266	5,850	2,570	0	1169
COE EXPENSE	COEX	490,402	289,949	39,783	191,260	36,674	22,232	0	1169
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1169
C&WF EXPENSE	CWFX	448,144	175,424	81,177	0	68,083	26,164	0	1169
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1169
NETWORK OPERATIONS EXP	NETOPX	97,028	44,746	14,880	11,492	12,766	5,609	0	1169
DEPREC & AMORT EXP	DEPAMX	1,162,241	534,271	178,777	128,220	155,068	72,206	0	1169
MARKETING EXPENSE	MRKTX	11,662	4,581	1,523	1,177	1,307	574	0	1169
SERVICES EXPENSE	SERVX	194,019	61,937	16,970	10,028	10,232	740	23,968	1169
- CABSX EXPENSE	CABSX	7,542	3,771	0	1,451	1,612	708	0	1169
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1169
GENERAL & ADMIN EXP	GENADX	961,818	466,892	148,863	159,909	98,410	42,227	17,483	1169
OTHER TAXES (EXCL FIT & ITC)	OTAXES	108,192	49,895	16,592	12,814	14,234	6,254	0	1169
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1169
NON-OPERATING INC & EXP	NONOPX	14,914	7,308	2,430	1,877	2,085	916	0	1169
INTEREST & RELATED ITEMS(IRI)	INTREL	240,938	100,527	41,015	9,938	34,908	14,666	0	1169

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	102,036	33,940	13,270	9,698	5,825	5,117	30	1170
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1170
- GENERAL SUPPORT FACILITIES	GSF	2,262,570	997,247	387,811	283,431	170,236	149,560	6,210	1170
- CENTRAL OFFICE EQUIPMENT	COE	6,689,725	3,717,999	855,498	1,740,262	434,866	687,373	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	2,047,367	1,740,262	0	1,740,262	0	0	0	1170
-- COE CAT 4.11	COE411	549,509	549,509	0	0	0	549,509	0	1170
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1170
-- COE CAT 4.13	COE413	3,441,991	871,287	855,498	0	0	15,789	0	1170
-- COE CAT 4.2	COE42	650,858	556,941	0	0	434,866	122,075	0	1170
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1170
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1170
- CABLE & WIRE FACILITIES	CWF	7,115,896	2,366,947	1,525,649	0	610,376	230,921	0	1170
-- C&WF CAT 1.1	CWF11	7,509	0	0	0	0	0	0	1170
-- C&WF CAT 1.2	CWF12	28,157	28,157	0	0	0	28,157	0	1170
-- C&WF CAT 1.3	CWF13	6,102,596	1,525,649	1,525,649	0	0	0	0	1170
-- C&WF CAT 2	CWF2	33,330	0	0	0	0	0	0	1170
-- C&WF CAT 3	CWF3	944,304	813,140	0	0	610,376	202,764	0	1170
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1170
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1170
- INTANGIBLES	INTANG	958	422	165	121	72	64	0	1170
TELCOM PLANT-OTHER	PLTOTH	425,405	187,336	73,308	53,577	32,180	28,271	0	1170
ACCUM DEPRECIATION	ACCDEP	9,447,196	4,124,208	1,641,205	1,176,447	713,128	588,928	4,500	1170
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1170
NET DEFERRED FIT	NTDFIT	656,321	289,025	113,101	82,660	49,647	43,618	0	1170
NETWORK SUPPORT EXP	NETSPX	934	412	161	118	71	62	0	1170
GENERAL SUPPORT EXP	GSFX	249,371	109,912	42,743	31,239	18,763	16,484	684	1170
COE EXPENSE	COEX	371,387	206,409	22,993	153,253	11,688	18,474	0	1170
IOT EXPENSE	IOTX	5,684	1,421	1,421	0	0	0	0	1170
C&WF EXPENSE	CWFX	665,080	221,224	142,593	0	57,048	21,583	0	1170
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1170
NETWORK OPERATIONS EXP	NETOPX	169,279	74,611	29,197	21,338	12,816	11,260	0	1170
DEPREC & AMORT EXP	DEPAMX	1,214,667	551,655	203,340	165,691	91,314	90,800	510	1170
MARKETING EXPENSE	MRKTX	41,076	15,825	6,187	4,522	2,716	2,386	14	1170
SERVICES EXPENSE	SERVX	238,335	119,648	43,285	40,475	14,577	7,266	14,045	1170
- CABSX EXPENSE	CABSX	4,106	2,053	0	965	579	509	0	1170
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1170
GENERAL & ADMIN EXP	GENADX	757,481	353,010	143,567	114,040	53,478	35,226	6,700	1170
OTHER TAXES (EXCL FIT & ITC)	OTAXES	65,338	29,257	11,449	8,367	5,026	4,415	0	1170
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1170
NON-OPERATING INC & EXP	NONOPX	4,174	1,969	770	563	338	297	2	1170
INTEREST & RELATED ITEMS(IRI)	INTREL	58,876	26,210	10,248	7,489	4,498	3,952	23	1170

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	193,015	52,396	29,748	15,448	4,838	2,361	0	1171
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1171
- GENERAL SUPPORT FACILITIES	GSF	5,626,275	1,664,280	944,920	490,688	153,681	74,991	0	1171
- CENTRAL OFFICE EQUIPMENT	COE	37,261,056	11,808,145	4,108,543	6,065,804	1,278,634	355,164	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	16,434,619	6,065,804	0	6,065,804	0	0	0	1171
-- COE CAT 4.11	COE411	1,255,017	0	0	0	0	0	0	1171
-- COE CAT 4.12	COE412	102,680	0	0	0	0	0	0	1171
-- COE CAT 4.13	COE413	16,554,450	4,167,215	4,108,543	0	0	58,673	0	1171
-- COE CAT 4.2	COE42	2,914,290	1,575,125	0	0	1,278,634	296,491	0	1171
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1171
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1171
- CABLE & WIRE FACILITIES	CWF	32,289,998	8,765,405	7,572,403	0	621,145	571,857	0	1171
-- C&WF CAT 1.1	CWF11	113,545	0	0	0	0	0	0	1171
-- C&WF CAT 1.2	CWF12	108,139	108,139	0	0	0	108,139	0	1171
-- C&WF CAT 1.3	CWF13	30,289,612	7,572,403	7,572,403	0	0	0	0	1171
-- C&WF CAT 2	CWF2	560,585	384,385	0	0	0	384,385	0	1171
-- C&WF CAT 3	CWF3	1,218,117	700,479	0	0	621,145	79,334	0	1171
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	197,640	58,463	33,193	17,237	5,399	2,634	0	1171
ACCUM DEPRECIATION	ACCDEP	60,113,507	18,095,284	9,278,126	6,388,765	1,683,733	744,659	0	1171
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1171
NET DEFERRED FIT	NTDFIT	1,099,285	325,174	184,622	95,873	30,027	14,652	0	1171
NETWORK SUPPORT EXP	NETSPX	10,652	3,151	1,789	929	291	142	0	1171
GENERAL SUPPORT EXP	GSFX	913,950	270,351	153,496	79,709	24,964	12,182	0	1171
COE EXPENSE	COEX	1,499,222	475,108	186,550	214,375	58,057	16,126	0	1171
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1171
C&WF EXPENSE	CWFX	1,013,990	275,257	237,793	0	19,506	17,958	0	1171
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1171
NETWORK OPERATIONS EXP	NETOPX	1,003,073	296,714	168,464	87,482	27,399	13,370	0	1171
DEPREC & AMORT EXP	DEPAMX	4,426,934	1,269,932	819,626	225,157	158,883	66,266	0	1171
MARKETING EXPENSE	MRKTX	762,272	220,627	125,265	65,049	20,373	9,941	0	1171
SERVICES EXPENSE	SERVX	1,113,830	321,483	73,905	76,858	17,596	7,591	145,534	1171
- CABSX EXPENSE	CABSX	74,307	37,154	0	25,343	7,937	3,873	0	1171
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1171
GENERAL & ADMIN EXP	GENADX	2,718,891	926,905	515,737	235,537	75,541	34,724	65,367	1171
OTHER TAXES (EXCL FIT & ITC)	OTAXES	387,529	118,595	67,334	34,966	10,951	5,344	0	1171
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1171
NON-OPERATING INC & EXP	NONOPX	5,375	1,832	1,040	540	169	83	0	1171
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1171

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	236,222	67,526	23,616	25,185	1,475	17,186	65	1172
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1172
- GENERAL SUPPORT FACILITIES	GSF	3,314,027	1,498,725	522,584	557,305	32,644	380,309	5,882	1172
- CENTRAL OFFICE EQUIPMENT	COE	4,121,111	2,862,061	199,905	1,708,970	68,535	884,652	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	2,163,732	1,698,228	0	1,698,228	0	0	0	1172
-- COE CAT 4.11	COE411	402,524	399,759	0	0	0	399,759	0	1172
-- COE CAT 4.12	COE412	78,104	0	0	0	0	0	0	1172
-- COE CAT 4.13	COE413	808,050	205,709	199,905	0	0	5,804	0	1172
-- COE CAT 4.2	COE42	647,136	547,623	0	0	68,535	479,088	0	1172
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1172
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1172
- CABLE & WIRE FACILITIES	CWF	6,065,058	1,733,757	1,412,667	0	32,196	288,894	0	1172
-- C&WF CAT 1.1	CWF11	18,556	0	0	0	0	0	0	1172
-- C&WF CAT 1.2	CWF12	41,018	41,018	0	0	0	41,018	0	1172
-- C&WF CAT 1.3	CWF13	5,650,669	1,412,667	1,412,667	0	0	0	0	1172
-- C&WF CAT 2	CWF2	286,151	243,237	0	0	0	243,237	0	1172
-- C&WF CAT 3	CWF3	68,665	36,835	0	0	32,196	4,639	0	1172
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1172
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1172
- INTANGIBLES	INTANG	3,845	1,739	608	649	38	443	2	1172
TELCOM PLANT-OTHER	PLTOTH	421,336	190,360	66,637	71,065	4,163	48,495	0	1172
ACCUM DEPRECIATION	ACCDEP	8,602,552	3,849,410	1,378,559	1,413,117	83,569	969,683	4,481	1172
ACCUM AMORTIZATION	ACCAMO	73	33	12	12	1	8	0	1172
NET DEFERRED FIT	NTDFIT	371,278	167,802	58,690	62,943	3,651	42,518	0	1172
NETWORK SUPPORT EXP	NETSPX	110,750	50,085	17,516	18,680	1,094	12,747	48	1172
GENERAL SUPPORT EXP	GSFX	310,692	140,506	48,993	52,248	3,060	35,654	551	1172
COE EXPENSE	COEX	341,783	238,255	13,232	161,930	4,536	58,556	0	1172
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1172
C&WF EXPENSE	CWFX	414,839	118,586	96,624	0	2,202	19,760	0	1172
OTHER PROP & PL EXP	OTHPX	2,353	1,064	373	397	23	271	0	1172
NETWORK OPERATIONS EXP	NETOPX	236,132	106,788	37,382	39,866	2,335	27,205	0	1172
DEPREC & AMORT EXP	DEPAMX	939,898	461,905	132,247	191,948	10,573	126,734	403	1172
MARKETING EXPENSE	MRKTX	691	192	67	72	4	49	0	1172
SERVICES EXPENSE	SERVX	310,298	106,419	12,029	20,645	809	9,419	63,516	1172
- CABSX EXPENSE	CABSX	33,006	16,503	0	9,479	555	6,469	0	1172
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1172
GENERAL & ADMIN EXP	GENADX	1,340,665	598,411	189,042	224,552	10,748	125,071	48,998	1172
OTHER TAXES (EXCL FIT & ITC)	OTAXES	90,489	39,340	13,771	14,686	860	10,022	0	1172
INVESTMENT TAX CREDITS (ITC)	ITC	4,182	1,889	661	705	41	481	0	1172
NON-OPERATING INC & EXP	NONOPX	70,967	31,676	11,078	11,814	692	8,062	31	1172
INTEREST & RELATED ITEMS(IRI)	INTREL	105,668	48,660	17,018	18,148	1,063	12,385	47	1172

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	0	0	0	0	0	0	0	1173
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1173
- GENERAL SUPPORT FACILITIES	GSF	4,873,110	1,954,748	885,305	699,823	63,756	303,260	2,604	1173
- CENTRAL OFFICE EQUIPMENT	COE	4,910,772	2,815,479	506,623	1,872,835	151,947	284,075	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	2,203,335	1,872,835	0	1,872,835	0	0	0	1173
-- COE CAT 4.11	COE411	196,513	196,513	0	0	0	196,513	0	1173
-- COE CAT 4.12	COE412	25,956	0	0	0	0	0	0	1173
-- COE CAT 4.13	COE413	2,066,879	529,546	506,623	0	0	22,923	0	1173
-- COE CAT 4.2	COE42	418,089	216,586	0	0	151,947	64,639	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	8,113,049	2,408,760	1,862,591	0	18,673	527,496	0	1173
-- C&WF CAT 1.1	CWF11	64,210	0	0	0	0	0	0	1173
-- C&WF CAT 1.2	CWF12	84,276	84,276	0	0	0	84,276	0	1173
-- C&WF CAT 1.3	CWF13	7,450,362	1,862,591	1,862,591	0	0	0	0	1173
-- C&WF CAT 2	CWF2	466,457	438,918	0	0	0	438,918	0	1173
-- C&WF CAT 3	CWF3	47,744	22,975	0	0	18,673	4,302	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	0	0	0	0	0	0	0	1173
TELCOM PLANT-OTHER	PLTOTH	22,091	8,858	4,017	3,176	289	1,376	0	1173
ACCUM DEPRECIATION	ACCDEP	13,331,417	5,706,342	2,276,765	2,473,125	169,257	784,971	2,225	1173
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1173
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1173
NETWORK SUPPORT EXP	NETSPX	218,778	87,758	39,784	31,449	2,865	13,628	32	1173
GENERAL SUPPORT EXP	GSFX	372,389	149,376	67,652	53,478	4,872	23,174	199	1173
COE EXPENSE	COEX	481,478	276,044	37,385	206,485	11,212	20,962	0	1173
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1173
C&WF EXPENSE	CWFX	255,947	75,991	58,760	0	589	16,641	0	1173
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1173
NETWORK OPERATIONS EXP	NETOPX	469,927	188,502	85,486	67,576	6,156	29,283	0	1173
DEPREC & AMORT EXP	DEPAMX	1,087,785	412,650	206,010	113,896	18,495	74,072	177	1173
MARKETING EXPENSE	MRKTX	181	58	27	21	2	9	0	1173
SERVICES EXPENSE	SERVX	208,861	77,707	6,568	29,060	2,624	12,481	26,973	1173
- CABSX EXPENSE	CABSX	85,658	42,829	0	28,095	2,560	12,175	0	1173
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1173
GENERAL & ADMIN EXP	GENADX	758,104	364,487	128,466	163,624	11,941	48,986	11,470	1173
OTHER TAXES (EXCL FIT & ITC)	OTAXES	76,344	29,569	13,410	10,600	966	4,594	0	1173
INVESTMENT TAX CREDITS (ITC)	ITC	1,973	791	359	284	26	123	0	1173
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1173
INTEREST & RELATED ITEMS(IRI)	INTREL	3,297	1,065	483	382	35	165	0	1173

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	43,356	11,297	7,952	2,662	241	406	36	1174
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1174
- GENERAL SUPPORT FACILITIES	GSF	6,657,476	1,821,812	1,261,428	422,243	38,252	64,339	35,551	1174
- CENTRAL OFFICE EQUIPMENT	COE	16,679,714	4,788,697	2,400,822	2,187,666	174,362	25,848	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	5,429,933	2,187,666	0	2,187,666	0	0	0	1174
-- COE CAT 4.11	COE411	946,398	0	0	0	0	0	0	1174
-- COE CAT 4.12	COE412	332,899	0	0	0	0	0	0	1174
-- COE CAT 4.13	COE413	9,661,987	2,416,069	2,400,822	0	0	15,247	0	1174
-- COE CAT 4.2	COE42	308,497	184,963	0	0	174,362	10,601	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	17,139,983	4,466,030	4,134,713	0	23,823	307,494	0	1174
-- C&WF CAT 1.1	CWF11	74,836	0	0	0	0	0	0	1174
-- C&WF CAT 1.2	CWF12	26,258	26,258	0	0	0	26,258	0	1174
-- C&WF CAT 1.3	CWF13	16,538,852	4,134,713	4,134,713	0	0	0	0	1174
-- C&WF CAT 2	CWF2	51,744	0	0	0	0	0	0	1174
-- C&WF CAT 3	CWF3	448,292	305,059	0	0	23,823	281,235	0	1174
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1174
- TANGIBLES	TANGIB	46,101	12,615	8,880	2,973	269	453	40	1174
- INTANGIBLES	INTANG	323	88	62	21	2	3	0	1174
TELCOM PLANT-OTHER	PLTOTH	320,174	87,334	61,674	20,644	1,870	3,146	0	1174
ACCUM DEPRECIATION	ACCDEP	26,056,740	7,163,768	4,888,367	1,852,159	164,823	233,551	24,868	1174
ACCUM AMORTIZATION	ACCAMO	21,910	5,976	4,220	1,413	128	215	0	1174
NET DEFERRED FIT	NTDFIT	1,817,071	495,644	350,015	117,162	10,614	17,852	0	1174
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1174
GENERAL SUPPORT EXP	GSFX	545,453	149,263	103,350	34,595	3,134	5,271	2,913	1174
COE EXPENSE	COEX	646,962	185,741	40,657	141,694	2,953	438	0	1174
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1174
C&WF EXPENSE	CWFX	377,609	98,391	91,091	0	525	6,774	0	1174
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1174
NETWORK OPERATIONS EXP	NETOPX	709,181	194,067	137,047	45,874	4,156	6,990	0	1174
DEPREC & AMORT EXP	DEPAMX	2,917,444	892,135	416,180	441,130	14,026	19,890	909	1174
MARKETING EXPENSE	MRKTX	459,550	139,697	98,335	32,916	2,982	5,016	448	1174
SERVICES EXPENSE	SERVX	847,036	344,788	139,935	84,272	6,960	9,396	104,225	1174
- CABSX EXPENSE	CABSX	93,366	46,683	0	37,558	3,402	5,723	0	1174
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1174
GENERAL & ADMIN EXP	GENADX	2,203,412	775,061	457,583	214,815	13,109	21,450	68,104	1174
OTHER TAXES (EXCL FIT & ITC)	OTAXES	261,395	73,372	51,814	17,344	1,571	2,643	0	1174
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1174
NON-OPERATING INC & EXP	NONOPX	1,200	422	297	99	9	15	1	1174
INTEREST & RELATED ITEMS(IRI)	INTREL	151,665	41,112	30,687	7,828	743	1,744	111	1174

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	261,870	69,253	24,899	20,709	8,812	14,834	0	1175
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1175
- GENERAL SUPPORT FACILITIES	GSF	6,775,730	2,582,337	928,451	772,187	328,569	553,130	0	1175
- CENTRAL OFFICE EQUIPMENT	COE	12,103,441	6,225,810	344,170	2,955,082	1,197,797	1,728,762	0	1175
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1175
-- COE CAT 2	COE2	243,600	99,642	0	0	99,642	0	0	1175
-- COE CAT 3	COE3	6,835,721	2,955,082	0	2,955,082	0	0	0	1175
-- COE CAT 4.11	COE411	1,107,187	1,104,585	0	0	0	1,104,585	0	1175
-- COE CAT 4.12	COE412	171,829	0	0	0	0	0	0	1175
-- COE CAT 4.13	COE413	1,399,478	347,602	344,170	0	0	3,432	0	1175
-- COE CAT 4.2	COE42	2,195,280	1,691,604	0	0	1,070,859	620,745	0	1175
-- COE CAT 4.3	COE43	150,346	27,296	0	0	27,296	0	0	1175
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1175
- CABLE & WIRE FACILITIES	CWF	13,826,588	3,656,530	3,208,917	0	59,602	388,010	0	1175
-- C&WF CAT 1.1	CWF11	180,575	0	0	0	0	0	0	1175
-- C&WF CAT 1.2	CWF12	32,001	32,001	0	0	0	32,001	0	1175
-- C&WF CAT 1.3	CWF13	12,835,669	3,208,917	3,208,917	0	0	0	0	1175
-- C&WF CAT 2	CWF2	375,256	136,606	0	0	0	136,606	0	1175
-- C&WF CAT 3	CWF3	358,715	270,950	0	0	51,546	219,404	0	1175
-- C&WF CAT 4	CWF4	44,373	8,056	0	0	8,056	0	0	1175
- TANGIBLES	TANGIB	55,890	21,301	7,658	6,369	2,710	4,563	0	1175
- INTANGIBLES	INTANG	95,473	36,386	13,082	10,880	4,630	7,794	0	1175
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1175
ACCUM DEPRECIATION	ACCDEP	21,268,917	8,288,710	2,606,555	3,023,384	1,012,026	1,646,745	0	1175
ACCUM AMORTIZATION	ACCAMO	103,574	39,474	14,192	11,804	5,023	8,455	0	1175
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1175
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1175
GENERAL SUPPORT EXP	GSFX	464,050	176,857	63,587	52,885	22,503	37,882	0	1175
COE EXPENSE	COEX	1,375,262	707,412	45,444	279,287	154,417	228,264	0	1175
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1175
C&WF EXPENSE	CWFX	717,739	189,811	166,575	0	3,094	20,142	0	1175
OTHER PROP & PL EXP	OTHPPX	28,481	10,855	3,903	3,246	1,381	2,325	0	1175
NETWORK OPERATIONS EXP	NETOPX	507,360	193,363	69,521	57,821	24,603	41,418	0	1175
DEPREC & AMORT EXP	DEPAMX	1,863,002	770,461	226,328	217,586	124,547	202,000	0	1175
MARKETING EXPENSE	MRKTX	204,937	55,667	20,014	16,646	7,083	11,924	0	1175
SERVICES EXPENSE	SERVX	1,593,448	414,604	148,403	144,288	60,734	61,178	0	1175
- CABSX EXPENSE	CABSX	355,102	177,551	0	82,897	35,273	59,381	0	1175
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1175
GENERAL & ADMIN EXP	GENADX	2,051,916	728,104	274,972	203,971	100,781	148,379	0	1175
OTHER TAXES (EXCL FIT & ITC)	OTAXES	291,017	110,911	39,877	33,165	14,112	23,757	0	1175
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1175
NON-OPERATING INC & EXP	NONOPX	74,631	26,482	9,521	7,919	3,370	5,672	0	1175
INTEREST & RELATED ITEMS(IRI)	INTREL	938	340	122	102	43	73	0	1175



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	17,923	4,736	3,664	612	207	253	0	1176
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1176
- GENERAL SUPPORT FACILITIES	GSF	2,221,416	614,095	475,134	79,333	26,819	32,810	0	1176
- CENTRAL OFFICE EQUIPMENT	COE	4,122,879	1,213,927	761,543	364,218	46,257	41,910	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	806,384	364,218	0	364,218	0	0	0	1176
-- COE CAT 4.11	COE411	35,001	29,265	0	0	0	29,265	0	1176
-- COE CAT 4.12	COE412	157,300	0	0	0	0	0	0	1176
-- COE CAT 4.13	COE413	3,052,732	766,463	761,543	0	0	4,920	0	1176
-- COE CAT 4.2	COE42	71,462	53,982	0	0	46,257	7,725	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	6,075,705	1,605,400	1,419,810	0	76,869	108,721	0	1176
-- C&WF CAT 1.1	CWF11	3,057	0	0	0	0	0	0	1176
-- C&WF CAT 1.2	CWF12	9,172	9,172	0	0	0	9,172	0	1176
-- C&WF CAT 1.3	CWF13	5,679,239	1,419,810	1,419,810	0	0	0	0	1176
-- C&WF CAT 2	CWF2	178,894	27,605	0	0	0	27,605	0	1176
-- C&WF CAT 3	CWF3	205,342	148,813	0	0	76,869	71,944	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	0	0	0	0	0	0	0	1176
ACCUM DEPRECIATION	ACCDEP	8,771,705	2,423,533	1,875,480	313,261	106,116	128,676	0	1176
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1176
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1176
NETWORK SUPPORT EXP	NETSPX	5,097	1,409	1,090	182	62	75	0	1176
GENERAL SUPPORT EXP	GSFX	167,212	46,225	35,765	5,972	2,019	2,470	0	1176
COE EXPENSE	COEX	871,911	256,723	28,570	224,845	1,735	1,572	0	1176
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1176
C&WF EXPENSE	CWFX	264,563	69,906	61,825	0	3,347	4,734	0	1176
OTHER PROP & PL EXP	OTHPXX	12,666	3,501	2,709	452	153	187	0	1176
NETWORK OPERATIONS EXP	NETOPX	371,187	102,612	79,392	13,256	4,481	5,482	0	1176
DEPREC & AMORT EXP	DEPAMX	726,037	195,966	159,942	16,234	9,153	10,637	0	1176
MARKETING EXPENSE	MRKTX	807	200	155	26	9	11	0	1176
SERVICES EXPENSE	SERVX	458,857	158,315	39,163	26,895	8,963	9,433	73,861	1176
- CABSX EXPENSE	CABSX	77,190	38,596	0	22,034	7,449	9,113	0	1176
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1176
GENERAL & ADMIN EXP	GENADX	992,925	298,022	127,577	118,644	9,072	10,467	32,262	1176
OTHER TAXES (EXCL FIT & ITC)	OTAXES	36,765	10,163	7,864	1,313	444	543	0	1176
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1176
NON-OPERATING INC & EXP	NONOPX	6,500	2,009	1,554	260	88	107	0	1176
INTEREST & RELATED ITEMS(IRI)	INTREL	193	53	41	7	2	3	0	1176

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	69,089	20,823	4,338	12,370	742	3,354	19	1177
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1177
- GENERAL SUPPORT FACILITIES	GSF	2,580,599	1,432,435	297,988	849,755	50,951	230,437	3,304	1177
- CENTRAL OFFICE EQUIPMENT	COE	2,086,329	1,605,403	50,884	1,270,565	69,445	214,510	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	1,494,782	1,270,565	0	1,270,565	0	0	0	1177
-- COE CAT 4.11	COE411	77,646	77,646	0	0	0	77,646	0	1177
-- COE CAT 4.12	COE412	9,914	0	0	0	0	0	0	1177
-- COE CAT 4.13	COE413	206,868	51,793	50,884	0	0	909	0	1177
-- COE CAT 4.2	COE42	297,119	205,400	0	0	69,445	135,955	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	1,763,314	531,451	394,672	0	6,738	130,041	0	1177
-- C&WF CAT 1.1	CWF11	18,794	0	0	0	0	0	0	1177
-- C&WF CAT 1.2	CWF12	7,048	7,048	0	0	0	7,048	0	1177
-- C&WF CAT 1.3	CWF13	1,578,687	394,672	394,672	0	0	0	0	1177
-- C&WF CAT 2	CWF2	74,264	61,061	0	0	0	61,061	0	1177
-- C&WF CAT 3	CWF3	84,521	68,671	0	0	6,738	61,933	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	3,911,059	2,110,295	472,836	1,138,434	93,872	403,206	1,947	1177
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1177
NET DEFERRED FIT	NTDFIT	436,800	242,269	50,767	148,057	7,523	35,922	0	1177
NETWORK SUPPORT EXP	NETSPX	4,655	2,584	538	1,535	92	416	2	1177
GENERAL SUPPORT EXP	GSFX	96,994	53,839	11,200	31,939	1,915	8,661	124	1177
COE EXPENSE	COEX	245,706	189,068	4,031	162,539	5,502	16,995	0	1177
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1177
C&WF EXPENSE	CWFX	158,613	47,805	35,501	0	606	11,697	0	1177
OTHER PROP & PL EXP	OTHPPX	719	399	83	237	14	64	0	1177
NETWORK OPERATIONS EXP	NETOPX	84,065	46,663	9,730	27,745	1,664	7,524	0	1177
DEPREC & AMORT EXP	DEPAMX	326,363	185,656	36,465	122,312	4,248	22,469	163	1177
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1177
SERVICES EXPENSE	SERVX	61,675	17,565	933	7,575	394	1,780	6,884	1177
- CABSX EXPENSE	CABSX	16,973	8,486	0	6,375	382	1,729	0	1177
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1177
GENERAL & ADMIN EXP	GENADX	313,917	171,837	29,774	111,176	4,890	22,631	3,366	1177
OTHER TAXES (EXCL FIT & ITC)	OTAXES	90,289	50,763	10,219	31,382	1,618	7,531	13	1177
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1177
NON-OPERATING INC & EXP	NONOPX	1,314	719	150	427	26	116	1	1177
INTEREST & RELATED ITEMS(IRI)	INTREL	24,211	13,924	2,533	9,494	303	1,582	13	1177

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
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	220,669	77,869	42,418	12,973	6,450	13,662	2,367	1178
- CENTRAL OFFICE EQUIPMENT	COE	347,268	185,295	43,831	78,236	9,387	53,841	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	96,912	78,236	0	78,236	0	0	0	1178
-- COE CAT 4.11	COE411	44,857	44,857	0	0	0	44,857	0	1178
-- COE CAT 4.12	COE412	8,984	8,984	0	0	0	8,984	0	1178
-- COE CAT 4.13	COE413	175,325	43,831	43,831	0	0	0	0	1178
-- COE CAT 4.2	COE42	0	0	0	0	0	0	0	1178
-- COE CAT 4.3	COE43	21,190	9,387	0	0	9,387	0	0	1178
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1178
- CABLE & WIRE FACILITIES	CWF	943,105	270,046	211,984	0	29,511	28,551	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	847,935	211,984	211,984	0	0	0	0	1178
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1178
-- C&WF CAT 3	CWF3	28,551	28,551	0	0	0	28,551	0	1178
-- C&WF CAT 4	CWF4	66,619	29,511	0	0	29,511	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	0	0	0	0	0	0	0	1178
ACCUM DEPRECIATION	ACCDEP	1,049,548	371,888	206,708	62,595	31,626	69,419	1,542	1178
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1178
NET DEFERRED FIT	NTDFIT	103,671	36,936	20,223	7,369	3,059	6,284	0	1178
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1178
GENERAL SUPPORT EXP	GSFX	28,614	10,097	5,500	1,682	836	1,772	307	1178
COE EXPENSE	COEX	40,019	21,353	8,414	801	1,802	10,336	0	1178
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1178
C&WF EXPENSE	CWFX	18,587	5,322	4,178	0	582	563	0	1178
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1178
NETWORK OPERATIONS EXP	NETOPX	23,517	8,299	4,662	1,426	709	1,502	0	1178
DEPREC & AMORT EXP	DEPAMX	89,877	34,183	16,735	7,155	2,682	7,389	222	1178
MARKETING EXPENSE	MRKTX	10,317	2,862	1,601	490	243	516	13	1178
SERVICES EXPENSE	SERVX	31,552	12,142	2,081	2,988	1,484	2,819	2,770	1178
- CABSX EXPENSE	CABSX	13,542	6,771	0	2,655	1,320	2,796	0	1178
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1178
GENERAL & ADMIN EXP	GENADX	221,256	89,182	39,245	10,966	8,397	25,988	4,586	1178
OTHER TAXES (EXCL FIT & ITC)	OTAXES	13,604	4,792	2,711	822	410	839	9	1178
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1178
NON-OPERATING INC & EXP	NONOPX	7,325	2,953	1,651	505	251	532	13	1178
INTEREST & RELATED ITEMS(IRI)	INTREL	1	0	0	0	0	0	0	1178

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	136,494	34,186	20,436	9,705	1,169	2,686	190	1179
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1179
- GENERAL SUPPORT FACILITIES	GSF	6,086,707	1,819,520	1,061,858	504,261	60,747	139,586	53,067	1179
- CENTRAL OFFICE EQUIPMENT	COE	9,655,660	3,674,624	872,660	2,211,613	165,801	424,548	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	4,429,162	2,211,613	0	2,211,613	0	0	0	1179
-- COE CAT 4.11	COE411	776,756	38,895	0	0	0	38,895	0	1179
-- COE CAT 4.12	COE412	183,272	0	0	0	0	0	0	1179
-- COE CAT 4.13	COE413	3,536,854	880,537	872,660	0	0	7,877	0	1179
-- COE CAT 4.2	COE42	620,748	524,374	0	0	146,598	377,776	0	1179
-- COE CAT 4.3	COE43	108,868	19,203	0	0	19,203	0	0	1179
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1179
- CABLE & WIRE FACILITIES	CWF	16,261,131	4,072,770	3,784,487	0	100,628	187,655	0	1179
-- C&WF CAT 1.1	CWF11	166,251	0	0	0	0	0	0	1179
-- C&WF CAT 1.2	CWF12	34,161	34,161	0	0	0	34,161	0	1179
-- C&WF CAT 1.3	CWF13	15,137,948	3,784,487	3,784,487	0	0	0	0	1179
-- C&WF CAT 2	CWF2	694,606	151,474	0	0	0	151,474	0	1179
-- C&WF CAT 3	CWF3	138,690	86,865	0	0	84,845	2,020	0	1179
-- C&WF CAT 4	CWF4	89,475	15,782	0	0	15,782	0	0	1179
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1179
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1179
TELCOM PLANT-OTHER	PLTOTH	543,182	162,375	97,066	46,095	5,553	12,760	901	1179
ACCUM DEPRECIATION	ACCDEP	19,169,410	6,050,406	3,138,653	2,286,749	180,374	414,772	29,858	1179
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1179
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1179
NETWORK SUPPORT EXP	NETSPX	58,735	17,558	10,496	4,984	600	1,380	97	1179
GENERAL SUPPORT EXP	GSFX	216,968	64,859	37,851	17,975	2,165	4,976	1,892	1179
COE EXPENSE	COEX	596,122	226,864	28,644	178,842	5,442	13,935	0	1179
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1179
C&WF EXPENSE	CWFX	356,838	89,374	83,048	0	2,208	4,118	0	1179
OTHER PROP & PL EXP	OTHPXX	13,529	4,044	2,431	1,154	139	320	0	1179
NETWORK OPERATIONS EXP	NETOPX	567,141	169,537	101,913	48,397	5,830	13,397	0	1179
DEPREC & AMORT EXP	DEPAMX	1,976,543	603,798	335,091	184,992	23,608	55,915	4,192	1179
MARKETING EXPENSE	MRKTX	420,505	83,058	49,651	23,579	2,840	6,527	461	1179
SERVICES EXPENSE	SERVX	792,765	356,089	96,964	93,452	10,818	16,514	138,341	1179
- CABSX EXPENSE	CABSX	164,809	82,405	0	58,975	7,105	16,325	0	1179
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1179
GENERAL & ADMIN EXP	GENADX	1,368,105	462,941	215,853	151,608	12,365	25,173	57,942	1179
OTHER TAXES (EXCL FIT & ITC)	OTAXES	277,837	82,594	49,649	23,578	2,840	6,527	0	1179
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1179
NON-OPERATING INC & EXP	NONOPX	170	58	34	16	2	5	0	1179
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1179

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	69,266	17,985	8,338	7,278	1,038	1,331	0	1180
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1180
- GENERAL SUPPORT FACILITIES	GSF	1,121,206	415,489	192,632	168,130	23,977	30,749	0	1180
- CENTRAL OFFICE EQUIPMENT	COE	3,613,955	1,787,831	420,844	1,148,358	47,605	171,024	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	1,528,373	1,148,358	0	1,148,358	0	0	0	1180
-- COE CAT 4.11	COE411	111,206	108,032	0	0	0	108,032	0	1180
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1180
-- COE CAT 4.13	COE413	1,701,893	422,960	420,844	0	0	2,116	0	1180
-- COE CAT 4.2	COE42	272,483	108,481	0	0	47,605	60,875	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	4,044,081	1,050,030	894,870	0	116,162	38,998	0	1180
-- C&WF CAT 1.1	CWF11	34,872	0	0	0	0	0	0	1180
-- C&WF CAT 1.2	CWF12	4,500	4,500	0	0	0	4,500	0	1180
-- C&WF CAT 1.3	CWF13	3,579,479	894,870	894,870	0	0	0	0	1180
-- C&WF CAT 2	CWF2	8,999	2,249	0	0	0	2,249	0	1180
-- C&WF CAT 3	CWF3	416,231	148,411	0	0	116,162	32,250	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	73,442	27,216	12,618	11,013	1,571	2,014	0	1180
TELCOM PLANT-OTHER	PLTOTH	23,476	8,700	4,033	3,520	502	644	0	1180
ACCUM DEPRECIATION	ACCDEP	4,821,025	2,063,864	703,481	1,147,201	86,920	126,263	0	1180
ACCUM AMORTIZATION	ACCAMO	7,826	2,900	1,345	1,174	167	215	0	1180
NET DEFERRED FIT	NTDFIT	91,162	34,768	15,223	15,000	1,884	2,660	0	1180
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1180
GENERAL SUPPORT EXP	GSFX	138,846	51,453	23,855	20,821	2,969	3,808	0	1180
COE EXPENSE	COEX	400,675	198,215	114,167	24,738	12,914	46,396	0	1180
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1180
C&WF EXPENSE	CWFX	116,262	30,187	25,726	0	3,339	1,121	0	1180
OTHER PROP & PL EXP	OTHPPX	5,037	1,867	865	755	108	138	0	1180
NETWORK OPERATIONS EXP	NETOPX	140,393	52,026	24,121	21,053	3,002	3,850	0	1180
DEPREC & AMORT EXP	DEPAMX	553,756	227,934	84,993	114,262	10,360	18,319	0	1180
MARKETING EXPENSE	MRKTX	7,902	1,763	817	713	102	130	0	1180
SERVICES EXPENSE	SERVX	124,799	36,881	9,155	8,831	1,226	2,508	15,160	1180
- CABSX EXPENSE	CABSX	12,003	6,002	0	4,528	646	828	0	1180
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1180
GENERAL & ADMIN EXP	GENADX	687,852	278,369	162,214	51,436	15,824	38,757	10,139	1180
OTHER TAXES (EXCL FIT & ITC)	OTAXES	125,756	45,228	23,024	15,772	2,871	3,560	0	1180
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1180
NON-OPERATING INC & EXP	NONOPX	14,525	5,918	2,744	2,395	342	438	0	1180
INTEREST & RELATED ITEMS(IRI)	INTREL	246,228	73,752	49,047	11,562	6,143	7,000	0	1180

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	4,101	1,586	315	796	358	117	0	1181
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1181
- GENERAL SUPPORT FACILITIES	GSF	109,718	56,768	11,260	28,501	12,806	4,202	0	1181
- CENTRAL OFFICE EQUIPMENT	COE	998,968	662,163	49,444	548,354	18,460	45,906	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	665,187	548,354	0	548,354	0	0	0	1181
-- COE CAT 4.11	COE411	15,903	10,602	0	0	0	10,602	0	1181
-- COE CAT 4.12	COE412	35,547	0	0	0	0	0	0	1181
-- COE CAT 4.13	COE413	200,430	49,444	49,444	0	0	0	0	1181
-- COE CAT 4.2	COE42	81,901	53,763	0	0	18,460	35,304	0	1181
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1181
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1181
- CABLE & WIRE FACILITIES	CWF	1,111,971	430,044	167,190	0	227,916	34,937	0	1181
-- C&WF CAT 1.1	CWF11	8,968	0	0	0	0	0	0	1181
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1181
-- C&WF CAT 1.3	CWF13	668,762	167,190	167,190	0	0	0	0	1181
-- C&WF CAT 2	CWF2	32,137	5,128	0	0	0	5,128	0	1181
-- C&WF CAT 3	CWF3	402,104	257,725	0	0	227,916	29,809	0	1181
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	1,427,907	771,136	135,639	430,826	153,503	51,168	0	1181
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1181
NET DEFERRED FIT	NTDFIT	-1,216	-638	-121	-337	-128	-52	0	1181
NETWORK SUPPORT EXP	NETSPX	13,764	7,122	1,413	3,575	1,606	527	0	1181
GENERAL SUPPORT EXP	GSFX	5,857	3,030	601	1,521	684	224	0	1181
COE EXPENSE	COEX	74,511	49,389	12,862	19,784	4,802	11,941	0	1181
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1181
C&WF EXPENSE	CWFX	41,138	15,910	6,185	0	8,432	1,293	0	1181
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1181
NETWORK OPERATIONS EXP	NETOPX	28,336	14,661	2,908	7,361	3,307	1,085	0	1181
DEPREC & AMORT EXP	DEPAMX	163,939	98,539	12,023	68,851	11,863	5,803	0	1181
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1181
SERVICES EXPENSE	SERVX	40,329	15,256	415	7,200	3,235	1,043	3,363	1181
- CABSX EXPENSE	CABSX	22,250	11,125	0	6,967	3,130	1,027	0	1181
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1181
GENERAL & ADMIN EXP	GENADX	247,672	127,947	29,609	47,893	26,794	19,566	4,083	1181
OTHER TAXES (EXCL FIT & ITC)	OTAXES	32,656	16,664	3,485	7,912	3,971	1,295	0	1181
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1181
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1181
INTEREST & RELATED ITEMS(IRI)	INTREL	16,191	7,711	1,872	3,006	2,144	688	0	1181

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	58,750	22,211	7,136	6,002	6,067	3,005	0	1182
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1182
- GENERAL SUPPORT FACILITIES	GSF	1,691,058	785,598	252,416	212,305	214,598	106,280	0	1182
- CENTRAL OFFICE EQUIPMENT	COE	3,085,303	2,220,720	140,182	1,530,104	413,746	136,688	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	1,800,122	1,530,104	0	1,530,104	0	0	0	1182
-- COE CAT 4.11	COE411	5,970	5,970	0	0	0	5,970	0	1182
-- COE CAT 4.12	COE412	11,456	0	0	0	0	0	0	1182
-- COE CAT 4.13	COE413	586,895	155,135	140,182	0	0	14,953	0	1182
-- COE CAT 4.2	COE42	627,940	495,158	0	0	379,393	115,765	0	1182
-- COE CAT 4.3	COE43	52,920	34,353	0	0	34,353	0	0	1182
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1182
- CABLE & WIRE FACILITIES	CWF	9,102,345	3,441,177	1,679,010	0	1,132,885	629,282	0	1182
-- C&WF CAT 1.1	CWF11	134,321	0	0	0	0	0	0	1182
-- C&WF CAT 1.2	CWF12	179,094	179,094	0	0	0	179,094	0	1182
-- C&WF CAT 1.3	CWF13	6,716,039	1,679,010	1,679,010	0	0	0	0	1182
-- C&WF CAT 2	CWF2	109,337	71,634	0	0	0	71,634	0	1182
-- C&WF CAT 3	CWF3	1,471,186	1,191,818	0	0	813,265	378,553	0	1182
-- C&WF CAT 4	CWF4	492,368	319,621	0	0	319,621	0	0	1182
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1182
- INTANGIBLES	INTANG	121,809	56,588	18,182	15,293	15,458	7,655	0	1182
TELCOM PLANT-OTHER	PLTOTH	409,661	190,312	61,148	51,431	51,987	25,746	0	1182
ACCUM DEPRECIATION	ACCDEP	7,897,513	3,472,697	1,252,308	568,400	1,112,181	539,807	0	1182
ACCUM AMORTIZATION	ACCAMO	107,763	50,062	16,085	13,529	13,675	6,773	0	1182
NET DEFERRED FIT	NTDFIT	57,127	26,552	8,521	7,175	7,263	3,593	0	1182
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1182
GENERAL SUPPORT EXP	GSFX	134,184	62,337	20,029	16,846	17,028	8,433	0	1182
COE EXPENSE	COEX	213,582	153,731	12,358	92,850	36,473	12,050	0	1182
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1182
C&WF EXPENSE	CWFX	247,348	93,511	45,626	0	30,785	17,100	0	1182
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1182
NETWORK OPERATIONS EXP	NETOPX	180,864	84,022	26,997	22,707	22,952	11,367	0	1182
DEPREC & AMORT EXP	DEPAMX	654,376	316,505	93,014	109,653	75,593	38,245	0	1182
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1182
SERVICES EXPENSE	SERVX	144,216	69,875	2,778	25,974	22,309	10,267	8,547	1182
- CABSX EXPENSE	CABSX	102,467	51,234	0	20,401	20,621	10,213	0	1182
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1182
GENERAL & ADMIN EXP	GENADX	512,948	261,782	63,614	88,238	72,176	32,992	4,762	1182
OTHER TAXES (EXCL FIT & ITC)	OTAXES	141,751	68,172	20,471	22,310	16,905	8,488	0	1182
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1182
NON-OPERATING INC & EXP	NONOPX	2,549	1,301	418	352	355	176	0	1182
INTEREST & RELATED ITEMS(IRI)	INTREL	97,397	48,152	13,318	18,851	10,573	5,410	0	1182

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	0	0	0	0	0	0	0	1183
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1183
- GENERAL SUPPORT FACILITIES	GSF	99,591	33,595	19,727	9,194	300	4,374	0	1183
- CENTRAL OFFICE EQUIPMENT	COE	644,071	442,888	22,285	322,051	4,937	93,615	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	439,708	322,051	0	322,051	0	0	0	1183
-- COE CAT 4.11	COE411	83,518	83,346	0	0	0	83,346	0	1183
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1183
-- COE CAT 4.13	COE413	90,853	22,285	22,285	0	0	0	0	1183
-- COE CAT 4.2	COE42	13,549	10,269	0	0	0	10,269	0	1183
-- COE CAT 4.3	COE43	16,443	4,937	0	0	4,937	0	0	1183
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1183
- CABLE & WIRE FACILITIES	CWF	2,844,504	733,902	668,723	0	5,561	59,618	0	1183
-- C&WF CAT 1.1	CWF11	51,370	0	0	0	0	0	0	1183
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1183
-- C&WF CAT 1.3	CWF13	2,674,891	668,723	668,723	0	0	0	0	1183
-- C&WF CAT 2	CWF2	55,478	30,835	0	0	0	30,835	0	1183
-- C&WF CAT 3	CWF3	44,242	28,783	0	0	0	28,783	0	1183
-- C&WF CAT 4	CWF4	18,523	5,561	0	0	5,561	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	0	0	0	0	0	0	0	1183
ACCUM DEPRECIATION	ACCDEP	1,506,052	503,578	301,634	117,529	5,220	79,195	0	1183
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1183
NET DEFERRED FIT	NTDFIT	359,045	121,298	71,033	33,365	1,083	15,818	0	1183
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1183
GENERAL SUPPORT EXP	GSFX	64,098	21,622	12,696	5,917	193	2,815	0	1183
COE EXPENSE	COEX	186,034	127,924	3,133	110,939	694	13,159	0	1183
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1183
C&WF EXPENSE	CWFX	74,043	19,104	17,407	0	145	1,552	0	1183
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1183
NETWORK OPERATIONS EXP	NETOPX	73,939	24,942	14,646	6,826	222	3,248	0	1183
DEPREC & AMORT EXP	DEPAMX	187,814	68,332	35,095	20,289	761	12,186	0	1183
MARKETING EXPENSE	MRKTX	7,957	1,869	1,097	511	17	243	0	1183
SERVICES EXPENSE	SERVX	143,563	45,065	14,148	9,047	295	3,216	18,358	1183
- CABSX EXPENSE	CABSX	20,076	10,038	0	6,655	217	3,166	0	1183
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1183
GENERAL & ADMIN EXP	GENADX	239,415	107,940	33,944	55,577	653	10,108	7,658	1183
OTHER TAXES (EXCL FIT & ITC)	OTAXES	70,495	24,051	14,052	6,831	206	2,963	0	1183
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1183
NON-OPERATING INC & EXP	NONOPX	1,000	451	265	123	4	59	0	1183
INTEREST & RELATED ITEMS(IRI)	INTREL	-5,446	-1,851	-1,069	-568	-14	-199	0	1183



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	325,135	105,452	52,018	14,000	7,902	31,451	82	1184
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1184
- GENERAL SUPPORT FACILITIES	GSF	7,065,909	2,559,350	1,254,703	337,692	190,595	758,621	17,740	1184
- CENTRAL OFFICE EQUIPMENT	COE	15,817,032	7,250,192	1,679,242	2,693,845	680,056	2,197,049	0	1184
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1184
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1184
-- COE CAT 3	COE3	5,224,792	2,693,845	0	2,693,845	0	0	0	1184
-- COE CAT 4.11	COE411	1,040,290	1,027,244	0	0	0	1,027,244	0	1184
-- COE CAT 4.12	COE412	348,774	321,249	0	0	0	321,249	0	1184
-- COE CAT 4.13	COE413	6,813,039	1,700,640	1,679,242	0	0	21,397	0	1184
-- COE CAT 4.2	COE42	2,166,831	1,412,876	0	0	585,718	827,158	0	1184
-- COE CAT 4.3	COE43	223,306	94,338	0	0	94,338	0	0	1184
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1184
- CABLE & WIRE FACILITIES	CWF	40,158,652	13,024,817	8,329,808	0	840,361	3,854,648	0	1184
-- C&WF CAT 1.1	CWF11	370,406	0	0	0	0	0	0	1184
-- C&WF CAT 1.2	CWF12	106,140	106,140	0	0	0	106,140	0	1184
-- C&WF CAT 1.3	CWF13	33,319,233	8,329,808	8,329,808	0	0	0	0	1184
-- C&WF CAT 2	CWF2	648,754	301,836	0	0	0	301,836	0	1184
-- C&WF CAT 3	CWF3	3,778,570	3,469,341	0	0	22,669	3,446,672	0	1184
-- C&WF CAT 4	CWF4	1,935,549	817,692	0	0	817,692	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	260,892	94,425	46,614	12,546	7,081	28,184	0	1184
ACCUM DEPRECIATION	ACCDEP	30,985,809	11,330,789	5,547,276	1,221,845	936,215	3,614,176	11,277	1184
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1184
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1184
NETWORK SUPPORT EXP	NETSPX	279,336	101,179	49,909	13,433	7,581	30,176	79	1184
GENERAL SUPPORT EXP	GSFX	412,225	149,312	73,199	19,701	11,119	44,258	1,035	1184
COE EXPENSE	COEX	1,042,627	477,918	106,123	189,970	42,978	138,847	0	1184
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1184
C&WF EXPENSE	CWFX	1,062,805	344,704	220,450	0	22,240	102,014	0	1184
OTHER PROP & PL EXP	OTHPXX	44,618	16,161	7,978	2,147	1,212	4,824	0	1184
NETWORK OPERATIONS EXP	NETOPX	1,592,963	576,989	284,839	76,662	43,268	172,220	0	1184
DEPREC & AMORT EXP	DEPAMX	3,998,394	1,525,175	659,674	275,720	123,943	464,857	982	1184
MARKETING EXPENSE	MRKTX	455,781	156,989	77,440	20,842	11,763	46,822	122	1184
SERVICES EXPENSE	SERVX	2,031,249	681,528	108,727	112,998	52,661	208,815	198,326	1184
- CABSX EXPENSE	CABSX	575,508	287,754	0	75,508	42,617	169,629	0	1184
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1184
GENERAL & ADMIN EXP	GENADX	1,731,870	626,658	260,195	101,317	44,833	173,912	46,400	1184
OTHER TAXES (EXCL FIT & ITC)	OTAXES	504,374	182,548	90,117	24,254	13,689	54,487	0	1184
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1184
NON-OPERATING INC & EXP	NONOPX	25,845	9,352	4,613	1,242	701	2,789	7	1184
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1184

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	334,317	85,287	59,977	8,846	671	15,533	260	1185
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1185
- GENERAL SUPPORT FACILITIES	GSF	5,611,048	1,636,788	1,141,146	168,306	12,764	295,537	19,035	1185
- CENTRAL OFFICE EQUIPMENT	COE	5,694,201	2,030,035	825,001	478,784	18,394	707,855	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	1,437,601	478,784	0	478,784	0	0	0	1185
-- COE CAT 4.11	COE411	633,925	626,536	0	0	0	626,536	0	1185
-- COE CAT 4.12	COE412	34,530	0	0	0	0	0	0	1185
-- COE CAT 4.13	COE413	3,330,288	825,740	825,001	0	0	739	0	1185
-- COE CAT 4.2	COE42	215,041	93,154	0	0	12,574	80,580	0	1185
-- COE CAT 4.3	COE43	42,816	5,820	0	0	5,820	0	0	1185
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1185
- CABLE & WIRE FACILITIES	CWF	10,082,028	2,572,019	2,421,238	0	17,917	132,865	0	1185
-- C&WF CAT 1.1	CWF11	86,705	0	0	0	0	0	0	1185
-- C&WF CAT 1.2	CWF12	2,168	2,168	0	0	0	2,168	0	1185
-- C&WF CAT 1.3	CWF13	9,684,950	2,421,238	2,421,238	0	0	0	0	1185
-- C&WF CAT 2	CWF2	101,730	39,648	0	0	0	39,648	0	1185
-- C&WF CAT 3	CWF3	184,040	105,916	0	0	14,867	91,049	0	1185
-- C&WF CAT 4	CWF4	22,435	3,050	0	0	3,050	0	0	1185
- TANGIBLES	TANGIB	1,672	488	340	50	4	88	6	1185
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1185
TELCOM PLANT-OTHER	PLTOTH	893,925	259,969	183,380	27,046	2,051	47,492	0	1185
ACCUM DEPRECIATION	ACCDEP	11,306,439	3,269,955	2,345,305	318,063	25,535	569,690	11,362	1185
ACCUM AMORTIZATION	ACCAMO	1,672	482	340	50	4	88	0	1185
NET DEFERRED FIT	NTDFIT	1,387,943	398,245	251,014	99,909	2,435	44,888	0	1185
NETWORK SUPPORT EXP	NETSPX	91,602	26,721	18,791	2,771	210	4,867	82	1185
GENERAL SUPPORT EXP	GSFX	321,327	93,734	65,350	9,638	731	16,924	1,090	1185
COE EXPENSE	COEX	527,088	187,912	4,282	179,860	95	3,674	0	1185
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1185
C&WF EXPENSE	CWFX	674,914	172,177	162,083	0	1,199	8,894	0	1185
OTHER PROP & PL EXP	OTHPX	100,380	29,282	20,655	3,046	231	5,349	0	1185
NETWORK OPERATIONS EXP	NETOPX	411,965	120,174	84,769	12,503	948	21,954	0	1185
DEPREC & AMORT EXP	DEPAMX	1,462,246	438,972	289,371	52,861	3,552	91,928	1,260	1185
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1185
SERVICES EXPENSE	SERVX	542,799	157,482	39,182	15,405	1,168	18,003	83,724	1185
- CABSX EXPENSE	CABSX	58,067	29,034	0	10,253	778	18,003	0	1185
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1185
GENERAL & ADMIN EXP	GENADX	1,321,466	411,037	218,480	109,549	2,249	39,097	41,663	1185
OTHER TAXES (EXCL FIT & ITC)	OTAXES	260,881	76,654	53,703	7,332	619	14,879	121	1185
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1185
NON-OPERATING INC & EXP	NONOPX	30,853	9,597	6,749	995	75	1,748	29	1185
INTEREST & RELATED ITEMS(IRI)	INTREL	119,603	35,309	24,830	3,662	278	6,431	108	1185

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	199,185	55,702	39,003	3,134	971	12,594	0	1186
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1186
- GENERAL SUPPORT FACILITIES	GSF	9,984,183	2,938,072	2,057,289	165,298	51,220	664,264	0	1186
- CENTRAL OFFICE EQUIPMENT	COE	20,575,120	6,766,009	3,371,016	1,058,883	227,567	2,108,543	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	2,701,438	1,058,883	0	1,058,883	0	0	0	1186
-- COE CAT 4.11	COE411	1,496,322	1,303,800	0	0	0	1,303,800	0	1186
-- COE CAT 4.12	COE412	73,009	0	0	0	0	0	0	1186
-- COE CAT 4.13	COE413	13,755,960	3,469,390	3,371,016	0	0	98,374	0	1186
-- COE CAT 4.2	COE42	2,548,391	933,937	0	0	227,567	706,369	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	43,107,426	12,054,964	9,807,759	0	100,541	2,146,664	0	1186
-- C&WF CAT 1.1	CWF11	504,848	0	0	0	0	0	0	1186
-- C&WF CAT 1.2	CWF12	286,213	286,213	0	0	0	286,213	0	1186
-- C&WF CAT 1.3	CWF13	39,231,036	9,807,759	9,807,759	0	0	0	0	1186
-- C&WF CAT 2	CWF2	1,000,633	377,043	0	0	0	377,043	0	1186
-- C&WF CAT 3	CWF3	2,084,696	1,583,949	0	0	100,541	1,483,408	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	1,774,354	524,093	366,979	29,486	9,137	118,492	0	1186
ACCUM DEPRECIATION	ACCDEP	48,730,040	14,459,190	9,921,483	1,115,595	243,509	3,178,603	0	1186
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1186
NET DEFERRED FIT	NTDFIT	963,817	292,237	200,024	-10,244	9,040	93,418	0	1186
NETWORK SUPPORT EXP	NETSPX	37,027	10,896	7,630	613	190	2,463	0	1186
GENERAL SUPPORT EXP	GSFX	1,088,948	320,448	224,383	18,029	5,586	72,450	0	1186
COE EXPENSE	COEX	1,402,926	461,344	156,867	195,768	10,590	98,119	0	1186
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1186
C&WF EXPENSE	CWFX	653,600	182,779	148,706	0	1,524	32,548	0	1186
OTHER PROP & PL EXP	OTHPXX	14,648	4,327	3,030	243	75	978	0	1186
NETWORK OPERATIONS EXP	NETOPX	1,486,509	439,328	307,625	24,717	7,659	99,327	0	1186
DEPREC & AMORT EXP	DEPAMX	5,607,577	1,656,592	1,180,721	23,068	34,601	418,202	0	1186
MARKETING EXPENSE	MRKTX	173,938	35,877	25,122	2,018	625	8,111	0	1186
SERVICES EXPENSE	SERVX	913,865	244,969	119,969	20,144	6,242	50,261	48,353	1186
- CABSX EXPENSE	CABSX	130,034	65,017	0	12,202	3,781	49,034	0	1186
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1186
GENERAL & ADMIN EXP	GENADX	2,672,023	811,943	494,674	117,424	14,589	163,546	21,710	1186
OTHER TAXES (EXCL FIT & ITC)	OTAXES	687,793	212,621	152,102	7,691	3,778	49,050	0	1186
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1186
NON-OPERATING INC & EXP	NONOPX	82,551	25,085	17,565	1,411	437	5,671	0	1186
INTEREST & RELATED ITEMS(IRI)	INTREL	362,887	106,154	77,182	2,192	1,914	24,866	0	1186

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	95,398	27,605	11,451	10,830	686	4,637	0	1187
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1187
- GENERAL SUPPORT FACILITIES	GSF	392,921	158,691	65,830	62,259	3,944	26,658	0	1187
- CENTRAL OFFICE EQUIPMENT	COE	2,020,030	952,984	264,020	509,841	25,979	153,143	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	705,914	509,841	0	509,841	0	0	0	1187
-- COE CAT 4.11	COE411	23,057	23,057	0	0	0	23,057	0	1187
-- COE CAT 4.12	COE412	9,771	0	0	0	0	0	0	1187
-- COE CAT 4.13	COE413	1,067,276	271,484	264,020	0	0	7,463	0	1187
-- COE CAT 4.2	COE42	214,012	148,602	0	0	25,979	122,623	0	1187
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1187
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1187
- CABLE & WIRE FACILITIES	CWF	1,197,641	346,554	275,070	0	6,321	65,163	0	1187
-- C&WF CAT 1.1	CWF11	3,888	0	0	0	0	0	0	1187
-- C&WF CAT 1.2	CWF12	7,776	7,776	0	0	0	7,776	0	1187
-- C&WF CAT 1.3	CWF13	1,100,281	275,070	275,070	0	0	0	0	1187
-- C&WF CAT 2	CWF2	25,567	22,808	0	0	0	22,808	0	1187
-- C&WF CAT 3	CWF3	60,129	40,900	0	0	6,321	34,579	0	1187
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	2,294,897	915,793	389,940	335,338	25,029	165,486	0	1187
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1187
NET DEFERRED FIT	NTDFIT	134,932	54,496	22,607	21,380	1,354	9,155	0	1187
NETWORK SUPPORT EXP	NETSPX	28,613	11,556	4,794	4,534	287	1,941	0	1187
GENERAL SUPPORT EXP	GSFX	68,777	27,777	11,523	10,898	690	4,666	0	1187
COE EXPENSE	COEX	84,944	40,074	19,947	6,593	1,963	11,570	0	1187
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1187
C&WF EXPENSE	CWFX	71,289	20,628	16,373	0	376	3,879	0	1187
OTHER PROP & PL EXP	OTHPPX	32,881	13,280	5,509	5,210	330	2,231	0	1187
NETWORK OPERATIONS EXP	NETOPX	143,705	58,039	24,076	22,770	1,443	9,750	0	1187
DEPREC & AMORT EXP	DEPAMX	246,230	101,962	40,047	46,241	1,869	13,805	0	1187
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1187
SERVICES EXPENSE	SERVX	63,927	24,710	2,751	4,499	274	1,852	15,335	1187
- CABSX EXPENSE	CABSX	12,817	6,409	0	4,297	272	1,840	0	1187
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1187
GENERAL & ADMIN EXP	GENADX	217,268	100,802	43,687	28,022	2,757	18,451	7,884	1187
OTHER TAXES (EXCL FIT & ITC)	OTAXES	37,165	15,060	6,079	6,311	336	2,335	0	1187
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1187
NON-OPERATING INC & EXP	NONOPX	2,100	974	404	382	24	164	0	1187
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1187

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	32,153	14,636	1,438	8,074	4,367	757	0	1188
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1188
- GENERAL SUPPORT FACILITIES	GSF	756,981	496,394	48,784	273,838	148,106	25,667	0	1188
- CENTRAL OFFICE EQUIPMENT	COE	1,930,265	1,592,096	7,959	1,286,831	267,286	30,020	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	1,513,919	1,286,831	0	1,286,831	0	0	0	1188
-- COE CAT 4.11	COE411	99,950	99,950	0	0	99,950	0	0	1188
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1188
-- COE CAT 4.13	COE413	34,490	10,562	7,959	0	0	2,603	0	1188
-- COE CAT 4.2	COE42	28,432	27,417	0	0	0	27,417	0	1188
-- COE CAT 4.3	COE43	253,474	167,336	0	0	167,336	0	0	1188
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1188
- CABLE & WIRE FACILITIES	CWF	1,626,977	740,584	221,289	0	428,701	90,595	0	1188
-- C&WF CAT 1.1	CWF11	1,392	0	0	0	0	0	0	1188
-- C&WF CAT 1.2	CWF12	72,371	72,371	0	0	0	72,371	0	1188
-- C&WF CAT 1.3	CWF13	885,156	221,289	221,289	0	0	0	0	1188
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1188
-- C&WF CAT 3	CWF3	18,679	18,223	0	0	0	18,223	0	1188
-- C&WF CAT 4	CWF4	649,379	428,701	0	0	428,701	0	0	1188
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1188
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1188
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1188
ACCUM DEPRECIATION	ACCDEP	2,096,062	1,424,617	118,217	877,452	365,997	62,951	0	1188
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1188
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1188
NETWORK SUPPORT EXP	NETSPX	8,410	5,515	542	3,042	1,645	285	0	1188
GENERAL SUPPORT EXP	GSFX	21,560	14,138	1,389	7,799	4,218	731	0	1188
COE EXPENSE	COEX	96,607	79,682	274	69,189	9,188	1,032	0	1188
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1188
C&WF EXPENSE	CWFX	57,075	25,980	7,763	0	15,039	3,178	0	1188
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1188
NETWORK OPERATIONS EXP	NETOPX	31,489	20,649	2,029	11,391	6,161	1,068	0	1188
DEPREC & AMORT EXP	DEPAMX	287,151	201,018	14,387	138,690	40,690	7,252	0	1188
MARKETING EXPENSE	MRKTX	6,409	4,904	482	2,705	1,463	254	0	1188
SERVICES EXPENSE	SERVX	85,826	34,062	5,666	12,303	6,187	59	9,848	1188
- CABSX EXPENSE	CABSX	2,032	1,016	0	622	336	58	0	1188
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1188
GENERAL & ADMIN EXP	GENADX	169,843	109,918	16,298	59,741	24,643	3,708	5,528	1188
OTHER TAXES (EXCL FIT & ITC)	OTAXES	18,215	11,945	1,174	6,589	3,564	618	0	1188
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1188
NON-OPERATING INC & EXP	NONOPX	895	624	61	344	186	32	0	1188
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1188

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	148,812	39,600	14,992	16,599	3,603	4,406	0	1189
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1189
- GENERAL SUPPORT FACILITIES	GSF	1,178,848	471,595	178,536	197,678	42,912	52,469	0	1189
- CENTRAL OFFICE EQUIPMENT	COE	3,057,328	1,784,959	274,929	1,216,143	84,446	209,441	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	1,430,756	1,216,143	0	1,216,143	0	0	0	1189
-- COE CAT 4.11	COE411	207,805	207,805	0	0	0	207,805	0	1189
-- COE CAT 4.12	COE412	13,191	0	0	0	0	0	0	1189
-- COE CAT 4.13	COE413	1,099,716	274,929	274,929	0	0	0	0	1189
-- COE CAT 4.2	COE42	305,860	86,082	0	0	84,446	1,636	0	1189
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1189
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1189
- CABLE & WIRE FACILITIES	CWF	4,195,111	1,116,358	823,451	0	179,554	113,353	0	1189
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1189
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1189
-- C&WF CAT 1.3	CWF13	3,293,804	823,451	823,451	0	0	0	0	1189
-- C&WF CAT 2	CWF2	131,621	9,102	0	0	0	9,102	0	1189
-- C&WF CAT 3	CWF3	769,686	283,805	0	0	179,554	104,251	0	1189
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1189
- TANGIBLES	TANGIB	47,059	18,825	7,127	7,891	1,713	2,094	0	1189
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1189
TELCOM PLANT-OTHER	PLTOTH	95,953	38,386	14,532	16,090	3,493	4,271	0	1189
ACCUM DEPRECIATION	ACCDEP	4,039,873	1,705,047	572,593	858,831	133,593	140,031	0	1189
ACCUM AMORTIZATION	ACCAMO	19,212	7,685	2,910	3,221	699	855	0	1189
NET DEFERRED FIT	NTDFIT	686,041	274,449	103,901	115,040	24,973	30,535	0	1189
NETWORK SUPPORT EXP	NETSPX	10,714	4,286	1,623	1,797	390	477	0	1189
GENERAL SUPPORT EXP	GSFX	200,437	80,184	30,356	33,611	7,296	8,921	0	1189
COE EXPENSE	COEX	117,272	68,467	24,398	17,989	7,494	18,586	0	1189
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1189
C&WF EXPENSE	CWFX	237,638	63,238	46,646	0	10,171	6,421	0	1189
OTHER PROP & PL EXP	OTHPXX	328	131	50	55	12	15	0	1189
NETWORK OPERATIONS EXP	NETOPX	286,788	114,729	43,434	48,091	10,440	12,764	0	1189
DEPREC & AMORT EXP	DEPAMX	352,411	156,047	51,067	77,503	12,299	15,178	0	1189
MARKETING EXPENSE	MRKTX	24,336	0	0	0	0	0	0	1189
SERVICES EXPENSE	SERVX	49,898	19,996	3,023	2,505	544	418	13,507	1189
- CABSX EXPENSE	CABSX	4,610	2,307	0	1,556	338	413	0	1189
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1189
GENERAL & ADMIN EXP	GENADXX	690,933	281,517	123,509	81,589	28,501	37,327	10,591	1189
OTHER TAXES (EXCL FIT & ITC)	OTAXES	35,629	14,253	5,396	5,975	1,297	1,586	0	1189
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1189
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1189
INTEREST & RELATED ITEMS(IRI)	INTREL	129,086	48,643	18,415	20,390	4,426	5,412	0	1189

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	1,497,423	414,590	173,536	98,177	12,616	127,742	2,519	1190
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1190
- GENERAL SUPPORT FACILITIES	GSF	8,814,581	3,679,395	1,495,541	846,097	108,726	1,100,892	128,139	1190
- CENTRAL OFFICE EQUIPMENT	COE	13,957,527	9,683,868	896,630	4,104,921	432,281	4,250,036	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	4,829,318	4,061,135	0	4,061,135	0	0	0	1190
-- COE CAT 4.11	COE411	2,811,114	2,801,303	0	0	0	2,801,303	0	1190
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1190
-- COE CAT 4.13	COE413	3,714,715	948,072	896,630	0	0	51,442	0	1190
-- COE CAT 4.2	COE42	1,593,792	1,429,109	0	0	31,819	1,397,291	0	1190
-- COE CAT 4.3	COE43	960,504	400,463	0	0	400,463	0	0	1190
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1190
- CABLE & WIRE FACILITIES	CWF	27,758,188	7,685,380	6,436,523	0	100,838	1,148,020	0	1190
-- C&WF CAT 1.1	CWF11	550,990	0	0	0	0	0	0	1190
-- C&WF CAT 1.2	CWF12	369,281	369,281	0	0	0	369,281	0	1190
-- C&WF CAT 1.3	CWF13	25,746,091	6,436,523	6,436,523	0	0	0	0	1190
-- C&WF CAT 2	CWF2	590,497	538,067	0	0	0	538,067	0	1190
-- C&WF CAT 3	CWF3	274,461	246,922	0	0	6,250	240,672	0	1190
-- C&WF CAT 4	CWF4	226,868	94,588	0	0	94,588	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	388,573	161,213	67,892	38,410	4,936	49,976	0	1190
ACCUM DEPRECIATION	ACCDEP	26,405,602	12,223,487	4,134,572	3,060,362	450,131	4,506,028	72,394	1190
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1190
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1190
NETWORK SUPPORT EXP	NETSPX	62,794	26,212	10,971	6,207	798	8,076	159	1190
GENERAL SUPPORT EXP	GSFX	875,514	365,458	148,546	84,039	10,799	109,347	12,727	1190
COE EXPENSE	COEX	526,180	366,719	31,057	173,480	14,973	147,209	0	1190
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1190
C&WF EXPENSE	CWFX	808,130	223,746	187,388	0	2,936	33,423	0	1190
OTHER PROP & PL EXP	OTHPPX	4,013	1,675	705	399	51	519	0	1190
NETWORK OPERATIONS EXP	NETOPX	1,367,853	570,971	240,453	136,036	17,481	177,002	0	1190
DEPREC & AMORT EXP	DEPAMX	3,673,085	1,924,475	483,670	721,563	64,418	642,142	12,681	1190
MARKETING EXPENSE	MRKTX	187,003	79,809	33,406	18,899	2,429	24,591	485	1190
SERVICES EXPENSE	SERVX	1,030,421	302,016	76,502	22,887	2,780	2,489	197,358	1190
- CABSX EXPENSE	CABSX	9,063	4,532	0	1,865	240	2,427	0	1190
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1190
GENERAL & ADMIN EXP	GENADX	2,502,059	998,199	416,962	212,720	25,147	241,940	101,429	1190
OTHER TAXES (EXCL FIT & ITC)	OTAXES	248,303	103,017	43,384	24,544	3,154	31,935	0	1190
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1190
NON-OPERATING INC & EXP	NONOPX	57,708	23,023	9,637	5,452	701	7,094	140	1190
INTEREST & RELATED ITEMS(IRI)	INTREL	660	243	102	58	7	75	1	1190

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	134,884	64,195	10,733	16,742	11,192	25,515	13	1191
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1191
- GENERAL SUPPORT FACILITIES	GSF	3,425,143	1,982,044	331,167	516,575	345,319	787,240	1,744	1191
- CENTRAL OFFICE EQUIPMENT	COE	5,729,179	3,922,919	287,119	1,757,457	648,305	1,230,038	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	2,067,596	1,757,457	0	1,757,457	0	0	0	1191
-- COE CAT 4.11	COE411	543,059	530,777	0	0	0	530,777	0	1191
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1191
-- COE CAT 4.13	COE413	1,218,868	293,733	287,119	0	0	6,614	0	1191
-- COE CAT 4.2	COE42	925,573	754,622	0	0	61,975	692,647	0	1191
-- COE CAT 4.3	COE43	974,083	586,330	0	0	586,330	0	0	1191
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1191
- CABLE & WIRE FACILITIES	CWF	5,913,349	2,814,319	839,553	0	526,513	1,448,253	0	1191
-- C&WF CAT 1.1	CWF11	186,491	0	0	0	0	0	0	1191
-- C&WF CAT 1.2	CWF12	19,340	19,340	0	0	0	19,340	0	1191
-- C&WF CAT 1.3	CWF13	3,358,214	839,553	839,553	0	0	0	0	1191
-- C&WF CAT 2	CWF2	72,873	37,802	0	0	0	37,802	0	1191
-- C&WF CAT 3	CWF3	1,830,660	1,649,301	0	0	258,190	1,391,111	0	1191
-- C&WF CAT 4	CWF4	445,772	268,324	0	0	268,324	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	0	0	0	0	0	0	0	1191
ACCUM DEPRECIATION	ACCDEP	6,819,826	3,890,335	684,227	943,013	683,182	1,579,003	911	1191
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1191
NET DEFERRED FIT	NTDFIT	1,933,038	1,172,165	163,701	374,874	199,401	434,188	0	1191
NETWORK SUPPORT EXP	NETSPX	74,008	42,827	7,160	11,169	7,466	17,022	9	1191
GENERAL SUPPORT EXP	GSFX	74,781	43,274	7,230	11,278	7,539	17,188	38	1191
COE EXPENSE	COEX	225,481	154,393	6,448	105,761	14,559	27,624	0	1191
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1191
C&WF EXPENSE	CWFX	259,348	123,431	36,821	0	23,092	63,518	0	1191
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1191
NETWORK OPERATIONS EXP	NETOPX	182,964	105,877	17,706	27,619	18,462	42,090	0	1191
DEPREC & AMORT EXP	DEPAMX	1,188,011	745,412	91,460	291,077	114,817	247,934	125	1191
MARKETING EXPENSE	MRKTX	2,361	740	124	193	129	294	0	1191
SERVICES EXPENSE	SERVX	154,975	51,071	7,135	11,090	7,007	11,688	14,151	1191
- CABSX EXPENSE	CABSX	46,251	23,126	0	7,244	4,842	11,039	0	1191
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1191
GENERAL & ADMIN EXP	GENADX	805,609	427,586	103,430	123,397	57,786	132,489	10,484	1191
OTHER TAXES (EXCL FIT & ITC)	OTAXES	90,486	52,352	8,755	13,656	9,129	20,812	0	1191
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1191
NON-OPERATING INC & EXP	NONOPX	11,621	6,245	1,044	1,629	1,089	2,482	1	1191
INTEREST & RELATED ITEMS(IRI)	INTREL	36,537	21,157	3,537	5,518	3,689	8,409	4	1191



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	405,159	128,196	38,617	33,947	11,204	44,157	271	1192
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1192
- GENERAL SUPPORT FACILITIES	GSF	4,049,410	1,943,098	580,156	509,987	168,322	663,387	21,245	1192
- CENTRAL OFFICE EQUIPMENT	COE	7,696,976	5,199,635	609,980	2,153,601	518,372	1,917,682	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	2,533,648	2,153,601	0	2,153,601	0	0	0	1192
-- COE CAT 4.11	COE411	1,792,934	1,789,665	0	0	0	1,789,665	0	1192
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1192
-- COE CAT 4.13	COE413	2,528,573	632,749	609,980	0	0	22,769	0	1192
-- COE CAT 4.2	COE42	777,593	591,571	0	0	486,322	105,248	0	1192
-- COE CAT 4.3	COE43	64,228	32,050	0	0	32,050	0	0	1192
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1192
- CABLE & WIRE FACILITIES	CWF	9,216,118	2,916,065	1,839,935	0	192,428	883,702	0	1192
-- C&WF CAT 1.1	CWF11	198,734	0	0	0	0	0	0	1192
-- C&WF CAT 1.2	CWF12	68,680	68,680	0	0	0	68,680	0	1192
-- C&WF CAT 1.3	CWF13	7,359,739	1,839,935	1,839,935	0	0	0	0	1192
-- C&WF CAT 2	CWF2	65,011	55,070	0	0	0	55,070	0	1192
-- C&WF CAT 3	CWF3	1,138,326	759,952	0	0	0	759,952	0	1192
-- C&WF CAT 4	CWF4	385,628	192,428	0	0	192,428	0	0	1192
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1192
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1192
TELCOM PLANT-OTHER	PLTOTH	22,469	10,759	3,248	2,855	942	3,714	0	1192
ACCUM DEPRECIATION	ACCDEP	10,429,784	5,968,775	1,167,419	2,432,078	488,499	1,870,277	10,501	1192
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1192
NET DEFERRED FIT	NTDFIT	1,100,201	528,981	158,117	146,686	45,329	178,849	0	1192
NETWORK SUPPORT EXP	NETSPX	3,017	1,448	436	383	127	499	3	1192
GENERAL SUPPORT EXP	GSFX	162,081	77,774	23,221	20,413	6,737	26,553	850	1192
COE EXPENSE	COEX	220,571	149,005	14,560	76,298	12,373	45,774	0	1192
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1192
C&WF EXPENSE	CWFX	417,218	132,012	83,295	0	8,711	40,006	0	1192
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1192
NETWORK OPERATIONS EXP	NETOPX	184,568	88,564	26,735	23,502	7,757	30,571	0	1192
DEPREC & AMORT EXP	DEPAMX	1,006,493	512,014	136,220	137,452	48,607	188,233	1,501	1192
MARKETING EXPENSE	MRKTX	130,753	72,544	21,853	19,210	6,340	24,988	153	1192
SERVICES EXPENSE	SERVX	492,216	171,974	43,129	43,049	11,731	7,398	66,667	1192
- CABSX EXPENSE	CABSX	29,925	14,963	0	5,688	1,877	7,398	0	1192
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1192
GENERAL & ADMIN EXP	GENADX	575,619	260,114	104,555	59,249	17,425	56,959	21,928	1192
OTHER TAXES (EXCL FIT & ITC)	OTAXES	200,410	99,151	35,424	18,809	8,976	35,853	89	1192
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1192
NON-OPERATING INC & EXP	NONOPX	6,798	3,072	925	813	268	1,058	6	1192
INTEREST & RELATED ITEMS(IRI)	INTREL	4,641	1,741	524	461	152	600	4	1192

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	235,371	80,778	37,002	17,171	13,877	12,727	0	1193
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1193
- GENERAL SUPPORT FACILITIES	GSF	1,297,198	518,910	237,699	110,308	89,146	81,758	0	1193
- CENTRAL OFFICE EQUIPMENT	COE	3,417,597	1,843,547	426,703	1,003,503	220,500	192,841	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	1,180,592	1,003,503	0	1,003,503	0	0	0	1193
-- COE CAT 4.11	COE411	95,393	95,393	0	0	0	95,393	0	1193
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1193
-- COE CAT 4.13	COE413	1,729,504	439,670	426,703	0	0	12,967	0	1193
-- COE CAT 4.2	COE42	190,843	149,836	0	0	65,356	84,480	0	1193
-- COE CAT 4.3	COE43	221,265	155,144	0	0	155,144	0	0	1193
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1193
- CABLE & WIRE FACILITIES	CWF	8,383,432	2,877,144	1,735,724	0	590,485	550,935	0	1193
-- C&WF CAT 1.1	CWF11	39,561	0	0	0	0	0	0	1193
-- C&WF CAT 1.2	CWF12	52,748	52,748	0	0	0	52,748	0	1193
-- C&WF CAT 1.3	CWF13	6,942,897	1,735,724	1,735,724	0	0	0	0	1193
-- C&WF CAT 2	CWF2	217,497	217,497	0	0	0	217,497	0	1193
-- C&WF CAT 3	CWF3	336,224	314,092	0	0	33,402	280,690	0	1193
-- C&WF CAT 4	CWF4	794,506	557,084	0	0	557,084	0	0	1193
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1193
- INTANGIBLES	INTANG	159,298	63,723	29,190	13,546	10,947	10,040	0	1193
TELCOM PLANT-OTHER	PLTOTH	142,133	56,857	26,045	12,086	9,768	8,958	0	1193
ACCUM DEPRECIATION	ACCDEP	3,495,656	1,366,581	653,378	241,449	246,165	225,589	0	1193
ACCUM AMORTIZATION	ACCAMO	147,143	58,861	26,963	12,512	10,112	9,274	0	1193
NET DEFERRED FIT	NTDFIT	876,079	350,453	160,533	74,499	60,205	55,216	0	1193
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1193
GENERAL SUPPORT EXP	GSFX	117,870	47,151	21,599	10,023	8,100	7,429	0	1193
COE EXPENSE	COEX	270,038	145,666	25,545	95,375	13,201	11,545	0	1193
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1193
C&WF EXPENSE	CWFX	323,151	110,904	66,906	0	22,761	21,237	0	1193
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1193
NETWORK OPERATIONS EXP	NETOPX	134,657	53,866	24,675	11,451	9,254	8,487	0	1193
DEPREC & AMORT EXP	DEPAMX	848,815	348,088	151,513	77,107	62,800	56,668	0	1193
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1193
SERVICES EXPENSE	SERVX	116,293	53,911	3,580	20,470	12,626	10,697	6,539	1193
- CABSX EXPENSE	CABSX	72,076	36,038	0	14,136	11,424	10,477	0	1193
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1193
GENERAL & ADMIN EXP	GENADX	359,267	165,791	62,508	52,686	25,300	22,788	2,509	1193
OTHER TAXES (EXCL FIT & ITC)	OTAXES	76,263	30,793	14,105	6,546	5,290	4,852	0	1193
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1193
NON-OPERATING INC & EXP	NONOPX	600	277	127	59	48	44	0	1193
INTEREST & RELATED ITEMS(IRI)	INTREL	319,271	128,360	57,833	29,015	21,650	19,862	0	1193

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	172,165	45,812	11,313	30,567	676	3,257	0	1194
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1194
- GENERAL SUPPORT FACILITIES	GSF	5,511,888	2,807,869	693,375	1,873,481	41,408	199,606	0	1194
- CENTRAL OFFICE EQUIPMENT	COE	9,347,750	6,552,088	508,720	5,677,920	87,410	278,038	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	6,679,906	5,677,920	0	5,677,920	0	0	0	1194
-- COE CAT 4.11	COE411	223,764	223,764	0	0	0	223,764	0	1194
-- COE CAT 4.12	COE412	1,288	1,288	0	0	1,288	0	0	1194
-- COE CAT 4.13	COE413	2,260,511	546,383	508,720	0	0	37,664	0	1194
-- COE CAT 4.2	COE42	182,281	102,733	0	0	86,122	16,610	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	7,357,019	1,957,666	1,592,678	0	38,084	326,904	0	1194
-- C&WF CAT 1.1	CWF11	588,486	0	0	0	0	0	0	1194
-- C&WF CAT 1.2	CWF12	117,916	117,916	0	0	0	117,916	0	1194
-- C&WF CAT 1.3	CWF13	6,370,713	1,592,678	1,592,678	0	0	0	0	1194
-- C&WF CAT 2	CWF2	201,300	201,300	0	0	0	201,300	0	1194
-- C&WF CAT 3	CWF3	78,605	45,773	0	0	38,084	7,688	0	1194
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1194
- TANGIBLES	TANGIB	82,857	42,209	10,423	28,163	622	3,001	0	1194
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1194
TELCOM PLANT-OTHER	PLTOTH	42,074	21,433	5,293	14,301	316	1,524	0	1194
ACCUM DEPRECIATION	ACCDEP	14,423,862	7,383,783	1,803,059	5,013,148	89,791	477,786	0	1194
ACCUM AMORTIZATION	ACCAMO	82,857	42,209	10,423	28,163	622	3,001	0	1194
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1194
NETWORK SUPPORT EXP	NETSPX	30,886	15,734	3,885	10,498	232	1,118	0	1194
GENERAL SUPPORT EXP	GSFX	1,170,863	596,462	147,290	397,974	8,796	42,401	0	1194
COE EXPENSE	COEX	1,695,947	1,188,735	283,134	702,207	48,649	154,745	0	1194
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1194
C&WF EXPENSE	CWFX	979,106	260,535	211,961	0	5,068	43,506	0	1194
OTHER PROP & PL EXP	OTHPPX	35,064	17,862	4,411	11,918	263	1,270	0	1194
NETWORK OPERATIONS EXP	NETOPX	1,410,610	718,594	177,449	479,464	10,597	51,083	0	1194
DEPREC & AMORT EXP	DEPAMX	1,622,351	921,975	168,736	692,385	10,742	50,111	0	1194
MARKETING EXPENSE	MRKTX	78,359	4,992	1,233	3,330	74	355	0	1194
SERVICES EXPENSE	SERVX	477,642	141,361	23,649	55,455	1,226	4,492	56,539	1194
- CABSX EXPENSE	CABSX	95,175	47,588	0	42,163	932	4,492	0	1194
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1194
GENERAL & ADMIN EXP	GENADX	1,734,519	864,787	260,919	479,583	21,630	86,330	16,326	1194
OTHER TAXES (EXCL FIT & ITC)	OTAXES	2,035	1,037	256	692	15	74	0	1194
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1194
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1194
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1194

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	2,419	660	274	341	10	35	0	1195
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1195
- GENERAL SUPPORT FACILITIES	GSF	5,039,168	1,970,968	817,340	1,018,355	30,274	104,999	0	1195
- CENTRAL OFFICE EQUIPMENT	COE	1,829,728	1,089,918	55,703	1,009,524	15,248	9,443	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	1,564,766	1,009,524	0	1,009,524	0	0	0	1195
-- COE CAT 4.11	COE411	2,756	2,756	0	0	0	2,756	0	1195
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1195
-- COE CAT 4.13	COE413	228,509	59,712	55,703	0	0	4,009	0	1195
-- COE CAT 4.2	COE42	33,697	17,926	0	0	15,248	2,678	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	3,165,742	863,959	754,549	0	14,764	94,645	0	1195
-- C&WF CAT 1.1	CWF11	22,865	0	0	0	0	0	0	1195
-- C&WF CAT 1.2	CWF12	54,305	54,305	0	0	0	54,305	0	1195
-- C&WF CAT 1.3	CWF13	3,018,196	754,549	754,549	0	0	0	0	1195
-- C&WF CAT 2	CWF2	37,317	37,317	0	0	0	37,317	0	1195
-- C&WF CAT 3	CWF3	33,059	17,788	0	0	14,764	3,024	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	173,770	67,967	28,185	35,117	1,044	3,621	0	1195
ACCUM DEPRECIATION	ACCDEP	7,183,814	2,947,363	1,077,065	1,689,845	41,765	138,688	0	1195
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1195
NET DEFERRED FIT	NTDFIT	-141,375	-55,356	-22,894	-28,683	-839	-2,940	0	1195
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1195
GENERAL SUPPORT EXP	GSFX	370,625	144,962	60,114	74,899	2,227	7,723	0	1195
COE EXPENSE	COEX	395,840	235,791	4,946	228,652	1,354	838	0	1195
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1195
C&WF EXPENSE	CWFX	282,829	77,186	67,412	0	1,319	8,456	0	1195
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1195
NETWORK OPERATIONS EXP	NETOPX	162,709	63,640	26,391	32,882	978	3,390	0	1195
DEPREC & AMORT EXP	DEPAMX	580,927	241,647	84,953	142,204	3,513	10,977	0	1195
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1195
SERVICES EXPENSE	SERVX	117,678	27,304	1,513	6,841	203	705	18,042	1195
- CABSX EXPENSE	CABSX	15,499	7,750	0	6,841	203	705	0	1195
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1195
GENERAL & ADMIN EXP	GENADX	729,801	307,937	89,975	192,584	3,411	11,844	10,122	1195
OTHER TAXES (EXCL FIT & ITC)	OTAXES	42,713	15,478	8,194	5,955	281	1,049	0	1195
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1195
NON-OPERATING INC & EXP	NONOPX	8,732	3,704	1,536	1,914	57	197	0	1195
INTEREST & RELATED ITEMS(IRI)	INTREL	116,348	40,454	21,929	14,974	746	2,805	0	1195

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	229,760	58,932	36,617	12,228	1,592	8,495	0	1196
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1196
- GENERAL SUPPORT FACILITIES	GSF	12,238,894	3,883,826	2,413,168	805,873	104,945	559,840	0	1196
- CENTRAL OFFICE EQUIPMENT	COE	16,274,960	7,751,179	2,324,424	3,870,959	263,715	1,292,081	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	4,554,069	3,870,959	0	3,870,959	0	0	0	1196
-- COE CAT 4.11	COE411	1,081,074	1,077,933	0	0	0	1,077,933	0	1196
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1196
-- COE CAT 4.13	COE413	10,160,963	2,485,887	2,324,424	0	0	161,463	0	1196
-- COE CAT 4.2	COE42	478,854	316,400	0	0	263,715	52,686	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	42,513,766	10,904,524	9,267,072	0	240,382	1,397,071	0	1196
-- C&WF CAT 1.1	CWF11	2,797,967	0	0	0	0	0	0	1196
-- C&WF CAT 1.2	CWF12	643,724	643,724	0	0	0	643,724	0	1196
-- C&WF CAT 1.3	CWF13	37,068,286	9,267,072	9,267,072	0	0	0	0	1196
-- C&WF CAT 2	CWF2	731,687	719,448	0	0	0	719,448	0	1196
-- C&WF CAT 3	CWF3	1,114,332	224,099	0	0	190,200	33,900	0	1196
-- C&WF CAT 4	CWF4	157,770	50,182	0	0	50,182	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	938,063	297,680	184,960	61,767	8,044	42,909	0	1196
ACCUM DEPRECIATION	ACCDEP	26,290,098	9,951,650	4,610,676	3,787,646	250,815	1,302,512	0	1196
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1196
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1196
NETWORK SUPPORT EXP	NETSPX	3,300	1,047	651	217	28	151	0	1196
GENERAL SUPPORT EXP	GSFX	805,450	255,597	158,812	53,035	6,906	36,843	0	1196
COE EXPENSE	COEX	1,378,204	656,389	212,194	302,169	24,074	117,952	0	1196
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1196
C&WF EXPENSE	CWFX	874,707	224,357	190,667	0	4,946	28,744	0	1196
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1196
NETWORK OPERATIONS EXP	NETOPX	793,163	251,698	156,390	52,226	6,801	36,281	0	1196
DEPREC & AMORT EXP	DEPAMX	3,953,487	1,448,572	711,256	496,830	38,845	201,641	0	1196
MARKETING EXPENSE	MRKTX	25,437	4,373	2,717	907	118	630	0	1196
SERVICES EXPENSE	SERVX	517,926	155,372	52,152	39,945	3,378	10,474	49,423	1196
- CABSX EXPENSE	CABSX	53,119	26,560	0	14,554	1,895	10,110	0	1196
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1196
GENERAL & ADMIN EXP	GENADX	2,187,516	787,501	416,433	214,671	22,138	110,603	23,656	1196
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,193	379	235	79	10	55	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	0	0	0	0	0	0	0	1196

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	504,307	126,516	75,826	27,632	6,062	16,995	0	1197
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1197
- GENERAL SUPPORT FACILITIES	GSF	9,857,940	2,844,431	1,704,780	621,247	136,300	382,104	0	1197
- CENTRAL OFFICE EQUIPMENT	COE	40,773,263	14,069,321	2,947,051	6,690,894	1,507,886	2,923,489	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	21,755,681	6,295,470	0	6,295,470	0	0	0	1197
-- COE CAT 4.11	COE411	2,439,042	2,308,338	0	0	0	2,308,338	0	1197
-- COE CAT 4.12	COE412	341,028	0	0	0	0	0	0	1197
-- COE CAT 4.13	COE413	12,520,547	3,070,447	2,947,051	0	0	123,396	0	1197
-- COE CAT 4.2	COE42	3,160,766	1,999,641	0	0	1,507,886	491,755	0	1197
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1197
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1197
- CABLE & WIRE FACILITIES	CWF	71,672,299	17,980,537	16,498,689	0	46,828	1,435,020	0	1197
-- C&WF CAT 1.1	CWF11	3,409,117	0	0	0	0	0	0	1197
-- C&WF CAT 1.2	CWF12	690,819	690,819	0	0	0	690,819	0	1197
-- C&WF CAT 1.3	CWF13	65,994,758	16,498,689	16,498,689	0	0	0	0	1197
-- C&WF CAT 2	CWF2	1,455,483	717,247	0	0	0	717,247	0	1197
-- C&WF CAT 3	CWF3	122,122	73,782	0	0	46,828	26,955	0	1197
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1197
- TANGIBLES	TANGIB	3,599,954	1,038,738	622,557	226,869	49,774	139,538	0	1197
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1197
TELCOM PLANT-OTHER	PLTOTH	994,397	286,925	171,966	62,667	13,749	38,544	0	1197
ACCUM DEPRECIATION	ACCDEP	98,922,406	28,492,555	17,327,519	5,920,012	1,376,696	3,868,328	0	1197
ACCUM AMORTIZATION	ACCAMO	2,782,111	802,756	481,124	175,329	38,466	107,838	0	1197
NET DEFERRED FIT	NTDFIT	934,187	276,931	125,608	110,774	10,889	29,659	0	1197
NETWORK SUPPORT EXP	NETSPX	-8,280	-2,389	-1,432	-522	-114	-321	0	1197
GENERAL SUPPORT EXP	GSFX	4,239,369	1,223,237	733,134	267,165	58,615	164,322	0	1197
COE EXPENSE	COEX	1,513,241	536,838	91,589	307,530	46,862	90,857	0	1197
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1197
C&WF EXPENSE	CWFX	1,587,911	398,362	365,531	0	1,037	31,793	0	1197
OTHER PROP & PL EXP	OTHPXX	1,501	433	260	95	21	58	0	1197
NETWORK OPERATIONS EXP	NETOPX	1,787,734	515,837	309,161	112,663	24,718	69,294	0	1197
DEPREC & AMORT EXP	DEPAMX	10,325,558	3,176,251	1,642,040	731,075	240,620	562,516	0	1197
MARKETING EXPENSE	MRKTX	882,695	257,854	154,542	56,317	12,356	34,639	0	1197
SERVICES EXPENSE	SERVX	2,778,870	648,906	143,824	104,141	13,711	73,018	314,211	1197
- CABSX EXPENSE	CABSX	104,167	52,084	0	28,392	6,229	17,463	0	1197
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1197
GENERAL & ADMIN EXP	GENADX	3,484,919	981,046	548,403	205,679	38,157	112,540	76,266	1197
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,024,213	299,294	175,603	69,903	14,180	39,609	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	925,277	267,891	160,558	58,510	12,837	35,987	0	1197

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	267,525	77,892	28,656	32,853	6,196	10,188	0	1198
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1198
- GENERAL SUPPORT FACILITIES	GSF	4,325,374	1,907,769	701,846	804,654	151,744	249,526	0	1198
- CENTRAL OFFICE EQUIPMENT	COE	11,406,069	8,042,015	656,196	5,858,718	803,462	723,638	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	6,892,609	5,858,718	0	5,858,718	0	0	0	1198
-- COE CAT 4.11	COE411	531,428	531,428	0	0	0	531,428	0	1198
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1198
-- COE CAT 4.13	COE413	2,826,716	742,341	656,196	0	0	86,145	0	1198
-- COE CAT 4.2	COE42	1,155,316	909,528	0	0	803,462	106,066	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	20,087,170	5,848,533	4,453,974	0	301,389	1,093,171	0	1198
-- C&WF CAT 1.1	CWF11	785,903	0	0	0	0	0	0	1198
-- C&WF CAT 1.2	CWF12	584,712	584,712	0	0	0	584,712	0	1198
-- C&WF CAT 1.3	CWF13	17,815,896	4,453,974	4,453,974	0	0	0	0	1198
-- C&WF CAT 2	CWF2	463,253	463,253	0	0	0	463,253	0	1198
-- C&WF CAT 3	CWF3	437,406	346,594	0	0	301,389	45,206	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	200,228	88,313	32,489	37,249	7,024	11,551	0	1198
ACCUM DEPRECIATION	ACCDEP	23,641,927	11,548,249	3,391,565	6,088,880	807,211	1,260,593	0	1198
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1198
NET DEFERRED FIT	NTDFIT	886,263	390,899	143,807	164,872	31,092	51,128	0	1198
NETWORK SUPPORT EXP	NETSPX	24,901	10,983	4,040	4,632	874	1,437	0	1198
GENERAL SUPPORT EXP	GSFX	2,069,262	912,678	335,764	384,947	72,594	119,373	0	1198
COE EXPENSE	COEX	1,559,436	1,099,503	57,786	907,236	70,755	63,725	0	1198
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1198
C&WF EXPENSE	CWFX	1,537,531	447,664	340,920	0	23,069	83,674	0	1198
OTHER PROP & PL EXP	OTHPXX	56,289	24,827	9,134	10,471	1,975	3,247	0	1198
NETWORK OPERATIONS EXP	NETOPX	1,010,330	445,621	163,939	187,953	35,445	58,285	0	1198
DEPREC & AMORT EXP	DEPAMX	2,292,279	1,097,301	337,736	510,275	105,295	143,995	0	1198
MARKETING EXPENSE	MRKTX	193,573	3,968	1,460	1,674	316	519	0	1198
SERVICES EXPENSE	SERVX	708,763	116,033	56,837	45,955	8,666	4,574	0	1198
- CABSX EXPENSE	CABSX	41,257	20,629	0	13,764	2,596	4,268	0	1198
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1198
GENERAL & ADMIN EXP	GENADXX	2,703,012	1,139,982	379,617	560,938	77,692	121,735	0	1198
OTHER TAXES (EXCL FIT & ITC)	OTAXES	227,311	84,694	43,844	17,689	8,385	14,777	0	1198
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1198
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1198
INTEREST & RELATED ITEMS(IRI)	INTREL	223,439	76,760	43,973	10,009	8,150	14,628	0	1198

## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	236,348	63,323	14,908	34,836	83	13,496	0	1199
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1199
- GENERAL SUPPORT FACILITIES	GSF	5,697,926	3,035,118	714,548	1,669,702	3,971	646,897	0	1199
- CENTRAL OFFICE EQUIPMENT	COE	8,285,129	6,569,355	221,474	4,814,341	11,449	1,522,091	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	5,803,557	4,814,341	0	4,814,341	0	0	0	1199
-- COE CAT 4.11	COE411	1,496,042	1,496,042	0	0	0	1,496,042	0	1199
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1199
-- COE CAT 4.13	COE413	963,030	244,939	221,474	0	0	23,464	0	1199
-- COE CAT 4.2	COE42	22,500	14,033	0	0	11,449	2,585	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	8,144,000	2,181,959	1,838,818	0	0	343,141	0	1199
-- C&WF CAT 1.1	CWF11	445,586	0	0	0	0	0	0	1199
-- C&WF CAT 1.2	CWF12	194,814	194,814	0	0	0	194,814	0	1199
-- C&WF CAT 1.3	CWF13	7,355,273	1,838,818	1,838,818	0	0	0	0	1199
-- C&WF CAT 2	CWF2	148,327	148,327	0	0	0	148,327	0	1199
-- C&WF CAT 3	CWF3	0	0	0	0	0	0	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	548,016	291,912	68,724	160,589	382	62,217	0	1199
ACCUM DEPRECIATION	ACCDEP	11,807,320	6,524,695	1,364,985	4,149,540	5,796	1,004,373	0	1199
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1199
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1199
NETWORK SUPPORT EXP	NETSPX	5,081	2,706	637	1,489	4	577	0	1199
GENERAL SUPPORT EXP	GSFX	254,895	135,775	31,965	74,694	178	28,939	0	1199
COE EXPENSE	COEX	968,533	767,959	32,757	508,383	1,693	225,125	0	1199
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1199
C&WF EXPENSE	CWFX	870,984	233,356	196,658	0	0	36,698	0	1199
OTHER PROP & PL EXP	OTHPXX	383	204	48	112	0	43	0	1199
NETWORK OPERATIONS EXP	NETOPX	391,330	208,450	49,075	114,674	273	44,428	0	1199
DEPREC & AMORT EXP	DEPAMX	1,314,095	754,970	144,872	430,905	1,167	178,026	0	1199
MARKETING EXPENSE	MRKTX	67,769	8,471	1,994	4,660	11	1,806	0	1199
SERVICES EXPENSE	SERVX	420,859	129,209	22,860	16,440	39	1,365	88,505	1199
- CABSX EXPENSE	CABSX	9,792	4,896	0	3,523	8	1,365	0	1199
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1199
GENERAL & ADMIN EXP	GENADX	1,652,312	818,687	209,298	381,725	1,165	179,606	46,893	1199
OTHER TAXES (EXCL FIT & ITC)	OTAXES	0	0	0	0	0	0	0	1199
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1199
NON-OPERATING INC & EXP	NONOPX	26,102	12,933	3,045	7,115	17	2,757	0	1199
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1199



## APPENDIX B1

## 2008 MODIFICATION OF AVERAGE SCHEDULES

## COST COMPANY COST DATA

## 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>NAME</u>	<u>PART</u>	<u>TOTAL COMPANY</u>	<u>TOTAL INTERSTATE</u>	<u>COMMON LINE</u>	<u>CENTRAL OFFICE</u>	<u>TRANSPORT</u>	<u>SPECIAL ACCESS</u>	<u>NON- ACCESS</u>	<u>SEQ</u>
MATERIALS AND SUPPLIES	MATSUP	30,812	8,233	4,013	3,725	33	460	2	1200
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1200
- GENERAL SUPPORT FACILITIES	GSF	426,558	165,165	80,417	74,652	656	9,227	213	1200
- CENTRAL OFFICE EQUIPMENT	COE	1,385,567	668,392	201,609	435,383	2,588	28,813	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	512,215	435,383	0	435,383	0	0	0	1200
-- COE CAT 4.11	COE411	28,813	28,813	0	0	0	28,813	0	1200
-- COE CAT 4.12	COE412	31,971	0	0	0	0	0	0	1200
-- COE CAT 4.13	COE413	806,434	201,609	201,609	0	0	0	0	1200
-- COE CAT 4.2	COE42	6,134	2,588	0	0	2,588	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	1,098,975	293,635	267,398	0	1,238	25,000	0	1200
-- C&WF CAT 1.1	CWF11	0	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	1,069,590	267,398	267,398	0	0	0	0	1200
-- C&WF CAT 2	CWF2	26,329	25,000	0	0	0	25,000	0	1200
-- C&WF CAT 3	CWF3	3,056	1,238	0	0	1,238	0	0	1200
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1200
- TANGIBLES	TANGIB	18,533	7,189	3,494	3,270	29	396	0	1200
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1200
TELCOM PLANT-OTHER	PLTOTH	16,508	6,391	3,116	2,892	25	357	0	1200
ACCUM DEPRECIATION	ACCDEP	1,475,340	584,596	270,537	278,037	2,585	33,319	118	1200
ACCUM AMORTIZATION	ACCAMO	1,421	550	268	249	2	31	0	1200
NET DEFERRED FIT	NTDFIT	158,171	50,096	34,565	11,463	256	3,812	0	1200
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1200
GENERAL SUPPORT EXP	GSFX	85,479	33,098	16,115	14,960	131	1,849	43	1200
COE EXPENSE	COEX	83,123	40,098	24,035	12,319	309	3,435	0	1200
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1200
C&WF EXPENSE	CWFX	28,468	7,606	6,927	0	32	648	0	1200
OTHER PROP & PL EXP	OTHPXX	0	0	0	0	0	0	0	1200
NETWORK OPERATIONS EXP	NETOPX	106,448	41,217	20,094	18,654	164	2,306	0	1200
DEPREC & AMORT EXP	DEPAMX	222,047	82,257	43,065	33,494	406	5,273	18	1200
MARKETING EXPENSE	MRKTX	1,135	426	208	193	2	24	0	1200
SERVICES EXPENSE	SERVX	60,403	20,933	2,502	12,247	104	1,469	4,610	1200
- CABSX EXPENSE	CABSX	26,535	13,268	0	11,716	103	1,448	0	1200
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1200
GENERAL & ADMIN EXP	GENADX	383,369	173,251	84,441	70,535	897	11,757	5,622	1200
OTHER TAXES (EXCL FIT & ITC)	OTAXES	30,576	12,269	6,037	5,522	45	665	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	10,757	4,118	2,041	1,845	14	217	1	1200

APPENDIX B2

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES  
 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	<u>TOTAL COMPANY COE</u>	<u>TOTAL INTERSTATE COE CAT 2</u>	<u>TOTAL COMPANY C&amp;WF</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 1.2</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 3</u>
1201	4,388,392	0	4,910,080	11,808	89,674
1202	4,563,079	0	5,996,559	0	13,452
1203	7,207,754	53,190	10,976,106	3,124	214,522
1204	1,998,677	0	2,310,246	2,892	30,062
1205	2,047,326	0	850,564	0	16,810
1206	1,331,792	0	634,250	0	15,272
1207	12,583,915	7,953	14,800,555	11,125	76,243
1208	8,619,286	0	10,731,590	29,478	636,151
1209	6,787,267	67,876	6,248,237	18,064	115,362
1210	10,792,918	257,379	18,468,498	33,743	690,178
1211	4,776,061	0	5,245,308	16,268	5,776
1212	4,659,344	0	6,523,243	18,730	75,455
1213	4,470,601	0	5,570,719	35,345	10,915
1214	2,784,934	0	4,827,168	9,670	8,853
1215	25,336,354	0	30,214,753	82,918	166,735
1216	1,750,480	0	2,717,297	0	5,140
1217	6,428,170	0	5,450,182	22,282	22,641
1218	3,317,185	0	3,587,285	2,228	20,373
1219	3,998,243	0	4,841,907	15,189	86,699
1220	5,712,589	0	9,868,657	27,300	7,526
1221	2,630,650	0	4,649,004	16,797	23,782
1222	2,541,138	0	4,857,739	10,474	14,047
1223	4,555,943	0	5,289,338	12,425	57,801
1224	8,113,589	0	11,314,431	42,090	14,077
1225	3,391,113	0	3,809,124	0	13,103
1226	3,448,122	0	4,163,909	17,029	15,154
1227	5,950,907	0	10,917,949	24,712	142,916
1228	11,473,149	0	15,606,116	137,087	571
1229	6,084,510	0	9,999,553	34,336	138,250
1230	6,238,200	0	9,969,825	12,261	30,299
1231	4,105,519	0	6,514,277	18,742	523,261
1232	7,053,791	0	11,215,099	96,871	241,165
1233	6,251,690	0	10,325,290	25,931	8,266
1234	11,763,475	0	27,374,522	4,786	62,876
1235	5,465,361	0	7,380,093	24,682	6,841
1236	7,023,986	0	18,530,526	85,030	63,129
1237	17,329,573	0	19,233,413	49,166	50,393
1238	1,676,679	0	2,217,808	0	21,916
1239	10,740,354	0	9,923,990	55,167	11,203
1240	6,785,253	0	7,746,198	54,915	13,020
1241	6,751,304	39,816	7,606,294	26,999	3,540
1242	9,445,175	0	29,754,648	5,955	9,749
1243	10,300,802	0	19,846,321	78,256	20,671
1244	18,514,444	116,404	50,749,993	132,472	116,486

## APPENDIX B2

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
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 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	<u>TOTAL COMPANY COE</u>	<u>TOTAL INTERSTATE COE CAT 2</u>	<u>TOTAL COMPANY C&amp;WF</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 1.2</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 3</u>
1245	2,147,495	0	2,670,383	1,693	6,737
1246	10,725,397	0	22,052,806	63,700	46,975
1247	118,011,765	5,951,313	131,441,601	324,777	615,846
1248	21,061,036	313,949	28,179,782	119,182	17,412
1249	5,142,137	0	6,620,943	6,546	46,827
1250	3,457,327	0	5,261,995	11,623	6,599
1251	16,999,362	0	35,314,492	52,311	64,400
1252	5,991,155	0	7,223,843	27,938	30,985
1253	9,584,064	578,500	11,930,475	3,111	305,170
1254	5,625,224	0	9,542,380	24,375	75,704
1255	2,239,581	0	4,480,483	23,959	33,375
1256	5,810,230	0	8,943,896	16,833	246,530
1257	2,201,991	0	3,475,096	7,059	30,063
1258	5,828,418	0	7,942,302	33,480	68,199
1259	14,782,945	0	31,350,700	43,390	71,328
1260	21,585,297	149,309	36,872,522	78,655	21,879
1261	10,820,522	20,684	26,475,378	40,152	163,077
1262	9,833,105	0	21,602,806	9,270	29,305
1263	19,422,194	110,811	27,432,985	257,899	415,434
1264	3,886,658	0	8,807,885	13,047	34,305
1265	21,621,793	0	32,022,589	177,025	122,814
1266	1,474,139	0	4,090,476	34,468	73,643
1267	6,627,904	131,408	7,797,089	23,429	40,815
1268	3,835,147	68,791	12,273,510	23,399	36,044
1269	17,533,487	215,252	38,046,270	102,478	935,416
1270	4,773,610	0	7,111,463	41,098	57,514
1271	4,425,452	0	7,871,027	13,197	50,978
1272	5,133,018	0	11,356,841	52,144	43,519
1273	1,026,751	0	1,757,319	0	13,255
1274	1,288,742	0	1,459,288	0	3,613
1275	1,096,652	0	739,206	0	805
1276	1,475,609	0	1,895,038	0	1,879
1277	10,690,066	0	21,541,153	30,245	598,869
1278	22,749,285	0	36,218,112	120,889	259,372
1279	21,445,507	0	39,228,883	98,749	141,576
1280	5,647,170	0	9,643,965	8,801	65,476
1281	4,595,477	0	6,847,640	15,407	259,699
1282	1,184,213	0	1,563,212	0	61,968
1283	575,577	0	692,842	41,613	79,690
1284	5,908,871	42,768	12,883,720	47,250	65,435
1285	2,906,722	0	4,042,516	7,089	6,623
1286	2,773,428	0	2,244,475	57,221	2,624
1287	1,372,637	0	2,672,939	0	34,943
1288	805,611	0	2,430,461	0	1,842

APPENDIX B2

2008 MODIFICATION OF AVERAGE SCHEDULES  
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 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	<u>TOTAL</u> <u>COMPANY</u> <u>COE</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>COE CAT 2</u>	<u>TOTAL</u> <u>COMPANY</u> <u>C&amp;WF</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>C&amp;WF CAT 1.2</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>C&amp;WF CAT 3</u>
1289	843,781	0	1,161,999	0	19,781
1290	3,937,169	0	6,566,177	43,631	36,890
1291	3,518,068	0	5,994,384	14,797	42,355
1292	2,221,878	0	3,420,370	0	11,314
1293	13,873,668	0	22,858,793	45,882	332,150
1294	1,043,432	0	1,546,503	12,535	4,955
1295	3,755,635	0	10,648,159	13,481	17,605
1296	15,840,059	211,585	16,424,013	25,235	146,570
1297	2,676,228	0	4,242,878	36,782	34,407
1298	505,590	0	1,031,138	0	10,592
1299	9,541,906	0	14,527,668	22,196	17,578
1300	4,007,222	0	3,924,337	1,978	26,513
1301	7,728,163	0	9,053,230	15,809	46,882
1302	7,939,286	0	12,870,012	4,832	35,931
1303	6,046,713	0	7,373,426	14,183	293,090
1304	3,111,587	0	3,783,272	0	360,033
1305	5,705,816	0	12,529,394	39	1,104,695
1306	4,813,199	156,512	7,352,479	129,760	1,316,469
1307	4,440,931	0	7,150,689	152,700	1,267,427
1308	1,649,979	0	2,469,951	47,550	38,541
1309	3,832,354	0	7,036,312	22,101	30,891
1310	2,357,808	0	4,365,620	42,538	211,007
1311	32,614,606	0	44,944,825	159,595	124,487
1312	1,213,606	0	2,240,509	5,820	213,448
1313	1,230,758	0	2,135,146	24,118	7,397
1314	988,081	0	724,120	0	27,663
1315	8,003,657	0	9,835,888	19,679	447,603
1316	2,158,322	0	2,454,088	4,138	186,461
1317	3,469,350	0	4,776,801	18,670	336,341
1318	1,003,085	0	1,453,963	0	74,254
1319	6,714,601	0	11,919,744	109,312	672,897
1320	1,574,910	0	1,914,022	19,706	113,154
1321	4,884,519	0	14,698,121	83,270	200,496
1322	9,697,849	0	11,183,734	94,101	657,169
1323	1,955,881	0	2,164,458	5,335	47,822
1324	3,821,235	0	4,472,731	20,162	37,916
1325	1,783,617	0	1,471,199	28,693	9,266
1326	2,965,448	0	4,195,263	20,702	115,420
1327	1,367,173	0	1,420,012	2,524	35,727
1328	995,041	0	667,428	40,584	0
1329	9,262,259	0	18,604,578	203,630	874,210
1330	895,032	0	1,336,464	0	15,359
1331	19,684,223	238,788	43,411,503	143,994	151,184
1332	771,121	0	1,913,870	72,874	500,241

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<u>SEQ</u>	<u>TOTAL</u> <u>COMPANY</u> <u>COE</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>COE CAT 2</u>	<u>TOTAL</u> <u>COMPANY</u> <u>C&amp;WF</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>C&amp;WF CAT 1.2</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>C&amp;WF CAT 3</u>
1333	19,578,049	36,472	39,116,821	238,281	1,141,529
1334	673,337	0	508,156	24,283	32,284
1335	3,546,811	0	7,889,913	83,772	16,635
1336	448,970	0	735,499	3,694	33,278
1337	19,920,815	1,113,778	13,781,067	52,510	1,379,086
1338	17,758,526	0	32,947,325	287,976	369,750
1339	4,742,322	0	7,582,768	31,366	611,027
1340	8,305,577	0	12,806,621	55,200	1,467,104
1341	4,780,166	0	11,358,772	6,048	68,422
1342	5,938,355	0	13,234,380	65,568	69,065
1343	4,043,456	0	7,181,544	52,768	298,299
1344	756,485	0	1,626,219	17,082	98,588
1345	2,987,718	0	7,349,889	0	105,859
1346	1,950,064	0	2,879,629	14,973	229,165
1347	3,937,561	0	6,224,509	12,485	95,754
1348	2,402,551	0	4,282,040	15,060	413,203
1349	1,856,418	0	3,103,418	4,265	107,667
1350	1,962,712	0	1,784,899	0	73,734
1351	3,187,324	0	5,230,915	0	88,475
1352	1,665,887	0	2,517,366	7,913	131,647
1353	13,729,172	0	25,972,686	89,753	2,129,290
1354	952,897	0	1,754,182	3,925	116,755
1355	1,238,240	0	2,509,896	17,477	65,473
1356	1,972,654	0	3,368,538	16,520	41,211
1357	3,475,898	0	5,682,977	31,500	318,660
1358	17,656,276	0	32,763,185	182,516	984,015
1359	12,493,352	0	18,797,764	125,807	814,045
1360	17,977,756	0	28,418,191	164,587	1,330,127
1361	4,732,055	0	8,722,101	15,930	85,091
1362	2,471,456	59,841	3,092,431	59,526	533,804
1363	7,155,694	0	16,178,843	130,646	1,015,929
1364	6,884,805	0	13,146,428	56,589	1,008,235
1365	17,329,941	1,514,409	13,337,736	47,963	106,971
1366	648,040	0	676,664	0	28,728
1367	1,054,836	0	593,223	4,268	0
1368	2,394,275	0	4,742,649	25,209	164,741
1369	14,069,785	0	22,151,222	115,139	1,123,784
1370	29,622,116	601,052	53,293,556	166,933	2,281,812
1371	5,721,390	35,932	15,762,827	67,296	326,343
1372	3,902,154	0	11,104,007	0	56,476
1373	3,624,089	0	11,373,788	49,885	22,717
1374	1,874,591	0	3,017,341	3,420	6,429
1375	4,012,204	50,291	6,356,368	15,137	46,976
1376	849,624	0	1,895,882	13,123	4,257

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<u>SEQ</u>	<u>TOTAL COMPANY COE</u>	<u>TOTAL INTERSTATE COE CAT 2</u>	<u>TOTAL COMPANY C&amp;WF</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 1.2</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 3</u>
1377	7,117,271	16,619	18,513,683	49,823	148,661
1378	7,871,790	244,904	11,665,934	188,345	242,091
1379	1,920,289	0	11,726,840	139,460	316,372
1380	1,873,179	0	3,658,075	25,344	185,994
1381	15,165,652	0	27,713,640	146,236	67,519
1382	9,411,807	0	20,327,917	97,654	256,816
1383	3,403,360	0	5,683,847	23,202	29,249
1384	5,480,298	0	9,440,249	65,655	92,796
1385	999,744	0	1,889,618	6,694	51,646
1386	4,420,987	0	6,155,165	64,191	93,304
1387	30,504,960	0	60,159,690	565,322	1,006,872
1388	18,437,762	229,273	43,218,802	215,210	1,164,535
1389	9,939,255	0	28,293,935	127,668	634,647
1390	7,821,714	0	13,092,921	33,821	155,891
1391	6,635,135	0	13,462,608	105,641	923,175
1392	9,793,240	0	24,039,756	271,322	304,288
1393	10,702,636	0	12,511,259	20,117	68,248
1394	5,346,265	0	7,192,810	14,925	365,769
1395	326,975	0	441,669	3,807	5,193
1396	546,858	0	2,481,704	0	21,064
1397	2,167,748	0	4,275,833	31,151	14,620
1398	11,125,278	0	19,919,902	116,369	508,079
1399	1,460,929	0	6,740,148	9,691	3,597
1400	2,823,395	0	3,902,069	14,189	0
1401	23,356,168	0	52,005,393	876,422	1,101,446
1402	8,096,910	0	13,676,402	68,384	110,750
1403	3,664,634	0	10,390,707	238,269	175,489
1404	8,631,963	0	18,063,994	18,865	77,682
1405	8,020,701	0	15,317,615	96,149	165,057
1406	1,430,331	0	2,721,172	11,079	27,159
1407	601,339	0	1,477,140	0	60,941
1408	18,633,219	660,740	32,654,241	302,461	1,665,074
1409	1,694,558	0	1,929,109	28,235	19,404
1410	7,860,863	0	16,811,053	89,402	115,766
1411	3,436,837	0	8,187,880	124,517	83,707
1412	1,433,380	0	1,394,271	0	106,262
1413	8,048,800	0	16,566,930	47,834	107,226
1414	4,140,904	15,129	7,740,540	9,938	280,265
1415	9,702,309	0	20,073,525	32,750	49,438
1416	15,497,543	0	35,332,253	64,576	1,200,705
1417	4,839,362	90,010	12,984,097	15,420	35,218
1418	7,337,638	175,949	11,972,237	25,981	2,391,460
1419	1,926,751	0	2,798,052	0	624,847
1420	8,575,870	104,902	15,762,507	39,246	3,644,664

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<u>SEQ</u>	<u>TOTAL COMPANY COE</u>	<u>TOTAL INTERSTATE COE CAT 2</u>	<u>TOTAL COMPANY C&amp;WF</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 1.2</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 3</u>
1421	71,216,379	1,054,286	114,167,441	539,904	3,259,634
1422	7,204,800	0	19,154,675	0	26,971
1423	1,594,181	78,640	9,416,312	58,812	336,970
1424	1,557,531	0	2,665,861	0	612,545
1425	1,457,248	0	3,998,463	25,705	181,781
1426	3,433,141	0	6,614,505	10,842	4,566
1427	38,809,913	348,901	53,052,476	508,724	940,937
1428	5,612,111	0	12,879,065	99,838	354,378
1429	9,760,388	0	17,178,849	109,826	238,147
1430	18,548,356	507,120	64,123,662	143,931	559,278
1431	3,762,989	0	15,128,397	36,520	53,319
1432	7,373,115	14,656	9,378,626	33,862	340,820
1433	2,587,691	0	5,381,010	26,932	8,486
1434	1,245,145	0	1,775,408	15,489	7,306
1435	7,392,554	117,486	13,340,246	301,597	2,329,114
1436	1,094,352	0	4,132,539	52,974	28,299
1437	7,455,774	152,656	15,425,956	52,045	380,536
1438	3,251,383	0	12,382,590	32,400	288,064
1439	44,553,626	473,489	108,959,286	182,485	608,220
1440	16,546,764	0	48,805,721	36,870	399,177
1441	6,014,588	0	15,753,010	0	134,953
1442	4,090,378	126,154	7,329,835	0	74,663
1443	11,126,143	0	20,120,946	156,117	164,907
1444	2,812,008	0	5,700,047	107,597	242,193
1445	1,597,325	0	4,210,875	0	52,518
1446	2,723,591	0	5,850,695	14,441	10,324
1447	4,521,406	0	9,804,521	47,485	70,787
1448	10,965,581	0	38,224,074	34,120	0
1449	2,614,475	0	6,984,576	52,809	4,683
1450	9,402,266	0	17,348,102	179,362	56,806
1451	5,068,787	0	5,313,854	31,804	0
1452	8,660,788	73,916	12,992,783	6,580	52,883
1453	671,280	0	2,402,784	24,574	40,991
1454	12,680,381	169,695	21,062,640	77,714	225,461
1455	13,662,331	0	60,706,717	567,291	91,843
1456	3,668,176	0	10,284,663	0	29,753
1457	5,374,056	0	13,514,502	128,321	237,252
1458	832,541	0	6,631,095	18,409	3,717,090
1459	2,413,410	0	11,336,908	27,823	58,937
1460	6,807,672	0	15,632,699	21,658	21,998
1461	9,241,650	100,648	14,986,163	172,455	469,353
1462	3,997,246	0	5,119,443	19,814	477,194
1463	9,599,451	0	11,172,704	192,635	79,521
1464	500,898	0	430,814	2,807	4,137

APPENDIX B2

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES  
 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	<u>TOTAL</u> <u>COMPANY</u> <u>COE</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>COE CAT 2</u>	<u>TOTAL</u> <u>COMPANY</u> <u>C&amp;WF</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>C&amp;WF CAT 1.2</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>C&amp;WF CAT 3</u>
1465	2,113,009	0	3,534,982	8,593	40,230
1466	7,200,844	0	2,665,729	3,531	46,198
1467	7,473,687	0	13,006,713	43,870	99,229
1468	1,448,903	0	4,429,463	28,007	236,935
1469	5,015,482	0	2,671,832	21,511	60,182
1470	1,725,212	0	2,840,329	19,310	83,912
1471	2,451,325	0	3,835,530	29,910	189,463
1472	3,099,366	0	5,884,483	24,046	318,798
1473	569,607	0	897,295	0	675,470
1474	1,053,724	0	1,001,218	6,742	0
1475	7,855,061	0	10,356,083	23,890	4,771
1476	2,841,194	0	2,990,814	22,104	9,953
1477	2,749,097	0	4,192,425	12,855	322,335
1478	11,253,727	0	18,692,671	138,856	2,716,699
1479	5,406,277	0	5,442,143	43,489	500,001
1480	5,374,166	0	4,058,084	31,358	261,854
1481	4,921,904	0	13,650,785	17,342	6,267,891
1482	2,744,494	0	4,288,973	0	268,726
1483	844,862	0	1,291,128	0	48,164
1484	1,816,372	0	2,600,998	0	289,492
1485	9,458,394	0	15,028,785	24,861	882,075
1486	2,042,181	0	4,444,570	5,839	445,583
1487	36,215,215	1,168,314	64,502,109	650,984	5,224,219
1488	12,708,144	0	32,821,234	134,281	1,083,985
1489	4,082,922	0	7,762,548	140,187	85,974
1490	2,445,015	16,008	6,456,985	0	1,363,610
1491	36,273,973	6,447,671	71,972,372	2,904,978	10,632,166
1492	5,738,773	150,134	10,038,057	16,890	96,986
1493	13,006,917	0	14,587,281	75,168	473,715
1494	8,749,680	0	15,573,062	50,953	1,076,411
1495	4,836,788	0	9,780,952	23,017	727,459
1496	25,811,918	0	25,453,823	234,103	803,216
1497	25,667,621	0	45,635,710	460,134	2,143,979
1498	2,341,557	0	2,088,993	4,826	0
1499	555,414	0	271,925	11,817	0
1500	289,078	0	497,393	0	52,888
1501	5,428,276	0	7,121,964	12,290	214,391
1502	2,128,735	0	2,409,285	0	32,624
1503	4,517,718	0	5,710,817	117,687	42,624
1504	3,906,554	0	7,760,733	17,944	109,661
1505	2,481,486	0	4,265,018	56,913	512,118
1506	1,789,681	0	732,313	1,984	25,863
1507	4,720,934	0	9,231,279	33,673	158,232
1508	3,456,337	0	5,951,637	27,768	17,321



APPENDIX B2

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES  
 2005 COST STUDIES REFLECTING 2008/2009 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	<u>TOTAL COMPANY COE</u>	<u>TOTAL INTERSTATE COE CAT 2</u>	<u>TOTAL COMPANY C&amp;WF</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 1.2</u>	<u>TOTAL INTERSTATE C&amp;WF CAT 3</u>
1509	16,855,922	2,776	41,067,516	88,968	6,220,156
1510	431,716	0	951,499	10,623	120,912
1511	2,252,942	0	3,108,433	0	13,167
1512	1,745,380	0	1,915,163	0	369,748
1513	11,942,561	0	17,266,734	28,979	147,453
1514	2,213,251	0	2,925,911	1,985	352,404
1515	1,006,204	0	1,659,269	0	281,247
1516	1,768,914	0	2,100,479	0	156,242
1517	1,686,004	0	2,740,312	8,033	24,591
1518	4,057,631	0	4,782,128	0	578,625
1519	2,670,891	0	9,885,337	55,111	583,287
1520	2,316,568	0	9,640,314	10,229	48,482
1521	7,677,951	0	12,334,970	15,361	612,811
1522	2,574,322	0	7,815,475	15,103	317,056
1523	14,093,881	0	15,319,673	4,191	165,183
1524	8,906,346	0	6,784,255	4,082	0
1525	8,559,853	0	13,168,254	13,688	500,635
1526	34,086,107	0	63,870,026	208,953	2,266,475
1527	16,296,485	490,170	23,667,814	30,417	6,440,298
1528	19,089,591	0	31,949,838	10,699	163,567
1529	5,478,060	121,947	5,879,696	23,634	593,332
1530	426,721	0	295,140	8,059	49,898
1531	2,555,439	0	3,231,691	72,275	58,800
1532	5,856,149	0	3,820,709	85,187	52,706
1533	11,217,061	0	18,100,525	163,994	7,946
1534	99,519,796	513,298	168,344,271	445,318	3,370,663
1535	4,563,946	0	5,421,869	185,523	87,997
1536	12,592,338	0	15,637,735	134,112	283,044
1537	3,183,649	0	5,359,933	42,277	6,916
1538	22,653,258	0	18,226,016	336,969	442,876
1539	1,500,097	0	1,085,522	40,699	27,928

APPENDIX C1  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
140053	229,608	495,843	925,719	0	0	0
150076	284,445	1,076,547	1,199,213	0	0	0
150125	1,922,332	5,706,186	7,310,501	0	0	347,214
170195	158,852	749,465	416,597	0	0	0
170197	297,397	1,564,098	1,188,161	0	0	30,705
170210	650,584	2,527,459	2,045,704	0	651	56,679
190237	1,050,133	1,966,908	2,709,214	0	0	99,079
190253	864,789	5,182,622	3,412,170	0	2,435,658	22,559
220375	2,165,955	9,518,764	14,464,664	177,310	160,531	42,064
230491	22,027,024	141,371,874	143,046,506	0	8,232,494	880,518
230511	9,730,495	23,710,825	39,495,229	114,531	0	948,021
240516	6,929,762	26,362,572	24,492,060	509,040	0	245,824
240532	46,743	495,074	488,361	0	0	0
240541	232,996	3,443,306	3,905,260	0	0	0
240546	3,205,386	10,859,746	22,478,119	0	0	362,799
250311	804,970	2,928,387	5,318,797	0	149,087	27,034
250312	2,991,880	3,013,133	4,907,367	0	0	423,871
260398	15,736,531	25,090,182	21,380,837	0	0	2,012,759
260419	5,389,689	8,487,949	9,118,859	0	4,153	165,072
287449	44,965	2,062,723	1,483,947	0	755,265	354
290554	4,657,688	9,963,752	25,320,744	222,456	3,693	791,564
300591	306,730	687,103	1,428,022	0	0	62,517
300614	453,990	1,339,460	935,806	0	0	48,974
300634	736,991	3,834,056	5,376,070	0	2,106	55,644
300645	510,100	722,224	1,586,630	0	25,131	30
300650	583,911	1,140,762	1,605,740	0	0	3,378
300651	86,662	371,466	215,772	0	0	0
310676	1,445,199	5,860,123	10,034,093	0	0	72,277
310725	541,381	1,069,504	1,597,499	0	0	12,669
320744	461,847	1,650,289	2,996,684	62,371	84,834	10,232
320756	1,148,425	1,076,937	1,437,868	0	0	77,123
320777	785,230	2,310,264	3,742,592	0	54,613	22,752
320818	10,760,091	26,402,137	50,176,802	0	0	330,317
330842	1,269,000	4,294,000	7,901,000	0	0	75,000
330848	184,426	275,396	1,079,775	0	0	0
330881	8,072,003	27,792,906	38,937,014	30,778	523,002	116,711
330889	1,184,910	1,645,132	3,624,019	0	0	4,158
330896	1,810,000	2,212,000	3,595,000	0	0	23,664
330944	1,208,357	10,805,250	9,648,702	0	0	13,402
330951	259,000	2,590,000	3,762,000	0	0	0
330960	2,333,000	6,907,000	9,209,000	0	119,000	26,000
341050	1,609,471	3,686,105	7,028,358	0	0	114,403
341087	525,041	911,441	1,892,190	0	8,149	28,065
351146	285,885	768,197	840,911	0	0	13,482
351160	1,749,667	1,885,924	732,763	0	0	56,510
351168	2,537,097	7,477,890	6,411,289	0	0	40,038
351189	1,061,983	618,921	923,064	0	746	18,672
351213	333,363	972,501	2,028,033	0	0	0

APPENDIX C1  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
140053	0	0	13,111	1,217,589	0	24,539
150076	847	0	27,616	1,044,477	249,074	895
150125	0	0	98,879	10,603,414	589,805	-1,747
170195	0	0	12,384	627,700	237,358	0
170197	58,778	0	20,542	2,037,595	240,475	0
170210	0	0	14,654	3,414,923	444,216	15,277
190237	80,033	0	17,960	2,622,497	0	0
190253	24,587	0	56,557	3,377,552	1,035,119	5,689
220375	213,452	0	86,431	15,117,772	1,552,705	8,239
230491	593,658	0	868,209	190,573,242	12,173,808	3,361
230511	869,908	0	133,727	37,433,193	0	0
240516	1,230,511	0	423,095	35,932,508	3,101,403	0
240532	2,672	0	27,695	488,421	107,695	0
240541	138,788	0	72,208	3,885,325	644,654	0
240546	205,201	0	123,434	21,518,060	0	16,793
250311	63,427	0	39,767	6,498,399	96,182	5,240
250312	149,088	0	57,398	3,706,034	3,546,118	0
260398	117,628	0	261,187	47,691,545	-1,579,936	34,385
260419	0	0	125,681	14,188,682	960,000	14,731
287449	246,043	0	11,681	1,964,858	333,721	2,790
290554	2,650,777	0	167,449	20,034,078	0	0
300591	28,269	0	24,364	1,310,043	160,702	19,990
300614	71,408	0	19,112	1,622,312	157,191	17,908
300634	36,903	0	34,263	5,455,890	0	5,561
300645	8,025	0	16,672	1,617,041	184,275	4,513
300650	298,120	0	16,696	2,431,959	0	0
300651	13,000	0	4,439	431,611	0	4,000
310676	240,789	0	75,218	14,201,229	4,911	8,613
310725	53,110	0	17,447	1,880,112	189,074	0
320744	433	0	25,786	1,771,160	718,253	1,454
320756	0	0	22,426	1,279,456	489,938	0
320777	2,781	0	36,109	3,217,753	500,001	2,635
320818	2,622,863	0	323,268	58,325,547	3,506,938	-4,009
330842	0	0	114,990	10,772,000	0	79,000
330848	32,640	0	3,375	555,961	94,965	0
330881	621,851	0	292,557	44,591,905	5,511,201	70,047
330889	0	0	22,315	4,064,126	483,736	0
330896	0	0	22,671	4,992,044	167,408	4,993
330944	293,979	0	59,580	15,413,565	472,336	2,278
330951	0	37,000	21,619	4,699,722	271,000	1,000
330960	23,000	4,274,000	54,744	11,140,000	362,000	240
341050	0	0	28,238	7,199,697	717,302	0
341087	0	0	17,753	1,981,025	117,681	0
351146	0	0	7,436	1,263,760	81,598	601
351160	671,033	0	26,274	2,941,102	521,411	0
351168	584,198	0	54,814	8,788,319	297,717	0
351189	0	0	21,854	1,806,385	0	-260
351213	130,207	0	19,256	1,735,601	740,876	13,190

APPENDIX C1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>&amp; Plant</u>	<u>Expense</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
140053	49,896	31,963	35,971	0	27,864
150076	64,429	135,910	45,379	1,170	73,296
150125	224,037	452,340	266,469	65,837	274,557
170195	32,730	30,100	20,262	0	37,221
170197	36,799	83,844	77,346	0	14,204
170210	19,690	93,949	67,217	1,303	26,088
190237	55,450	102,092	112,136	6,759	36,883
190253	33,818	182,103	157,667	0	139,273
220375	54,979	123,464	536,030	-1	399,316
230491	2,085,123	5,537,139	5,530,542	0	4,326,176
230511	587,758	1,705,761	1,849,678	0	2,017,166
240516	1,471,375	515,654	596,343	54,352	946,118
240532	73,238	9,704	24,370	2,088	40,908
240541	284,042	46,469	95,728	6,444	127,399
240546	311,797	563,905	742,656	-1,070	515,244
250311	25,131	64,652	166,683	0	149,976
250312	172,117	193,547	369,777	0	49,057
260398	1,109,459	938,909	914,107	0	678,309
260419	194,199	297,453	381,262	0	180,534
287449	1,840	22,907	86,451	0	50,624
290554	466,908	305,980	1,125,580	0	315,501
300591	19,504	150,058	52,472	5,732	0
300614	20,289	68,373	65,344	0	48,497
300634	21,514	66,599	303,073	0	84,653
300645	10,476	17,287	45,212	0	83,280
300650	23,476	37,348	94,969	0	6,778
300651	3,000	29,977	22,182	0	2,942
310676	149,048	274,407	315,527	0	287,138
310725	16,976	76,620	134,365	0	5,605
320744	16,107	58,844	116,905	0	81,945
320756	17,697	158,179	142,471	0	16,311
320777	27,570	75,352	124,394	1	113,420
320818	811,912	2,490,342	2,116,512	87,991	1,217,153
330842	348,000	427,000	496,000	0	30,000
330848	7,442	13,803	26,151	0	3,876
330881	252,238	603,319	800,853	1	1,741,542
330889	33,759	155,727	130,633	13,305	50,840
330896	8,010	51,108	70,832	0	119,491
330944	312,442	78,212	313,555	28	301,839
330951	30,000	125,000	103,644	0	1,000
330960	78,000	248,240	326,000	1,000	135,000
341050	30,546	125,125	227,848	0	90,404
341087	41,519	89,361	36,288	772	32,158
351146	12,954	43,165	23,380	0	13,956
351160	77,873	44,675	139,583	0	31,568
351168	116,344	250,274	431,494	0	96,559
351189	49,825	18,411	119,448	0	17,069
351213	19,409	50,040	135,246	3,426	0

APPENDIX C1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Depreciation &amp; Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
140053	120,833	0	71,994	136,644	0
150076	150,366	18,677	107,590	266,609	0
150125	891,419	25,537	665,156	872,288	7,365
170195	98,159	977	57,038	169,934	0
170197	151,972	0	134,875	171,460	1,367
170210	199,187	1,942	39,207	152,633	1,229
190237	313,026	0	143,208	111,780	0
190253	370,598	256,439	308,690	279,934	3,358
220375	1,555,504	260,661	540,143	722,595	8,287
230491	19,226,610	1,693,400	8,893,024	5,016,325	90,270
230511	7,265,855	151,069	2,373,167	1,798,497	32,747
240516	4,163,917	192,393	1,650,789	2,050,304	23,196
240532	83,765	9,768	55,104	76,894	746
240541	528,200	21,188	221,629	204,128	2,992
240546	2,091,556	19,542	333,451	1,766,538	0
250311	470,266	83,814	267,298	307,377	3,121
250312	835,134	8,435	281,578	507,732	0
260398	4,185,233	0	1,883,347	2,904,311	25,123
260419	1,224,218	20,120	616,529	1,414,946	8,922
287449	202,373	29,811	50,677	123,245	0
290554	2,107,053	114,953	773,277	1,145,597	0
300591	133,301	0	136,133	261,803	0
300614	127,569	1,224	81,330	204,991	0
300634	702,096	14,194	16,191	609,053	0
300645	191,224	46,539	101,162	157,651	1,301
300650	96,465	0	41,224	186,501	0
300651	50,236	0	42,245	34,519	0
310676	935,613	500	506,337	690,422	6,406
310725	193,097	0	114,450	187,005	1,389
320744	263,471	56,976	151,938	203,036	1,899
320756	227,238	480	90,105	219,283	1,680
320777	403,194	88,117	236,580	296,903	2,770
320818	6,124,827	97,496	993,790	3,438,273	34,634
330842	750,000	7,000	428,000	602,000	0
330848	130,928	54	41,639	57,760	0
330881	5,068,747	1,213,530	2,016,163	3,754,688	29,755
330889	394,557	5,220	70,232	324,672	2,292
330896	418,249	0	262,936	285,827	2,347
330944	1,394,191	77,211	594,161	425,302	0
330951	464,485	4,000	122,000	135,000	0
330960	1,353,000	32,000	684,000	181,124	0
341050	870,046	0	212,792	517,514	0
341087	150,109	0	133,990	181,774	1,242
351146	83,716	0	37,784	99,208	590
351160	399,739	85,176	139,232	360,617	2,501
351168	1,129,548	75,621	218,654	439,998	5,257
351189	160,214	30,105	116,021	108,251	0
351213	270,084	4,754	43,136	258,073	0

APPENDIX C1  
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2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
140053	1,675	13	0	19,860	33,859	39,394
150076	4,709	36	0	58,058	0	45,475
150125	1,786	14	0	187,480	0	255,598
170195	0	0	0	22,405	-351	10,909
170197	22,011	170	0	39,441	34,585	70,373
170210	22,389	173	0	65,102	0	49,572
190237	6	0	0	150,372	0	30,962
190253	61,200	472	10,434	232,855	52,101	85,156
220375	266,841	2,060	122,802	448,381	171,957	288,492
230491	77,825	601	13,939,853	4,205,520	1,622,405	2,882,150
230511	0	0	5,144,410	0	0	0
240516	5,157,837	39,814	933,271	907,056	149,178	882,391
240532	419,843	3,241	16,732	19,821	3,456	24,970
240541	1,053,822	8,135	76,807	142,617	22,310	75,371
240546	57,437	443	0	714,323	0	52,550
250311	98,133	758	26,361	115,505	97,078	150,673
250312	0	0	0	193,901	204,374	455,145
260398	248,887	1,921	0	834,856	521,562	966,787
260419	303,410	2,342	160,000	359,701	322,665	489,647
287449	837	6	0	70,515	12,430	46,729
290554	753,355	5,815	993,168	1,034,263	0	143,397
300591	0	0	0	47,803	13,132	32,527
300614	0	0	0	49,017	0	35,530
300634	0	0	0	209,959	0	162,134
300645	34,628	267	0	46,982	9,514	47,749
300650	26,388	204	0	54,964	0	21,809
300651	0	0	0	11,693	0	7,657
310676	78,657	607	294,375	144,376	62,766	304,082
310725	1,000	8	0	55,337	0	24,741
320744	306	2	13,270	122,719	37,272	78,459
320756	53	0	56,661	87,684	18,157	38,628
320777	37,566	290	17,463	143,296	76,063	132,843
320818	2,008	16	0	1,303,596	962,604	1,397,745
330842	0	0	0	126,742	1,004,000	1,004,000
330848	1,217	9	0	42,201	2,374	18,790
330881	0	0	1,541,140	1,095,976	268,428	606,512
330889	0	0	0	87,504	25,121	63,138
330896	0	0	0	113,652	0	50,400
330944	0	0	0	278,668	307,993	459,517
330951	0	0	0	77,331	391,000	391,000
330960	305,641	2,359	0	516,222	0	176,233
341050	0	0	0	207,100	132,991	145,279
341087	25	0	0	57,624	3,522	7,175
351146	1,969	15	0	25,794	-11,319	5,180
351160	5,561	43	0	74,817	44,043	77,272
351168	375,365	2,897	0	364,812	-32,991	87,971
351189	161,320	1,245	0	37,388	0	34,303
351213	95,196	735	0	47,159	29,112	68,881

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 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
140053	0	54	0	N	N
150076	30,794	158	82,860	N	N
150125	0	512	-50,449	N	N
170195	0	61	20,421	N	N
170197	15,639	108	-11,585	N	N
170210	0	178	132,662	N	N
190237	0	410	0	N	N
190253	0	635	106,478	N	N
220375	8,118	1,224	412,465	N	N
230491	49,162	11,477	1,040,381	N	N
230511	166,996	4,036	0	Y	Y
240516	0	2,475	0	N	N
240532	0	54	0	N	N
240541	0	389	0	N	N
240546	0	1,949	0	N	N
250311	0	315	-130,423	N	N
250312	0	529	0	N	N
260398	0	2,278	0	N	N
260419	0	982	0	N	N
287449	0	192	88,344	N	N
290554	18,590	2,822	0	N	N
300591	0	130	124	N	N
300614	0	134	0	N	N
300634	0	573	0	N	N
300645	7	128	2,117	N	N
300650	0	150	0	N	N
300651	0	32	0	N	N
310676	0	394	0	N	N
310725	0	151	-17,931	N	N
320744	0	335	126,104	N	N
320756	0	239	117,199	N	N
320777	0	391	54,531	N	N
320818	0	3,557	0	N	N
330842	0	346	0	N	N
330848	0	115	1,711	N	N
330881	33,672	2,991	359,786	N	N
330889	0	239	0	N	N
330896	0	310	0	N	N
330944	3,551	760	-69,905	N	N
330951	83,000	211	0	N	N
330960	0	1,409	0	N	N
341050	0	565	-28,780	N	N
341087	0	157	4,745	N	N
351146	0	70	0	N	N
351160	0	204	0	N	N
351168	0	996	0	N	N
351189	0	102	0	N	N
351213	0	129	0	N	N

APPENDIX C1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
351220	571,084	1,452,041	2,734,506	0	0	17,062
351243	38,574	202,816	109,760	0	0	0
351251	1,254,746	2,222,291	3,980,324	0	227	17,348
351252	4,049,126	4,816,398	8,006,658	0	26,638	70,093
351271	1,128,247	3,034,628	1,887,373	0	0	24,794
351283	306,451	840,039	613,184	0	0	7,407
351291	2,969,691	2,221,661	3,770,362	0	0	155,697
351298	17,041,094	27,021,857	17,317,469	0	0	314,860
351301	768,262	1,226,810	970,392	0	0	10,782
351305	1,142,474	568,971	908,130	0	243	24,517
351319	1,396,553	2,429,841	2,392,604	0	0	55,810
351320	704,325	384,592	1,679,132	0	0	14,263
351328	3,639,585	9,783,612	9,328,472	0	0	211,852
351331	2,936,760	5,763,647	9,095,995	0	0	70,363
351337	4,529,892	16,728,405	14,367,344	0	1,424,016	351,287
351343	391,126	772,688	870,879	0	0	11,112
361362	2,027,932	10,557,656	10,558,299	261,351	175,802	91,408
361373	5,501,238	11,237,431	18,706,920	0	0	55,926
361384	37,425	284,387	378,036	0	0	0
361403	61,951	300,771	981,997	0	0	0
361409	7,459,810	10,944,938	14,895,018	0	0	480,909
361412	2,480,558	4,251,706	6,358,539	0	1,387	92,362
361422	763,704	2,483,311	6,862,515	0	0	200,818
361425	773,570	905,838	1,649,403	0	0	13,114
361431	888,472	2,269,326	6,074,752	0	0	0
361443	6,123,358	10,207,747	18,232,321	0	3,988	268,829
361494	618,392	1,439,438	2,467,169	0	0	11,018
371555	1,008,257	2,401,338	6,789,350	5,000	0	55,246
371561	409,219	1,262,142	2,140,122	0	9,574	23,044
371590	28,750	263,049	164,840	0	0	1,746
383303	17,065,086	40,140,543	51,934,981	0	752,664	602,634
391650	4,847,378	14,774,546	10,041,397	0	0	400,859
391660	2,394,503	7,390,785	12,440,044	0	0	32,916
391669	1,941,399	6,195,288	5,565,978	0	0	67,757
391674	1,675,624	6,580,965	10,899,781	0	3,725	66,357
391677	1,869,013	8,522,653	9,895,867	0	532	123,318
391684	852,002	1,413,465	2,462,527	0	0	42,145
401712	1,401,545	8,476,992	7,380,146	0	0	61,890
421893	347,629	376,680	1,050,945	0	0	8,039
431704	374,751	1,298,463	1,900,962	0	0	124
431704	374,751	1,298,463	1,900,962	0	0	124
431968	1,198,469	2,350,637	3,644,093	0	250	81,675
442038	840,576	1,413,824	1,121,092	0	0	0
462206	72,055	173,530	65,931	0	0	975
502282	2,578,747	5,776,060	3,455,258	0	0	17,890
532399	5,311,044	10,366,482	11,558,971	0	0	159,693
613026	46,221	192,631	105,936	0	0	1,410



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<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
351220	10,675	0	34,382	3,332,690	48,453	0
351243	0	0	2,679	295,269	29,271	0
351251	0	0	18,398	4,777,679	408,924	3,751
351252	6,623	0	92,017	8,439,347	1,283,277	-8,368
351271	220,944	0	15,024	4,478,377	0	0
351283	0	0	10,167	914,371	0	0
351291	67,069	0	50,595	5,525,138	0	10,527
351298	5,207,164	0	141,029	31,570,719	0	19,114
351301	0	0	18,389	1,744,790	0	4,453
351305	0	0	13,972	1,781,352	87,513	0
351319	0	0	56,838	4,058,936	479,148	1,308
351320	321,889	0	18,813	1,235,176	0	1,074
351328	2,738,979	0	32,833	15,365,264	0	0
351331	25,680	0	47,064	9,177,511	1,741,838	14,989
351337	5,550,921	0	60,471	17,898,627	0	0
351343	0	0	11,805	980,497	212,793	0
361362	428,384	0	118,891	13,259,600	1,423,981	20,344
361373	56,257	0	124,310	20,074,461	0	0
361384	0	0	4,706	472,776	0	0
361403	3,370	0	15,177	1,069,538	86,473	17,124
361409	0	0	220,239	18,665,523	0	26,806
361412	140,652	0	58,976	6,026,461	0	2,919
361422	0	0	19,053	4,048,763	0	612
361425	0	0	30,057	2,193,388	53,527	10,312
361431	0	0	32,042	6,426,622	175,111	807
361443	15,467	0	97,227	25,517,005	163,843	37,448
361494	0	0	26,586	1,830,180	0	40,476
371555	0	0	109,782	6,972,279	485,500	22,051
371561	0	0	8,398	2,641,003	0	0
371590	0	0	1,343	359,338	0	0
383303	2,163,030	0	363,182	83,108,892	0	21,971
391650	546,500	0	137,655	20,755,356	0	26,341
391660	1,153	0	70,615	14,796,714	0	163,167
391669	244,254	0	51,590	8,608,711	0	3,972
391674	1,050,646	0	53,274	10,070,077	515,213	4,569
391677	296,871	0	73,523	15,508,143	659,064	22,933
391684	28,789	0	26,311	3,268,775	33,127	10,168
401712	9,054	0	57,774	13,329,606	1,124,243	0
421893	36,156	0	17,008	884,831	106,642	0
431704	19,376	0	17,088	2,660,373	0	0
431704	19,376	0	17,088	2,660,373	0	0
431968	1,437	0	36,266	3,410,537	539,597	917
442038	0	0	19,592	2,797,294	0	92,895
462206	0	0	2,317	223,788	0	121
502282	0	0	59,318	4,316,698	773,023	15,748
532399	378,673	0	92,167	13,772,625	685,185	0
613026	0	0	5,490	225,616	24,887	0

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<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
351220	12,543	63,816	144,618	0	8,773
351243	1,620	26,383	8,702	941	3,945
351251	54,146	119,583	195,533	262	20,146
351252	74,264	214,008	216,297	11,461	87,990
351271	42,223	33,681	172,716	0	17,307
351283	10,480	14,264	50,510	0	13,373
351291	75,719	88,334	122,522	0	49,996
351298	338,877	789,018	698,928	74	204,166
351301	19,833	61,456	66,090	0	99,440
351305	22,277	26,548	28,761	0	16,310
351319	86,634	114,610	359,237	0	119,097
351320	45,802	64,134	64,367	0	23,623
351328	201,626	108,293	467,848	0	117,281
351331	122,929	276,111	375,031	404	71,166
351337	139,734	484,127	361,880	0	207,380
351343	32,234	36,158	58,419	0	15,735
361362	121,832	388,086	191,838	0	495,819
361373	296,016	479,471	236,724	5,763	376,049
361384	4,100	6,995	25,621	0	6,543
361403	11,706	113,707	126,034	0	2,879
361409	545,222	441,277	1,018,302	0	307,164
361412	123,779	154,515	294,660	1,961	95,234
361422	36,840	41,588	135,429	1,234	34,010
361425	64,750	69,114	58,808	0	33,090
361431	41,378	195,998	265,526	69	93,368
361443	147,739	148,581	608,611	10,330	503,750
361494	35,230	26,496	40,185	5,391	102,317
371555	82,937	910,007	289,784	0	226,560
371561	8,722	44,191	38,259	0	6,160
371590	0	9,730	231	0	712
383303	1,348,366	1,685,948	2,311,857	0	3,031,450
391650	285,337	571,864	964,642	97,355	297,020
391660	176,517	484,206	284,060	0	67,795
391669	36,826	133,709	415,048	0	86,398
391674	39,611	223,117	356,331	108	66,523
391677	58,507	242,665	419,941	48	241,263
391684	47,631	82,512	254,590	255	22,040
401712	57,232	315,873	348,175	0	32,413
421893	87,247	43,119	68,678	0	32,893
431704	11,466	50,998	73,829	0	94,858
431704	11,466	50,998	73,829	0	94,858
431968	31,808	99,550	152,493	0	38,061
442038	0	44,924	103,067	0	23,949
462206	0	250	46	0	7,510
502282	94,845	235,020	148,166	0	59,831
532399	180,313	297,053	370,177	0	413,976
613026	12,510	16,473	13,755	0	6,097

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<u>Study Area Code</u>	<u>Depreciation &amp; Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
351220	195,141	368	111,408	494,831	0
351243	28,912	0	36,420	10,813	0
351251	552,137	8,572	105,748	177,183	2,664
351252	695,983	55,024	197,540	554,924	4,118
351271	498,947	0	146,549	349,837	0
351283	135,226	1,405	78,074	142,080	0
351291	722,100	173,816	18,973	989,875	4,330
351298	4,269,838	402,419	751,545	964,924	16,110
351301	261,189	327	95,534	274,595	0
351305	138,028	0	138,816	167,661	0
351319	347,941	3,000	182,641	379,968	3,680
351320	163,271	3,228	80,144	209,187	0
351328	1,607,784	0	245,408	554,677	6,421
351331	1,258,242	72,287	229,388	800,731	6,239
351337	2,988,128	223,962	539,402	985,245	11,463
351343	126,400	0	87,960	106,197	922
361362	1,518,664	434,687	677,727	1,058,950	9,728
361373	2,193,580	246,629	594,462	1,548,927	11,163
361384	37,012	7,606	16,524	72,554	0
361403	115,993	7,106	94,185	87,282	0
361409	2,180,472	173,815	1,458,790	2,413,584	0
361412	932,000	45,879	479,004	676,880	5,393
361422	483,163	0	181,561	141,075	0
361425	226,655	489	174,446	439,684	2,017
361431	554,811	29,187	210,178	286,712	3,256
361443	1,906,677	50,584	637,644	959,451	9,786
361494	323,288	2,810	74,614	341,954	0
371555	441,513	84,886	375,931	820,485	6,309
371561	277,588	0	65,242	242,135	0
371590	31,798	0	11,364	33,865	0
383303	6,277,230	338,814	2,522,578	1,052,505	34,936
391650	1,921,363	213,746	1,008,702	1,239,217	0
391660	1,242,804	78,980	382,916	610,215	0
391669	894,582	31,793	205,966	547,277	0
391674	1,176,838	44,495	180,334	620,978	5,289
391677	1,366,657	13,338	356,977	688,986	0
391684	358,446	6,065	162,598	252,870	0
401712	929,251	6,344	466,583	553,320	0
421893	100,507	930	68,688	153,715	1,062
431704	182,959	0	25,940	263,565	0
431704	182,959	0	25,940	263,565	0
431968	354,620	0	126,611	408,217	0
442038	321,829	1,511	74,843	372,075	2,014
462206	10,742	0	10,773	39,397	0
502282	742,666	47,160	278,471	526,309	0
532399	1,653,810	187,359	479,156	1,111,621	9,084
613026	24,828	0	24,775	79,341	0

APPENDIX C1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
351220	0	0	0	64,320	61,705	130,915
351243	0	0	0	1,219	1,333	4,062
351251	308	2	0	104,807	117,933	206,827
351252	1,109,672	8,566	950,234	293,167	-34,427	123,998
351271	12,128	94	0	83,255	6,600	6,600
351283	0	0	0	39,058	8,424	33,266
351291	157,060	1,212	0	167,616	41,966	94,007
351298	1,613,247	12,453	0	1,618,367	0	280,321
351301	0	0	0	56,407	0	30,370
351305	12,793	99	0	35,509	13,231	29,229
351319	1,093	8	0	79,551	95,602	399,966
351320	26,779	207	0	85,611	0	16,875
351328	53,245	411	0	473,496	9,506	177,124
351331	0	0	1,005,215	273,358	8,086	160,086
351337	197,312	1,523	1,254,500	1,024,873	12,163	281,414
351343	0	0	0	39,049	17,949	36,875
361362	226,002	1,745	15,084	422,613	293,132	362,900
361373	654,597	5,053	217,218	699,262	0	67,476
361384	4	0	0	10,401	0	1,141
361403	114	1	0	8,798	16,338	16,338
361409	139,665	1,078	0	692,349	231,045	320,740
361412	34,455	266	0	335,358	102,481	114,481
361422	27,758	214	0	286,812	38,516	59,077
361425	39,434	304	0	50,157	8,140	15,520
361431	540	4	0	120,504	71,949	86,637
361443	447,588	3,455	0	419,888	238,087	289,983
361494	165,341	1,276	0	123,941	0	11,122
371555	0	0	0	128,319	110,000	165,241
371561	16	0	0	54,669	0	22,398
371590	0	0	0	4,537	1,241	4,030
383303	1,279,205	9,874	3,716,186	1,148,843	0	335,016
391650	559,727	4,321	85,627	0	0	5,779
391660	1,195	9	0	342,353	127,410	367,778
391669	309,429	2,389	41,982	245,697	0	133,160
391674	334,622	2,583	0	444,640	0	135,656
391677	645,099	4,980	0	207,978	15,000	257,410
391684	0	0	0	68,571	0	91,203
401712	0	0	0	131,725	385,296	423,061
421893	0	0	0	37,925	8,517	20,018
431704	819	6	0	42,750	0	34,419
431704	819	6	0	42,750	0	34,419
431968	115,274	890	0	152,355	11,781	110,682
442038	194	1	0	26,484	0	56,538
462206	0	0	0	4,063	0	4,948
502282	374,936	2,894	0	308,644	15,949	96,099
532399	28,446	220	487,740	587,646	230,095	230,095
613026	0	0	0	4,383	0	1,062

APPENDIX C1  
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 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
351220	0	176	0	N	N
351243	0	3	0	N	N
351251	0	286	0	N	N
351252	0	800	346,933	N	N
351271	0	227	0	N	N
351283	0	107	0	N	N
351291	4,231	457	0	N	N
351298	22,799	4,416	0	N	N
351301	0	154	0	Y	N
351305	0	97	0	N	N
351319	0	217	0	N	N
351320	0	234	0	N	N
351328	54,818	1,292	0	N	N
351331	0	746	122,365	N	N
351337	0	2,797	0	N	N
351343	0	107	0	N	N
361362	0	1,153	108,592	N	N
361373	13,045	1,908	0	N	N
361384	0	28	0	Y	N
361403	0	24	0	N	N
361409	0	1,889	0	N	N
361412	19,608	915	0	N	N
361422	0	783	0	N	N
361425	0	137	0	N	N
361431	0	329	0	N	N
361443	0	1,146	0	N	N
361494	0	338	0	N	N
371555	0	350	24,000	N	N
371561	0	149	0	N	N
371590	0	12	0	N	N
383303	131,176	3,135	0	N	N
391650	0	1,221	0	N	Y
391660	0	934	0	N	N
391669	0	670	0	N	N
391674	0	1,213	0	N	N
391677	0	568	0	N	N
391684	0	187	0	N	N
401712	0	359	0	N	N
421893	0	103	2,804	N	N
431704	0	117	0	Y	N
431704	0	117	0	Y	N
431968	9,051	416	0	N	N
442038	0	72	0	N	N
462206	0	11	0	N	N
502282	0	842	50,683	N	N
532399	0	1,604	0	N	N
613026	0	12	0	N	N

APPENDIX C2  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
140053	317,379	510,834	972,420	0	0	0
150076	281,597	1,103,934	1,210,026	0	0	0
150125	1,996,805	6,059,878	7,804,070	0	0	347,214
170195	158,852	759,404	427,790	0	0	0
170197	311,026	1,572,715	1,196,378	0	0	65,084
170210	662,692	2,439,064	2,081,848	0	651	106,770
190237	1,050,511	1,967,787	2,857,812	0	0	43,991
190253	955,752	5,424,515	3,424,548	49,056	2,428,280	29,247
220375	2,136,176	9,672,350	15,031,890	177,310	132,071	38,894
230491	22,481,426	151,281,551	146,497,992	0	9,153,845	969,757
230511	9,993,689	24,590,327	41,029,955	128,911	0	702,236
240516	7,193,333	28,185,924	25,529,625	509,040	0	203,787
240532	46,256	495,074	493,031	0	0	0
240541	244,412	3,569,427	4,084,134	0	0	0
240546	3,304,820	11,200,762	23,009,457	0	0	231,749
250311	804,970	2,888,619	5,318,797	39,054	109,319	21,382
250312	3,069,576	3,219,446	5,283,242	0	0	389,042
260398	16,095,931	25,396,409	22,031,449	0	0	1,800,181
260419	5,836,669	9,192,301	9,436,196	0	4,153	232,242
287449	37,219	2,278,679	1,611,221	0	740,784	0
290554	5,002,421	10,355,690	26,916,582	222,456	3,693	1,189,914
300591	335,100	718,397	1,434,774	0	0	72,400
300614	465,678	1,611,565	1,010,776	0	0	87,018
300634	763,172	3,901,287	5,457,918	0	2,106	55,443
300645	476,158	787,456	1,655,530	0	21,228	0
300650	611,976	1,207,222	1,624,577	0	0	3,378
300651	111,662	443,666	220,506	0	0	0
310676	1,438,228	5,456,566	10,328,073	0	0	80,961
310725	544,124	1,217,800	1,711,186	0	0	9,666
320744	466,656	1,639,300	3,062,019	62,371	51,928	9,021
320756	1,205,481	1,118,762	1,549,208	0	0	93,072
320777	766,399	2,458,152	3,926,341	0	46,422	23,416
320818	11,300,495	27,282,963	51,481,628	373,685	0	293,533
330842	1,227,000	4,334,000	8,030,000	0	0	65,000
330848	190,637	279,072	1,085,352	0	0	0
330881	6,924,549	24,986,893	39,807,115	30,778	415,494	100,746
330889	1,175,072	1,588,743	3,723,195	0	0	5,194
330896	1,837,000	2,280,000	3,815,000	0	0	29,397
330944	1,294,855	11,064,069	10,294,654	0	0	19,815
330951	259,000	2,644,000	3,887,000	0	0	0
330960	2,420,000	6,994,000	9,400,000	0	92,000	30,000
341050	1,748,306	3,836,954	7,284,877	0	0	121,083
341087	528,780	917,526	1,879,223	0	8,149	29,633
351146	290,353	788,235	887,651	0	0	23,334
351160	1,787,991	2,301,643	873,514	0	0	62,670
351168	2,560,926	7,824,491	6,554,767	0	0	65,134
351189	1,066,234	622,176	923,064	0	746	18,118
351213	333,363	1,038,130	2,245,425	0	0	0

APPENDIX C2  
2008 MODIFICATION OF AVERAGE SCHEDULES  
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<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
140053	0	0	13,845	1,284,759	0	33,052
150076	0	0	24,546	1,188,766	278,092	222
150125	0	0	98,989	11,501,473	444,356	1,429
170195	0	0	13,224	730,107	221,858	0
170197	60,429	0	21,583	2,156,927	236,769	0
170210	0	0	13,450	3,686,975	497,265	22,107
190237	151,835	0	20,567	2,917,440	0	0
190253	203,998	0	60,715	3,701,283	1,085,653	6,437
220375	717,210	0	104,402	16,466,966	1,456,263	12,232
230491	1,457,563	0	836,133	206,736,576	10,595,157	4,147
230511	1,221,238	0	230,615	41,155,826	0	0
240516	207,109	0	419,083	38,997,622	2,653,496	0
240532	0	0	25,024	554,101	93,824	0
240541	0	0	64,237	4,426,135	554,660	0
240546	656,153	0	133,283	22,656,108	0	18,249
250311	33,295	0	36,786	6,918,463	32,488	6,755
250312	65,338	0	62,694	4,568,657	3,223,746	350
260398	51,127	0	249,459	51,927,125	-2,896,173	40,265
260419	0	0	117,855	15,404,637	1,074,000	14,125
287449	1,005	0	10,210	2,146,250	371,496	312
290554	617,007	0	174,782	21,636,710	0	0
300591	28,269	0	23,870	1,431,487	167,294	13,487
300614	96,797	0	22,515	1,697,889	176,567	13,908
300634	0	0	40,506	6,141,945	0	0
300645	852	0	16,834	1,744,934	166,340	6,501
300650	309,214	0	15,728	2,512,775	0	0
300651	13,000	0	3,511	484,421	0	0
310676	132,849	0	75,482	14,429,346	4,911	12,037
310725	121,093	0	18,784	2,022,332	163,808	0
320744	2,354	0	28,231	1,944,080	713,264	2,823
320756	148,354	0	28,154	1,496,473	509,632	0
320777	22,154	0	36,398	3,547,831	464,618	2,885
320818	5,410,945	0	434,973	63,009,379	3,872,334	228
330842	0	0	126,097	11,297,000	0	83,000
330848	32,640	0	2,908	679,030	78,844	0
330881	1,471,197	0	323,078	43,735,045	4,955,506	62,856
330889	0	0	24,018	4,417,370	404,713	0
330896	0	0	15,557	5,609,749	42,577	4,613
330944	354,551	0	64,579	16,730,598	617,866	2,596
330951	0	37,000	25,575	5,175,190	216,000	1,000
330960	41,000	3,848,000	56,888	12,244,000	380,000	360
341050	0	0	27,400	8,084,944	619,575	59
341087	0	0	18,790	2,120,633	114,749	0
351146	0	0	8,316	1,304,464	95,120	0
351160	693,630	0	26,436	2,986,690	522,655	440
351168	314,628	0	52,752	9,844,946	215,168	89
351189	0	0	23,526	1,886,997	0	1,950
351213	0	0	17,033	1,808,620	685,874	15,567

APPENDIX C2  
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2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
140053	37,480	33,682	32,852	0	29,468
150076	76,181	75,167	39,828	608	96,635
150125	229,011	454,957	269,746	64,523	300,403
170195	35,483	31,025	14,906	25	27,386
170197	42,336	80,946	104,629	0	13,962
170210	22,554	51,873	66,374	2,468	24,069
190237	59,484	117,651	135,538	5,139	42,401
190253	51,456	179,911	158,288	0	157,300
220375	50,520	159,273	665,084	0	497,786
230491	2,180,868	5,845,321	5,210,227	0	4,239,135
230511	535,513	1,949,010	1,806,234	0	2,000,643
240516	1,229,158	585,721	574,269	68,052	951,621
240532	69,871	37,269	23,085	1,968	36,338
240541	233,919	58,639	147,142	6,769	139,241
240546	217,546	642,097	838,180	0	531,949
250311	22,924	87,385	153,323	0	164,287
250312	175,972	238,012	342,995	0	110,117
260398	798,853	908,950	895,275	0	709,167
260419	218,138	305,308	349,572	0	160,885
287449	1,944	28,034	44,943	0	60,083
290554	472,099	379,924	1,212,704	93	317,886
300591	14,239	156,121	48,712	7,306	0
300614	22,992	81,247	61,271	0	49,601
300634	5,970	79,718	362,992	0	123,915
300645	7,630	23,133	29,103	0	94,312
300650	12,607	40,332	87,122	0	7,353
300651	2,900	22,430	25,300	0	3,840
310676	144,664	286,889	351,736	0	336,381
310725	34,073	68,625	135,748	0	9,386
320744	19,848	61,695	130,269	0	100,334
320756	19,062	157,329	281,049	0	12,358
320777	29,268	86,454	90,252	1	128,058
320818	1,107,335	2,652,264	2,337,110	2,433	1,321,614
330842	367,000	450,000	521,000	0	40,000
330848	17,937	12,534	3,255	0	3,347
330881	341,961	775,175	732,760	0	1,982,175
330889	43,829	172,949	159,263	135	55,617
330896	18,351	59,036	82,649	0	121,755
330944	299,641	98,521	411,822	1	367,215
330951	35,000	139,000	98,578	0	1,000
330960	84,000	267,110	351,500	3,000	146,000
341050	26,053	148,133	214,965	0	66,195
341087	41,678	93,643	26,259	680	33,500
351146	17,372	47,156	16,117	0	15,008
351160	108,244	38,757	121,219	0	37,705
351168	94,751	211,361	420,325	0	102,417
351189	56,698	16,409	109,372	0	18,642
351213	17,664	50,912	123,680	0	0



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<u>Study Area Code</u>	<u>Depreciation &amp; Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
140053	108,780	0	74,243	137,667	0
150076	153,439	16,174	104,709	252,329	1,566
150125	927,892	26,782	680,248	853,253	7,490
170195	103,558	2,040	64,102	177,521	0
170197	152,169	0	126,523	174,765	1,423
170210	188,260	1,942	34,876	182,291	1,203
190237	302,958	0	151,372	127,397	0
190253	384,182	294,423	336,918	302,240	3,633
220375	1,601,349	279,922	592,260	992,068	9,521
230491	20,224,957	1,753,549	9,071,681	5,415,435	90,270
230511	5,036,151	146,011	2,321,106	1,856,598	28,877
240516	3,769,503	303,631	1,687,078	2,565,803	23,391
240532	84,901	7,867	43,909	59,253	727
240541	576,228	24,180	178,551	206,534	3,074
240546	2,174,556	35,947	356,429	1,952,849	0
250311	479,847	89,420	229,088	338,275	3,159
250312	878,414	9,438	316,147	596,341	0
260398	4,298,985	9	2,142,433	2,986,257	25,215
260419	1,291,853	24,653	592,503	1,338,260	8,926
287449	214,257	29,324	56,738	131,533	0
290554	2,290,794	114,873	753,240	1,241,314	0
300591	110,482	0	127,675	252,741	0
300614	143,726	5,567	77,288	280,728	0
300634	715,770	18,385	13,835	640,042	0
300645	168,873	37,113	86,202	172,724	1,262
300650	113,200	0	32,632	196,612	0
300651	52,810	0	41,480	24,701	0
310676	1,038,632	6,682	485,918	770,829	0
310725	201,230	163	121,343	187,192	1,449
320744	280,686	58,802	153,618	216,666	2,079
320756	261,642	1,372	90,785	247,191	2,052
320777	432,013	90,837	232,241	330,381	2,921
320818	4,967,225	186,554	989,754	4,100,872	35,278
330842	583,000	8,000	374,000	592,000	0
330848	131,608	0	34,028	74,387	0
330881	5,335,263	1,634,034	1,829,972	3,780,479	32,182
330889	394,074	7,253	80,101	308,470	2,386
330896	571,107	0	231,495	273,536	2,605
330944	1,329,121	61,746	586,142	383,825	0
330951	443,135	4,000	126,000	145,000	0
330960	1,293,000	17,000	684,000	234,421	0
341050	882,098	12	172,632	572,257	0
341087	155,690	0	142,587	214,633	1,321
351146	89,076	0	38,417	107,304	649
351160	421,584	90,833	146,822	377,846	2,521
351168	1,133,965	53,175	237,735	461,259	5,209
351189	157,623	43,010	109,841	124,334	0
351213	271,244	2,907	42,438	205,214	0

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<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
140053	1,675	13	0	23,630	34,134	41,862
150076	2,198	17	0	51,700	0	33,267
150125	1,786	14	0	195,227	0	251,231
170195	0	0	0	19,357	7,599	20,379
170197	19,724	152	0	37,191	37,587	75,751
170210	0	0	0	50,666	0	54,988
190237	44	0	0	144,491	0	19,497
190253	30,253	234	6,907	242,458	70,903	97,590
220375	125,337	967	76,915	447,683	176,531	308,884
230491	102,038	788	14,460,024	4,190,123	1,129,531	2,456,500
230511	0	0	6,249,204	0	0	0
240516	4,168,837	32,180	609,345	896,327	154,160	898,044
240532	368,994	2,848	6,700	17,977	4,655	26,135
240541	920,933	7,109	33,500	132,087	22,752	84,004
240546	46,995	363	0	721,361	0	54,189
250311	41,632	321	18,212	97,883	84,807	140,582
250312	0	0	0	193,949	170,975	420,104
260398	227,316	1,755	0	748,643	427,475	884,712
260419	249,632	1,927	453,182	355,702	387,917	540,976
287449	0	0	0	64,602	12,117	45,015
290554	774,986	5,982	352,405	1,022,135	0	251,756
300591	0	0	0	45,433	7,685	24,733
300614	2,258	17	0	64,007	0	32,545
300634	0	0	0	184,863	0	227,075
300645	16,074	124	0	46,204	25,659	58,123
300650	16,047	124	0	56,963	0	36,976
300651	0	0	0	13,944	0	3,600
310676	35,410	273	308,591	123,391	50,138	321,083
310725	7,744	60	0	64,939	0	27,465
320744	1,483	11	12,233	117,817	51,885	101,872
320756	34	0	56,661	93,997	16,183	41,244
320777	17,888	138	12,006	145,294	72,371	160,809
320818	18,866	146	0	1,340,323	1,005,257	1,455,257
330842	0	0	0	108,054	1,108,000	1,108,000
330848	1,133	9	0	38,010	977	17,629
330881	0	0	1,612,755	1,054,337	472,999	967,995
330889	0	0	0	76,500	34,817	71,788
330896	0	0	0	105,767	0	49,569
330944	0	0	0	260,148	320,080	428,166
330951	0	0	0	66,271	449,000	449,000
330960	266,939	2,061	0	463,042	0	158,625
341050	0	0	0	196,352	129,716	151,648
341087	59	0	0	51,291	60	7,111
351146	1,251	10	0	27,024	4,940	21,060
351160	15,895	123	0	101,234	-11,824	23,054
351168	392,468	3,030	0	332,536	-9,909	105,373
351189	176,703	1,364	0	34,015	0	39,009
351213	90,300	697	0	53,334	42,085	83,547

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<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
140053	0	64	0	N	N
150076	222	141	19,770	N	N
150125	0	533	-174,692	N	N
170195	0	53	-16,917	N	N
170197	41,604	101	-10,492	N	N
170210	0	138	53,049	N	N
190237	0	394	0	N	N
190253	0	662	54,029	N	N
220375	0	1,222	-101,732	N	N
230491	54,222	11,435	-1,888,630	N	N
230511	173,929	3,783	0	Y	Y
240516	0	2,446	0	N	N
240532	0	49	0	N	N
240541	0	360	0	N	N
240546	0	1,969	0	N	N
250311	0	267	-63,695	N	N
250312	0	529	0	N	N
260398	0	2,043	0	N	N
260419	0	971	114,000	N	N
287449	0	176	37,966	N	N
290554	11,841	2,789	0	N	N
300591	0	124	1,259	N	N
300614	0	175	0	N	N
300634	0	504	0	N	N
300645	0	126	-19,493	N	N
300650	0	155	0	N	N
300651	0	38	0	N	N
310676	0	337	0	N	N
310725	0	177	-21,022	N	N
320744	0	322	-5,233	N	N
320756	0	257	49,768	N	N
320777	0	397	-35,424	N	N
320818	0	3,658	0	N	N
330842	0	295	0	N	N
330848	0	104	16,121	N	N
330881	0	2,877	-656,852	N	N
330889	0	209	0	N	N
330896	0	289	0	N	N
330944	3,638	710	-280,751	N	N
330951	132,000	181	0	N	N
330960	0	1,264	0	N	N
341050	0	536	-77,068	N	N
341087	0	140	757	N	N
351146	0	74	0	N	N
351160	0	276	0	N	N
351168	0	907	0	N	N
351189	0	93	0	N	N
351213	0	146	0	N	N

APPENDIX C2  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
351220	572,453	1,799,022	2,772,277	0	0	31,877
351243	41,200	211,104	109,760	0	0	0
351251	1,275,299	2,567,340	4,016,093	0	227	16,279
351252	4,156,566	5,033,331	8,041,693	0	30,381	90,143
351271	1,135,215	3,363,879	1,925,942	0	0	33,144
351283	312,747	1,190,643	1,350,432	0	0	6,012
351291	2,693,589	2,251,899	3,786,515	0	0	155,697
351298	17,310,954	30,944,279	19,719,933	0	0	319,026
351301	787,038	1,101,631	1,058,168	0	0	9,087
351305	1,124,718	989,165	909,325	0	243	23,083
351319	1,459,166	2,490,770	2,456,053	0	0	61,391
351320	680,418	501,671	1,684,592	0	0	10,705
351328	3,636,000	9,850,596	12,070,882	0	0	213,316
351331	2,952,052	6,411,063	10,095,859	0	0	63,142
351337	4,776,336	15,526,099	15,935,654	0	1,424,016	169,796
351343	411,348	850,952	874,785	0	0	13,195
361362	2,185,605	10,535,857	11,031,758	261,351	147,134	67,646
361373	7,342,019	11,379,487	18,830,713	0	0	64,598
361384	37,425	293,199	376,115	0	0	0
361403	13,018	293,861	981,997	0	0	0
361409	7,561,894	11,313,024	15,274,095	0	0	444,723
361412	4,344,056	4,458,455	6,516,961	0	1,387	108,180
361422	755,668	2,818,067	7,931,021	0	0	158,032
361425	800,995	1,035,308	1,729,203	0	0	14,094
361431	892,399	2,319,954	6,137,117	0	0	0
361443	6,084,735	10,885,242	18,759,868	0	3,988	217,357
361494	652,990	1,441,395	2,482,377	0	0	8,386
371555	1,073,325	2,470,503	6,921,554	5,000	0	43,515
371561	398,802	1,262,142	2,150,114	0	9,574	20,294
371590	28,750	263,049	164,840	0	0	1,746
383303	18,777,818	41,915,551	54,798,267	0	1,061,903	778,371
391650	5,048,573	14,959,842	10,092,702	0	0	380,694
391660	3,026,274	7,775,458	12,745,428	0	0	38,337
391669	1,984,825	6,549,560	5,832,025	0	0	70,385
391674	1,807,967	6,711,904	11,644,880	0	3,725	75,513
391677	1,811,385	8,450,436	10,023,375	0	532	68,479
391684	866,218	1,908,261	2,560,208	0	0	27,709
401712	1,294,111	8,500,694	7,644,954	0	0	93,696
421893	381,736	434,746	1,089,283	0	0	12,547
431704	427,180	1,321,277	1,902,909	0	0	8,633
431704	427,180	1,321,277	1,902,909	0	0	8,633
431968	1,275,524	2,406,164	3,710,916	0	250	49,834
442038	860,474	1,474,314	1,143,402	0	0	0
462206	72,055	173,530	65,931	0	0	975
502282	2,607,799	6,193,778	3,513,375	0	0	14,184
532399	5,051,536	10,886,866	12,036,351	0	0	252,519
613026	46,221	192,631	106,464	0	0	1,410

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<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
351220	0	0	32,199	3,526,712	36,529	0
351243	0	0	2,430	319,858	28,926	0
351251	0	0	27,746	5,317,670	259,518	4,425
351252	84,315	0	102,958	8,967,847	1,354,845	5,059
351271	11,862	0	16,343	4,916,322	0	0
351283	0	0	11,750	1,054,394	0	0
351291	122,025	0	53,239	5,943,520	0	11,209
351298	1,395,994	0	181,474	34,588,465	0	21,705
351301	0	0	24,965	1,867,489	0	7,010
351305	1,981,613	0	18,516	1,879,610	104,284	0
351319	0	0	56,681	4,414,682	592,348	871
351320	0	0	27,063	1,089,027	0	819
351328	4,702,103	0	42,167	16,867,665	0	0
351331	0	0	51,484	10,494,348	1,648,196	14,262
351337	3,789,937	0	58,267	17,074,530	0	0
351343	0	0	12,461	1,080,740	210,541	0
361362	63,073	0	126,446	14,352,011	1,168,090	17,413
361373	100,031	0	152,838	22,138,925	0	0
361384	0	0	4,234	506,090	0	0
361403	14,842	0	9,478	1,124,795	86,473	22,777
361409	304,395	0	212,766	20,236,778	0	23,836
361412	0	0	69,536	6,972,056	0	2,737
361422	99,231	0	29,182	4,647,661	0	2,650
361425	65,515	0	38,987	2,363,918	96,233	14,110
361431	0	0	30,963	6,929,841	88,793	1,641
361443	69,217	0	105,908	27,013,533	302,107	40,108
361494	0	0	25,845	2,153,426	0	32,539
371555	0	0	115,955	7,384,340	461,000	24,934
371561	0	0	7,618	2,863,455	0	0
371590	0	0	1,327	384,307	0	0
383303	2,907,787	0	347,428	84,911,397	0	21,916
391650	2,102,190	0	155,953	22,132,259	0	30,431
391660	1,153	0	82,112	16,128,763	0	239,026
391669	182,606	0	55,386	8,966,859	0	8,634
391674	605,716	0	67,755	11,283,509	504,659	29,553
391677	318,476	0	75,031	15,877,825	1,863,558	24,468
391684	258,352	0	31,464	3,629,572	17,202	11,847
401712	15,256	0	68,922	13,748,504	747,307	0
421893	0	0	18,780	966,835	97,207	0
431704	60,096	0	21,556	2,799,845	0	0
431704	60,096	0	21,556	2,799,845	0	0
431968	12,406	0	39,650	3,700,963	535,318	8,663
442038	0	0	25,100	2,985,321	0	109,180
462206	0	0	2,323	233,959	0	29
502282	0	0	63,490	5,095,323	812,151	14,865
532399	83,411	0	102,323	14,800,756	705,779	0
613026	0	0	3,997	248,888	12,185	0

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<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
351220	11,953	54,951	92,585	0	9,899
351243	1,620	21,963	5,383	829	3,172
351251	58,588	120,471	171,783	8	27,650
351252	80,199	242,676	256,032	11,684	94,504
351271	48,255	26,095	170,308	0	16,055
351283	13,767	10,625	62,421	0	26,658
351291	52,828	112,367	97,980	0	74,000
351298	358,854	801,940	780,197	66	295,068
351301	16,281	84,017	228,435	28	104,690
351305	34,005	43,827	38,528	0	19,110
351319	55,719	116,091	324,985	0	121,737
351320	39,365	58,807	81,655	0	25,109
351328	212,008	124,504	484,550	0	138,437
351331	120,193	213,448	366,262	458	80,582
351337	149,486	466,198	290,784	0	227,140
351343	37,490	42,106	50,788	0	20,926
361362	154,524	496,964	215,288	0	615,215
361373	502,194	501,466	251,169	6,291	346,170
361384	2,940	5,312	29,501	0	4,783
361403	6,172	123,569	21,295	0	11,060
361409	693,791	418,945	933,327	0	317,328
361412	134,771	178,012	304,199	2,016	100,390
361422	61,704	64,964	192,907	43	35,011
361425	74,372	76,778	159,075	0	34,138
361431	56,457	165,830	250,414	0	47,858
361443	137,517	170,092	581,059	6,883	517,372
361494	52,246	28,722	60,728	4,395	65,321
371555	106,941	924,291	282,236	0	210,012
371561	22,023	43,941	31,104	0	8,839
371590	0	10,831	627	0	805
383303	1,512,457	1,644,101	2,297,464	0	3,337,880
391650	274,269	607,584	866,844	89,932	302,554
391660	94,237	678,243	280,851	0	80,759
391669	24,145	177,056	383,793	0	99,128
391674	79,026	329,892	348,951	111	70,878
391677	48,565	186,249	334,787	594	227,724
391684	35,976	191,913	205,556	0	40,156
401712	48,114	269,820	426,171	0	36,198
421893	87,816	57,786	69,353	0	42,465
431704	20,186	74,107	93,112	0	84,145
431704	20,186	74,107	93,112	0	84,145
431968	49,469	107,715	180,176	0	55,795
442038	0	46,892	82,255	0	28,591
462206	118	397	454	0	9,617
502282	85,084	233,200	134,634	0	67,248
532399	201,380	375,831	429,483	0	369,150
613026	12,335	12,429	13,582	13	9,968

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<u>Study Area Code</u>	<u>Depreciation &amp; Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
351220	211,603	768	106,839	499,538	0
351243	34,541	0	44,328	10,846	0
351251	575,094	10,480	120,970	230,771	3,166
351252	749,087	79,881	218,460	669,317	4,867
351271	501,237	0	143,286	411,471	0
351283	140,024	1,592	73,752	123,012	0
351291	651,180	194,840	19,883	1,010,308	4,277
351298	3,651,174	389,358	715,230	971,503	15,265
351301	339,714	1,127	124,757	296,959	0
351305	158,141	0	108,582	153,280	0
351319	377,109	28,018	199,735	429,567	3,803
351320	157,640	2,611	87,601	387,073	0
351328	1,655,855	0	240,668	598,586	6,747
351331	1,432,975	117,954	227,153	909,743	7,050
351337	3,062,412	257,021	513,285	1,044,194	11,725
351343	132,591	267	91,275	133,520	974
361362	1,540,887	498,129	623,626	1,120,438	10,426
361373	2,211,401	283,598	683,009	1,827,082	12,341
361384	33,314	3,790	15,473	64,233	295
361403	118,048	9,101	84,860	65,463	0
361409	1,937,993	230,165	1,346,791	1,966,742	0
361412	1,097,372	52,905	463,199	736,909	5,940
361422	609,824	0	203,224	269,567	0
361425	234,782	2,061	160,191	546,275	2,453
361431	434,918	69,598	138,962	292,066	2,792
361443	1,805,218	69,186	657,129	1,037,366	9,933
361494	327,936	6,090	104,674	308,368	0
371555	443,312	103,944	358,081	960,996	6,603
371561	247,205	0	54,565	207,371	0
371590	24,629	0	9,499	29,202	0
383303	7,251,136	350,614	2,438,742	1,136,969	37,516
391650	1,517,258	213,282	1,031,920	1,294,951	0
391660	1,329,822	58,709	427,762	752,339	0
391669	669,122	33,962	220,682	375,447	0
391674	1,209,742	86,493	177,225	741,987	5,989
391677	877,496	36,135	408,951	499,187	0
391684	370,185	10,286	126,861	263,682	2,606
401712	672,872	13,645	458,227	514,210	0
421893	89,919	853	77,283	153,664	1,101
431704	142,634	0	35,982	281,173	0
431704	142,634	0	35,982	281,173	0
431968	377,630	0	148,803	386,366	0
442038	205,853	1,475	69,794	399,225	1,841
462206	10,742	0	11,255	37,389	0
502282	778,626	7,958	288,593	596,304	0
532399	1,659,176	231,915	527,970	1,161,293	9,610
613026	23,273	0	23,549	43,676	0

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<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
351220	0	0	0	73,855	83,188	144,508
351243	0	0	0	608	1,560	4,924
351251	376	3	0	105,252	313,213	396,013
351252	1,083,533	8,364	1,000,338	284,497	55,579	222,717
351271	4,816	37	0	71,168	7,267	7,267
351283	0	0	0	82,698	7,698	31,188
351291	135,480	1,046	0	140,447	23,405	92,667
351298	1,831,067	14,134	0	1,607,832	0	274,563
351301	0	0	0	49,856	0	33,905
351305	49,228	380	0	139,431	7,314	22,335
351319	1,357	10	0	66,891	93,906	407,382
351320	21,946	169	0	81,916	9,579	29,051
351328	49,754	384	0	623,187	13,022	201,780
351331	0	0	1,049,581	289,945	221,048	337,910
351337	173,539	1,340	1,264,344	1,001,248	4,343	342,883
351343	0	0	0	39,346	2,575	19,013
361362	102,504	791	10,894	394,577	311,095	367,556
361373	738,574	5,701	165,825	705,950	0	70,669
361384	0	0	0	9,191	0	797
361403	134	1	0	4,235	0	0
361409	129,725	1,001	0	671,562	291,191	381,240
361412	273,982	2,115	0	388,411	113,495	142,313
361422	98,223	758	0	325,873	53,144	64,867
361425	32,344	250	0	54,277	19,862	26,948
361431	252	2	0	106,764	44,265	55,433
361443	397,298	3,067	0	398,539	299,203	358,739
361494	170,930	1,319	0	111,385	0	11,138
371555	0	0	0	122,233	115,000	164,267
371561	0	0	0	44,334	0	20,274
371590	0	0	0	3,393	433	2,552
383303	1,208,963	9,332	4,103,093	1,381,628	0	333,179
391650	593,639	4,582	88,990	0	0	5,405
391660	1,753	14	0	342,133	145,559	369,042
391669	303,914	2,346	39,067	257,125	0	132,247
391674	402,347	3,106	0	415,770	0	153,278
391677	559,619	4,320	0	134,244	0	242,368
391684	0	0	0	90,418	0	156,260
401712	0	0	0	139,838	415,716	443,364
421893	0	0	0	39,130	5,727	17,347
431704	704	5	0	42,152	0	35,498
431704	704	5	0	42,152	0	35,498
431968	109,951	849	0	147,426	20,704	146,870
442038	170	1	0	22,576	0	54,558
462206	0	0	0	3,597	0	4,405
502282	466,070	3,598	0	294,144	36,379	134,646
532399	26,234	203	526,879	562,360	252,258	252,258
613026	0	0	0	3,923	0	1,059



APPENDIX C2  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
351220	0	202	0	N	N
351243	0	2	0	N	N
351251	0	287	0	N	N
351252	0	776	45,988	N	N
351271	0	194	0	N	N
351283	0	226	0	N	N
351291	4,003	383	0	N	N
351298	70,283	4,388	0	N	N
351301	0	136	0	Y	N
351305	30,519	381	0	N	N
351319	0	183	0	N	N
351320	0	224	0	N	N
351328	50,435	1,701	0	N	N
351331	0	791	-35,108	N	N
351337	0	2,732	0	N	N
351343	0	107	0	N	N
361362	0	1,077	-255,807	N	N
361373	18,802	1,927	0	N	N
361384	0	25	0	Y	N
361403	0	12	0	N	N
361409	0	1,833	0	N	N
361412	36,296	1,060	0	N	N
361422	0	889	0	N	N
361425	0	148	0	N	N
361431	0	291	-45,740	N	N
361443	0	1,088	0	N	N
361494	0	304	0	N	N
371555	0	334	-38,000	N	N
371561	0	121	0	N	N
371590	0	9	0	N	N
383303	360,577	3,770	0	N	N
391650	0	1,295	0	N	Y
391660	0	934	0	N	N
391669	0	702	0	N	N
391674	27,000	1,135	0	N	N
391677	2,900	366	0	N	N
391684	0	247	0	N	N
401712	0	382	0	N	N
421893	0	107	-7,266	N	N
431704	0	115	0	Y	N
431704	0	115	0	Y	N
431968	2,465	402	0	N	N
442038	0	62	0	N	N
462206	0	10	0	N	N
502282	0	803	44,692	N	N
532399	0	1,535	0	N	N
613026	0	11	0	N	N

APPENDIX C3  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 OR 2006 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA  
FOR 2003, 2004 OR 2005

<u>Study Area Code</u>	<u>Data Year</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>
120043	2004	889,144	1,790,615	2,040,610	0	0
170175	2004	4,740,800	8,652,057	4,590,299	0	1,581
190225	2005	5,642,246	7,309,031	16,760,638	0	0
190248	2005	3,638,638	6,213,918	11,328,840	0	0
190253	2005	955,752	5,424,515	3,424,548	49,056	2,428,280
200258	2005	306,398	1,701,514	1,958,112	0	0
230494	2004	1,078,052	2,081,401	1,595,545	0	0
240541	2005	244,412	3,569,427	4,084,134	0	0
240546	2004	3,205,386	10,859,746	22,478,119	0	0
250312	2004	2,991,880	3,013,133	4,907,367	0	0
290559	2005	3,179,970	24,740,712	25,667,282	732,907	470,807
310678	2005	320,047	1,450,881	1,751,010	0	0
310725	2004	541,381	1,069,504	1,597,499	0	0
330848	2005	190,637	279,072	1,085,352	0	0
330881	2005	6,924,549	24,986,893	39,807,115	30,778	415,494
330889	2005	1,175,072	1,588,743	3,723,195	0	0
330944	2005	1,294,855	11,064,069	10,294,654	0	0
330946	2005	1,273,686	1,200,829	2,112,374	0	0
330951	2004	259,000	2,590,000	3,762,000	0	0
341050	2005	1,748,306	3,836,954	7,284,877	0	0
351150	2005	249,972	599,689	2,022,424	0	0
351168	2005	2,560,926	7,824,491	6,554,767	0	0
351206	2005	651,351	1,319,612	880,779	0	0
351213	2004	333,363	972,501	2,028,033	0	0
351232	2004	92,247	428,769	629,012	0	0
351252	2004	4,049,126	4,816,398	8,006,658	0	26,638
351274	2005	87,350	1,307,579	1,657,063	0	0
351283	2005	312,747	1,190,643	1,350,432	0	0
351291	2005	2,693,589	2,251,899	3,786,515	0	0
351292	2005	430,767	654,900	424,591	0	1,582
351297	2005	2,316,527	4,936,317	6,584,933	0	15,177
351301	2005	787,038	1,101,631	1,058,168	0	0
351309	2004	487,446	715,496	859,793	0	16,828
351320	2005	680,418	501,671	1,684,592	0	0
351405	2004	529,065	3,919,673	3,307,850	0	1,999
361362	2005	2,185,605	10,535,857	11,031,758	261,351	147,134
371530	2004	529,943	2,677,719	3,096,035	9,206	0
371555	2005	1,073,325	2,470,503	6,921,554	5,000	0
371556	2004	1,372,156	909,264	2,553,150	0	181,656
391650	2004	4,847,378	14,774,546	10,041,397	0	0
391674	2005	1,807,967	6,711,904	11,644,880	0	3,725
391684	2005	866,218	1,908,261	2,560,208	0	0
431704	2004	374,751	1,298,463	1,900,962	0	0
431704	4004	374,751	1,298,463	1,900,962	0	0
442038	2004	840,576	1,413,824	1,121,092	0	0
442038	2004	840,576	1,413,824	1,121,092	0	0
522430	2005	1,346,355	4,429,482	6,244,492	0	84,438
532399	2005	5,051,536	10,886,866	12,036,351	0	0

APPENDIX C3  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 OR 2006 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA  
FOR 2003, 2004 OR 2005

<u>Study Area Code</u>	<u>Materials &amp; Supplies</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>
120043	42,019	0	0	44,000	3,135,944	59,600
170175	233,676	8,553	0	114,430	7,052,517	1,841,092
190225	134,754	1,722,865	0	125,397	19,015,022	0
190248	168,288	2,509,022	0	124,518	11,843,674	0
190253	29,247	203,998	0	60,715	3,701,283	1,085,653
200258	0	0	0	38,689	2,683,434	241,493
230494	46,142	117,245	0	27,961	2,427,764	0
240541	0	0	0	64,237	4,426,135	554,660
240546	362,799	205,201	0	94,565	21,518,060	0
250312	423,871	149,088	0	57,616	3,706,034	3,546,118
290559	70,238	1,456,764	0	201,663	34,099,746	2,006,332
310678	11,908	132,878	0	22,726	2,198,047	287,963
310725	12,669	53,110	0	17,447	1,880,112	189,074
330848	0	32,640	0	2,930	679,030	78,844
330881	100,746	1,471,197	0	323,078	43,735,045	4,955,506
330889	5,194	0	0	24,018	4,417,370	404,713
330944	19,815	354,551	0	64,880	16,730,598	617,866
330946	95,042	0	0	14,893	2,442,152	410,769
330951	0	0	37,000	21,723	4,699,722	271,000
341050	121,083	0	0	27,570	8,084,944	619,575
351150	23,200	0	0	12,446	1,795,431	4,793
351168	65,134	314,628	0	39,087	9,844,946	215,168
351206	24,187	22,286	0	14,072	2,278,260	0
351213	0	130,207	0	19,321	1,735,601	740,876
351232	1,684	0	0	16,719	449,220	98,201
351252	70,093	6,623	0	92,017	8,439,347	1,283,277
351274	1,469	0	0	27,534	2,406,231	7,771
351283	6,012	0	0	11,787	1,054,394	0
351291	155,697	122,025	0	53,239	5,943,520	0
351292	3,746	0	0	25,634	833,735	42,992
351297	34,848	23,002	0	56,505	7,494,673	326,476
351301	9,087	0	0	26,887	1,867,489	0
351309	18,563	0	0	19,638	1,370,440	0
351320	10,705	0	0	23,763	1,089,027	0
351405	0	-13,037	0	37,876	4,823,719	456,387
361362	67,646	63,073	0	126,446	14,352,011	1,168,090
371530	0	4,324	0	37,876	5,148,144	0
371555	43,515	0	0	115,955	7,384,340	461,000
371556	64,934	1,979	0	47,420	2,794,347	434,235
391650	400,859	546,500	0	138,158	20,755,356	0
391674	75,513	605,716	0	50,668	11,283,509	504,659
391684	27,709	258,352	0	31,464	3,629,572	17,202
431704	124	19,376	0	18,255	2,660,373	0
431704	124	19,376	0	18,255	2,660,373	0
442038	0	0	0	19,592	2,797,294	0
442038	0	0	0	19,592	2,797,294	0
522430	31,789	93,076	0	51,180	6,985,091	772,094
532399	252,519	83,411	0	79,212	14,800,756	705,779

APPENDIX C3  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 OR 2006 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA  
FOR 2003, 2004 OR 2005

<u>Study Area Code</u>	<u>Network Support Expense</u>	<u>General Support Expense</u>	<u>Central Office Equipment Expense</u>	<u>Cable &amp; Wire Facilities Expense</u>	<u>Other Property &amp; Plant Expense</u>	<u>Network Operations Expense</u>
120043	8,142	60,219	122,989	81,174	33,256	26,829
170175	21,694	165,156	486,047	275,152	41,478	400,898
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	6,437	51,456	179,911	158,288	0	157,300
200258	0	4,643	25,697	247,978	0	33,380
230494	26,499	51,372	102,310	54,378	0	73,571
240541	0	233,919	58,639	147,142	6,769	139,241
240546	16,793	311,797	563,905	742,656	-1,070	515,244
250312	0	172,117	193,547	369,777	0	49,057
290559	30,085	292,109	388,836	657,640	-7	1,097,492
310678	271	18,596	92,833	54,591	73,372	10,254
310725	0	16,976	76,620	134,365	0	5,605
330848	0	17,937	12,534	3,255	0	3,347
330881	62,856	341,961	775,175	732,760	0	1,982,175
330889	0	43,829	172,949	159,263	135	55,617
330944	2,596	299,641	98,521	411,822	1	367,215
330946	0	65,468	21,055	52,719	0	22,969
330951	1,000	30,000	125,000	103,644	0	1,000
341050	59	26,053	148,133	214,965	0	66,195
351150	350	5,121	57,881	96,876	0	19,400
351168	89	94,751	211,361	420,325	0	102,417
351206	63	18,544	47,649	96,949	0	8,795
351213	13,190	19,409	50,040	135,246	3,426	0
351232	0	1,235	251,840	30,940	0	3,611
351252	-8,368	74,264	214,008	216,297	11,461	87,990
351274	1,811	31,815	113,899	134,866	3,743	57,318
351283	0	13,767	10,625	62,421	0	26,658
351291	11,209	52,828	112,367	97,980	0	74,000
351292	38,975	8,819	38,066	94,287	0	6,278
351297	8,104	152,857	261,040	317,960	0	81,859
351301	7,010	16,281	84,017	228,435	28	104,690
351309	0	27,892	29,845	22,184	0	9,720
351320	819	39,365	58,807	81,655	0	25,109
351405	15,017	53,278	62,682	186,719	0	43,778
361362	17,413	154,524	496,964	215,288	0	615,215
371530	11,776	66,571	56,180	229,212	0	162,852
371555	24,934	106,941	924,291	282,236	0	210,012
371556	1,182	32,070	127,041	153,589	0	214,516
391650	26,341	285,337	571,864	964,642	97,355	297,020
391674	29,553	79,026	329,892	348,951	111	70,878
391684	11,847	35,976	191,913	205,556	0	40,156
431704	0	11,466	50,998	73,829	0	94,858
431704	0	11,466	50,998	73,829	0	94,858
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	201,380	375,831	429,483	0	369,150

APPENDIX C3  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 OR 2006 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA  
FOR 2003, 2004 OR 2005

<u>Study Area Code</u>	<u>Depreciation &amp; Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>	<u>Interest &amp; Related Items</u>
120043	299,375	0	267,351	429,354	2,855	74,152
170175	1,111,770	362,987	472,792	611,562	8,116	219,785
190225	1,123,185	163,428	768,512	963,604	9,089	363,541
190248	1,187,751	100,988	629,372	822,416	9,359	324,500
190253	384,182	294,423	336,918	302,240	3,633	30,253
200258	257,621	18,149	96,703	261,319	1,816	425,842
230494	223,191	3,251	215,224	211,977	2,074	0
240541	576,228	24,180	178,551	206,534	3,074	920,933
240546	2,091,556	19,542	333,451	1,766,538	11,833	57,437
250312	835,134	8,435	281,578	507,732	5,300	0
290559	4,394,904	599,101	1,709,937	2,153,267	23,241	174,706
310678	163,405	328	97,369	154,203	1,520	0
310725	193,097	0	114,450	187,005	1,389	1,000
330848	131,608	0	34,028	74,387	544	1,133
330881	5,335,263	1,634,034	1,829,972	3,780,479	32,182	0
330889	394,074	7,253	80,101	308,470	2,386	0
330944	1,329,121	61,746	586,142	383,825	7,322	0
330946	360,270	670	144,205	171,807	1,836	1,854
330951	464,485	4,000	122,000	135,000	2,541	0
341050	882,098	12	172,632	572,257	4,122	0
351150	143,838	0	63,801	68,272	951	23,880
351168	1,133,965	53,175	237,735	461,259	5,209	392,468
351206	100,838	0	54,538	67,656	994	2,287
351213	270,084	4,754	43,136	258,073	1,600	95,196
351232	114,259	3,150	29,321	66,817	1,119	0
351252	695,983	55,024	197,540	554,924	4,118	1,109,672
351274	206,446	22,175	174,757	111,039	1,940	0
351283	140,024	1,592	73,752	123,012	891	0
351291	651,180	194,840	19,883	1,010,308	4,277	135,480
351292	193,730	1,754	44,677	71,623	1,808	116
351297	1,367,463	84,390	334,600	425,822	6,875	378,599
351301	339,714	1,127	124,757	296,959	2,364	0
351309	168,445	5,107	76,772	197,700	1,146	193,960
351320	157,640	2,611	87,601	387,073	1,605	21,946
351405	295,999	21,368	135,253	126,538	2,108	257,711
361362	1,540,887	498,129	623,626	1,120,438	10,426	102,504
371530	391,536	28,586	138,054	358,683	3,031	10,440
371555	443,312	103,944	358,081	960,996	6,603	0
371556	280,780	15,185	110,469	492,779	2,829	107,734
391650	1,921,363	213,746	1,008,702	1,239,217	12,243	559,727
391674	1,209,742	86,493	177,225	741,987	5,989	402,347
391684	370,185	10,286	126,861	263,682	2,606	0
431704	182,959	0	25,940	263,565	1,411	819
431704	182,959	0	25,940	263,565	1,411	819
442038	321,829	1,511	74,843	164,850	2,014	195
442038	321,829	1,511	74,843	164,850	2,014	195
522430	778,181	203,009	374,517	432,568	4,762	15,710
532399	1,659,176	231,915	527,970	1,161,293	9,610	26,234

APPENDIX C3  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2005 OR 2006 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA  
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<u>Study Area Code</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
120043	568	576,999	45,340	11,700	28,559
170175	1,684	997,192	381,765	37,933	218,628
190225	2,785	0	0	26,186	137,502
190248	2,486	1,993,481	0	115,472	115,472
190253	234	6,907	242,458	70,903	97,590
200258	3,262	0	47,687	35,695	35,695
230494	0	0	0	0	887
240541	7,109	33,500	132,087	22,752	84,004
240546	443	0	0	0	52,550
250312	0	0	193,901	204,374	455,145
290559	1,338	65,283	901,281	443,335	768,608
310678	0	0	54,083	90,374	90,374
310725	8	0	55,337	0	24,741
330848	9	0	38,010	977	17,629
330881	0	1,612,755	1,054,337	472,999	967,995
330889	0	0	76,500	34,817	71,788
330944	0	0	260,148	320,080	428,166
330946	14	0	83,778	-101	95,971
330951	0	0	77,331	391,000	391,000
341050	0	0	196,352	129,716	151,648
351150	183	0	50,159	-3,932	17,907
351168	3,030	0	0	-9,909	105,373
351206	18	571,627	2,214	19,319	40,094
351213	735	0	47,159	29,112	68,881
351232	0	0	27,680	20,467	51,928
351252	8,566	950,234	293,167	-34,427	123,998
351274	0	0	29,290	124,778	175,268
351283	0	0	82,698	7,698	31,188
351291	1,046	0	140,447	23,405	92,667
351292	1	0	29,190	32,347	103,599
351297	2,900	0	0	213,566	296,987
351301	0	0	49,856	44,401	78,306
351309	1,486	0	0	-5,466	12,097
351320	169	0	0	9,579	29,051
351405	1,974	0	112,838	0	141,050
361362	791	10,894	394,577	311,095	367,556
371530	80	236,632	48,508	57,501	84,656
371555	0	0	122,233	115,000	164,267
371556	825	96,461	72,209	-12,548	14,804
391650	4,321	85,627	0	0	5,779
391674	3,106	0	0	0	153,278
391684	0	0	90,418	0	156,260
431704	6	0	42,750	26,992	61,412
431704	6	0	42,750	26,992	61,412
442038	1	0	26,484	0	56,538
442038	1	0	26,484	0	56,538
522430	120	27,748	199,721	0	95,776
532399	203	526,879	0	252,258	252,258

APPENDIX C3  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2005 OR 2006 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA  
 FOR 2003, 2004 OR 2005

<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
120043	0	124	-38600	N	N
170175	0	1,042	100708	N	N
190225	0	1,569	0	Y	N
190248	50,713	1,253	0	Y	N
190253	0	662	54029	N	N
200258	0	130	0	N	N
230494	0	311	0	Y	Y
240541	0	360	0	N	N
240546	0	1,949	0	N	N
250312	0	529	0	N	N
290559	13,016	2,460	-28977	N	N
310678	0	148	38291.2	N	N
310725	0	151	-17930.75	N	N
330848	0	104	16121	N	N
330881	0	2,877	-656852	N	N
330889	0	209	0	N	N
330944	3,638	710	-280751	N	N
330946	0	229	-11417	N	N
330951	83,000	211	0	N	N
341050	0	536	-77068	N	N
351150	0	137	0	N	N
351168	0	907	0	N	N
351206	0	6	0	N	N
351213	0	129	0	N	N
351232	0	76	0	N	N
351252	0	800	346933	N	N
351274	0	80	0	N	N
351283	0	226	0	N	N
351291	4,003	383	0	N	N
351292	0	80	0	N	N
351297	0	759	0	Y	N
351301	0	136	0	N	N
351309	0	89	0	Y	N
351320	0	224	0	N	N
351405	0	308	0	N	N
361362	0	1,077	-255807	N	N
371530	0	132	0	N	N
371555	0	334	-38000	N	N
371556	1,570	197	56062	N	N
391650	0	1,221	0	Y	N
391674	27,000	1,135	0	N	N
391684	0	247	0	N	N
431704	0	117	0	N	N
431704	0	117	0	N	N
442038	0	72	0	N	N
442038	0	72	0	N	N
522430	0	545	-4690	N	N
532399	0	1,535	0	N	N

APPENDIX C4  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
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 C4  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
100020	102,795	0	137,314	7,710,844	0	7,413
120043	0	0	56,214	2,864,914	98,200	9,699
132454	68,863	270,367	447,296	41,947,418	175,539	15,899
140053	0	0	17,642	1,189,371	0	23,454
170151	297,771	0	300,677	28,754,169	4,553,974	32,774
170161	9,934,657	0	3,388,501	347,514,915	42,916,498	682,581
170162	3,407,547	0	922,870	82,818,621	11,832,112	61,656
170179	0	0	105,682	7,783,051	125,740	74,146
170193	1,752,360	0	1,520,004	119,452,796	11,471,000	104,222
170200	5,600	0	53,807	4,111,211	406,927	0
190225	1,315,414	0	171,667	17,891,837	0	5,273
190248	796,805	0	146,985	10,851,214	0	54,417
200258	0	0	48,189	2,427,790	147,827	0
220324	0	0	183,695	3,418,146	0	35,088
220364	10,518	0	90,211	11,800,742	385,633	22,542
220387	960,002	0	256,514	29,795,722	3,342,096	1
230494	28,092	0	29,916	2,207,899	0	40,374
230497	0	0	61,267	4,585,006	0	0
230501	1,785,146	0	436,610	65,896,545	0	85,556
230505	275,795	0	88,189	9,281,884	0	3,799
250283	198,175	0	179,369	18,599,325	344,630	6,218
260396	2,766,757	0	127,320	12,119,331	5	4,832
260417	23,092	0	40,534	3,591,328	228,409	1,157
290553	3,560,856	452,650	566,921	69,362,620	0	385,935
290559	1,123,269	0	390,367	30,080,939	2,031,880	29,163
290565	1,583,034	0	428,290	37,982,966	0	32,575
290570	1,339	185,911	133,564	7,420,765	818,772	32,606
300585	17,089	0	24,681	1,742,486	123,732	2,825
300594	0	0	213,988	23,842,049	1,573,737	4,979
300609	0	0	92,211	5,064,144	406,052	7,275
300625	0	0	30,285	1,733,108	0	16,819
300633	0	0	14,659	1,447,981	129,338	2,100
300639	8,717	0	24,109	2,308,937	0	25,464
300656	0	0	22,463	2,166,212	0	0
300659	410,015	0	173,142	8,148,415	2,110,792	14,889
310678	0	0	29,192	2,071,417	249,671	0
310688	41,730	0	42,533	4,482,362	2,090,819	0
320796	154,392	0	22,260	2,312,259	199,662	332
320834	0	0	59,362	5,979,596	0	1,748
320837	622	0	19,296	1,893,750	126,836	0
320839	38,529	0	24,339	2,008,295	39,200	16,855
330946	0	0	30,860	2,113,890	445,979	0
330955	820,950	0	183,232	9,358,924	1,413,423	42,727
330967	161,776	0	55,382	6,285,645	776,522	-6
330968	497,017	0	134,302	7,376,061	786,518	8,807
341024	48,314	0	51,231	8,708,731	0	0
341086	0	0	13,322	1,543,590	186,966	888
341092	8,757	0	3,967	339,525	0	0

APPENDIX C4  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>&amp; Plant</u>	<u>Expense</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
100020	97,726	135,018	167,300	30,135	224,631
120043	53,750	156,809	72,687	32,159	26,178
132454	535,704	44,854	47,238	32,177	3,068,495
140053	45,825	25,772	30,740	0	30,740
170151	251,647	308,522	780,187	-15,504	719,154
170161	2,649,423	2,151,045	10,462,805	0	10,307,325
170162	531,439	816,555	1,719,713	714	1,499,565
170179	91,921	102,167	416,029	19,616	231,074
170193	1,154,134	2,593,802	2,156,136	455,671	3,624,889
170200	86,006	91,695	129,174	16,926	195,530
190225	222,945	405,842	409,577	46,222	332,884
190248	272,512	366,382	421,939	31,185	212,357
200258	6,287	29,010	245,960	0	12,243
220324	16,277	665,256	294,956	0	76,522
220364	170,405	195,647	337,559	2,146	217,455
220387	708,978	577,555	237,338	88	1,424,615
230494	66,477	88,804	17,483	0	58,737
230497	20,218	126,267	225,432	0	63,311
230501	950,049	945,227	1,649,055	12,137	926,277
230505	120,893	220,052	208,341	0	93,725
250283	201,284	372,194	567,131	0	162,340
260396	91,725	332,543	398,934	16,038	256,895
260417	6,383	39,372	83,498	0	96,177
290553	800,684	2,477,619	1,985,803	151,755	1,722,415
290559	225,704	411,172	652,982	0	1,177,002
290565	952,134	1,158,173	1,684,025	47,303	646,314
290570	444,602	185,166	268,413	0	279,478
300585	15,395	55,890	61,541	0	67,069
300594	355,544	351,542	508,728	1,797	556,251
300609	107,563	101,430	231,182	0	181,764
300625	9,267	48,092	67,537	0	185,530
300633	20,583	28,659	29,441	0	29,841
300639	27,592	66,207	81,410	0	52,873
300656	15,197	31,789	61,393	0	68,273
300659	495,880	412,700	163,061	40,422	200,471
310678	9,904	95,993	49,323	93,675	13,481
310688	121,727	-57,636	75,600	3,774	126,016
320796	20,071	15,595	112,350	0	36,509
320834	50,157	177,181	97,389	0	159,067
320837	14,322	101,009	18,450	0	6,477
320839	6,742	35,811	116,818	3,251	11,183
330946	95,187	17,599	43,754	0	22,249
330955	214,163	246,162	343,938	0	598,664
330967	112,671	51,023	97,925	0	138,913
330968	97,361	141,774	232,764	0	395,790
341024	74,480	156,804	211,385	0	105,285
341086	8,491	54,392	34,660	4,103	23,693
341092	2,809	26,319	5,542	0	2,188

APPENDIX C4  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

<u>Study Area Code</u>	<u>Depreciation</u>	<u>Marketing</u>	<u>Services</u>	<u>General</u>	<u>Contributions</u>
	<u>&amp; Amortization</u>			<u>Administrative</u>	
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	
100020	832,851	41,987	331,358	943,319	5,187
120043	294,292	0	261,192	416,568	2,688
132454	2,905,334	504,882	71,913	4,247,541	0
140053	136,288	0	78,891	67,256	0
170151	3,154,854	78,082	546,347	1,892,333	0
170161	44,461,045	1,871,444	3,775,492	26,438,953	88,278
170162	7,608,487	183,646	1,440,892	3,477,526	0
170179	687,718	18,080	492,499	498,041	5,344
170193	14,884,450	2,493,993	2,798,233	11,115,329	84,050
170200	293,339	360	226,807	228,364	0
190225	1,236,398	82,248	732,887	1,042,498	0
190248	979,080	89,095	571,699	482,879	0
200258	232,725	1,708	93,371	231,813	1,597
220324	178,779	0	238,930	808,150	0
220364	1,367,820	44,307	262,772	324,332	5,717
220387	3,938,028	247,866	1,803,196	651,363	16,439
230494	205,669	4,389	215,641	96,266	0
230497	472,245	23,670	259,903	245,138	2,863
230501	6,694,595	22,423	1,485,102	3,185,301	29,184
230505	1,032,102	13,555	529,818	530,034	5,073
250283	1,855,088	170,394	545,818	1,179,983	10,122
260396	2,011,870	14,825	448,159	467,249	7,642
260417	298,341	57,155	204,360	254,855	2,092
290553	8,778,954	416,965	2,997,572	1,407,465	0
290559	4,276,972	476,222	1,706,144	2,251,735	21,861
290565	5,034,438	127,621	1,429,939	2,163,544	25,044
290570	785,315	25,213	217,802	707,130	5,995
300585	109,589	41,267	138,056	95,984	1,123
300594	2,907,881	336,022	605,584	1,099,889	0
300609	675,712	3,491	464,779	265,275	4,872
300625	166,395	21,604	0	213,581	0
300633	84,753	953	29,343	129,725	0
300639	132,348	1,556	104,702	71,260	0
300656	185,740	0	114,850	126,156	0
300659	1,191,269	116,321	631,709	788,473	8,370
310678	159,468	738	89,533	158,688	1,406
310688	561,471	2,027	158,594	271,469	2,605
320796	208,529	0	67,129	133,616	1,210
320834	477,473	2,157	245,919	259,113	0
320837	198,154	0	51,033	133,395	0
320839	211,416	0	144,410	164,030	0
330946	352,964	1,156	144,971	148,279	1,752
330955	1,225,815	32,714	862,154	547,351	9,105
330967	668,880	16,166	268,615	126,252	3,037
330968	896,035	394,353	458,917	758,569	6,470
341024	539,271	192	97,786	398,585	0
341086	142,008	0	45,089	85,543	0
341092	22,111	0	24,877	24,164	0

APPENDIX C4  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
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 C4  
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<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
100020	0	735	0	N	N
120043	0	174	-18100	N	N
132454	228	2,131	-514546	N	N
140053	0	71	0	N	N
170151	0	1,496	-314202	N	N
170161	0	32,518	5104885	N	N
170162	0	3,928	-741390	N	N
170179	0	574	42834	N	N
170193	0	5,925	0	N	N
170200	0	276	14639	N	N
190225	0	1,598	0	N	Y
190248	91,954	1,321	0	N	Y
200258	0	191	0	N	N
220324	0	182	0	N	N
220364	39	847	-45494	N	N
220387	31,002	2,152	-689039.9	N	N
230494	0	377	0	Y	Y
230497	6,603	979	0	Y	Y
230501	183,205	6,142	0	N	Y
230505	8,901	606	0	Y	Y
250283	0	1,234	0	N	N
260396	0	2,170	0	N	Y
260417	0	191	-33264	N	N
290553	145,339	7,580	0	N	Y
290559	24,443	3,003	26742	N	N
290565	128,994	4,985	0	N	Y
290570	0	993	65342	N	N
300585	0	155	242	N	N
300594	0	1,400	-232153	N	N
300609	0	362	-28191	N	N
300625	0	251	324256	N	N
300633	0	102	21527	N	N
300639	0	160	15142	N	N
300656	0	315	0	N	Y
300659	0	1,549	0	N	N
310678	0	172	-1300.98	N	N
310688	0	208	303788	N	N
320796	0	169	-81429	N	N
320834	-79,449	1,185	0	N	Y
320837	0	102	11941	N	N
320839	0	106	15400	N	N
330946	0	291	26279	N	N
330955	821	1,387	324256	N	N
330967	3,423	168	306491.33	N	N
330968	2,761	908	-103993	N	N
341024	0	272	0	N	Y
341086	0	102	9852	N	N
341092	0	14	0	N	N

APPENDIX C4  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
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

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2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2003

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
351098	0	0	11,983	442,309	0	465
351112	346	0	46,717	3,424,414	0	1,048
351118	170,660	0	41,215	3,143,657	447,073	0
351121	0	0	5,873	237,938	24,262	0
351153	473	0	16,600	1,494,616	0	1,538
351171	0	0	23,404	2,786,375	0	0
351174	19,427	0	37,653	3,117,361	275,236	0
351176	611,049	0	23,892	1,885,066	31,234	0
351188	0	0	17,063	1,463,486	31,117	2,432
351206	0	0	15,412	2,269,860	0	147
351232	0	0	14,854	356,331	85,059	0
351274	3,104	0	33,075	2,208,048	42,592	2,042
351280	0	0	16,421	1,305,672	0	464
351297	0	0	91,781	6,644,018	305,140	6,032
351324	0	0	28,972	2,595,024	472,813	630
351326	1,326,659	0	26,544	1,187,979	290,335	0
361358	0	0	147,424	11,490,815	0	18,000
361389	0	0	36,280	4,110,383	115,434	0
361401	6,090	0	71,227	6,239,529	15,360	0
361439	0	0	36,991	4,006,244	181,050	16,111
361479	0	0	297,169	20,691,369	0	0
361482	0	0	381,570	21,407,939	0	52,096
371530	9,170	0	53,024	4,756,608	0	16,370
371532	138,974	0	135,602	10,475,663	0	29,486
371556	13,783	0	55,539	2,533,442	340,891	3,079
381601	0	0	1,505	123,843	0	0
381631	241,319	0	109,942	13,268,376	396,291	4,248
391654	692,944	0	298,779	39,711,969	498,969	7,916
391654	692,944	0	298,779	39,711,969	498,969	7,916
391688	0	0	32,202	3,600,459	25,958	0
421932	46,011	0	36,456	2,131,979	278,025	0
421942	0	0	43,121	2,810,932	0	0
442038	0	0	29,526	2,334,603	0	62,568
442043	0	0	24,963	918,089	141,451	10,638
442107	0	0	184,391	8,533,168	1,205,917	24,778
522430	10,973	0	78,798	6,196,061	763,270	6,215
532396	0	0	15,493	910,611	0	1,776
613026	0	0	5,632	200,787	23,126	0

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<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
351098	6,063	16,565	70,208	0	4,445
351112	75,446	56,247	60,367	30,617	13,241
351118	34,577	121,907	93,804	0	3,201
351121	3,544	29,150	19,368	0	2,689
351153	22,552	31,368	72,098	0	9,242
351171	26,704	60,889	127,920	0	24,406
351174	65,636	100,364	71,548	3,670	39,347
351176	26,720	6,302	38,984	0	63,720
351188	16,504	19,847	38,407	0	19,679
351206	14,843	40,342	77,944	0	8,694
351232	3,094	133,668	23,288	0	1,469
351274	37,174	123,723	104,898	2,120	66,050
351280	25,833	49,540	21,202	0	4,470
351297	104,525	231,014	244,815	0	72,825
351324	27,851	18,944	132,785	0	7,225
351326	17,515	59,095	36,792	5,277	10,072
361358	361,988	225,146	819,161	4,340	88,490
361389	12,709	70,873	201,991	0	12,350
361401	38,543	147,886	260,866	0	46,955
361439	72,866	93,616	109,750	86	14,906
361479	233,060	319,024	643,252	0	1,216,677
361482	326,211	967,956	1,109,969	56,303	614,891
371530	48,464	51,683	282,179	0	164,705
371532	191,031	173,001	482,467	2,875	714,398
371556	34,153	98,682	111,222	0	200,781
381601	2,097	2,822	7,624	528	1,950
381631	104,380	331,197	580,836	7,515	157,999
391654	401,472	555,590	1,348,882	0	404,826
391654	401,472	555,590	1,348,882	0	404,826
391688	53,625	81,958	110,476	0	63,209
421932	23,083	56,641	87,963	0	47,405
421942	28,042	196,753	181,597	1,844	18,823
442038	0	46,900	143,623	0	24,036
442043	15,829	19,816	99,758	0	18,581
442107	235,850	605,230	722,602	21	349,371
522430	50,539	89,745	144,295	0	222,491
532396	13,238	25,691	38,687	0	2,516
613026	10,339	14,649	11,884	0	5,377



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<u>Study Area Code</u>	<u>Depreciation &amp; Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
351098	55,313	908	60,211	68,896	0
351112	417,099	91,232	153,140	350,346	0
351118	306,171	4,368	113,548	143,164	0
351121	26,341	93	19,132	26,955	277
351153	197,967	0	61,742	75,791	0
351171	347,466	5,584	119,292	105,441	0
351174	367,829	1,379	125,014	155,172	1,959
351176	138,878	9,373	93,172	179,938	0
351188	114,974	6,558	67,457	64,276	0
351206	144,410	0	43,393	69,903	0
351232	91,130	1,535	38,867	48,395	0
351274	198,474	21,357	149,561	103,289	1,685
351280	131,615	0	35,919	88,393	0
351297	932,277	80,647	382,191	403,146	5,062
351324	186,093	2,795	163,062	63,887	0
351326	295,483	42,000	84,861	67,450	1,358
361358	882,774	63,240	681,980	444,993	7,200
361389	416,976	17,537	153,035	130,493	0
361401	917,581	0	292,181	349,022	0
361439	346,296	0	153,304	91,745	1,782
361479	2,235,785	363,903	785,003	2,270,842	0
361482	3,754,689	240,169	2,133,135	474,083	18,768
371530	386,409	24,316	132,481	342,637	0
371532	1,060,256	49,164	276,392	599,966	0
371556	256,501	34,051	115,478	404,669	0
381601	17,649	0	8,231	10,891	94
381631	1,247,971	6,191	472,481	435,096	0
391654	4,120,853	145,566	760,147	952,013	16,786
391654	4,120,853	145,566	760,147	952,013	16,786
391688	323,775	0	82,914	156,297	1,725
421932	222,641	10,700	273,083	126,255	1,697
421942	253,562	19,271	222,793	116,671	0
442038	397,983	3,814	66,758	135,692	1,875
442043	69,023	0	98,155	61,036	1,099
442107	1,255,646	13,191	953,568	436,182	9,398
522430	820,344	103,610	406,197	444,979	4,340
532396	104,636	0	104,499	77,124	837
613026	28,988	0	22,220	66,293	0

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<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
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

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<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
351098	0	75	0	N	Y
351112	0	299	0	N	N
351118	0	529	0	N	N
351121	0	30	0	N	N
351153	6,851	214	0	N	Y
351171	0	382	0	N	Y
351174	0	483	0	N	N
351176	0	209	0	N	N
351188	0	67	0	N	N
351206	0	-5	0	N	N
351232	9,130	91	0	Y	N
351274	0	105	0	N	N
351280	0	125	-14999	N	N
351297	0	989	0	N	Y
351324	0	300	0	N	N
351326	0	498	0	N	N
361358	0	1,020	0	N	N
361389	761	362	0	N	Y
361401	9,382	1,184	0	N	Y
361439	0	198	0	N	N
361479	0	2,401	0	N	N
361482	0	3,861	0	Y	N
371530	0	170	0	Y	N
371532	0	1,257	0	Y	N
371556	0	213	25499	N	N
381601	0	33	0	N	Y
381631	0	1,100	0	N	Y
391654	148,307	5,608	0	N	Y
391654	148,307	5,608	0	N	Y
391688	0	177	0	N	N
421932	1,371	290	0	N	N
421942	0	390	0	N	Y
442038	0	117	0	N	N
442043	0	138	7746	N	N
442107	0	1,046	101641	N	N
522430	0	700	-170076	N	N
532396	0	203	0	N	Y
613026	0	19	0	N	N

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<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
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 C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
100020	48,675	0	148,313	8,421,492	0	3,926
120043	0	0	56,197	3,135,944	59,600	8,142
132454	61,157	281,987	408,668	44,462,158	408,336	141,939
140053	0	0	19,019	1,320,326	0	21,475
170151	459,645	0	291,935	32,284,710	4,399,215	37,954
170161	3,058,570	0	3,243,323	383,486,432	44,676,111	740,188
170162	2,660,985	0	787,043	90,659,933	11,373,439	154,902
170179	0	0	110,261	8,331,477	440,567	65,529
170193	1,690,314	0	1,348,208	131,584,426	9,029,000	81,030
170200	39,540	0	52,465	4,305,317	524,399	0
190225	1,722,865	0	171,191	19,015,022	0	6,284
190248	2,509,022	0	175,037	11,843,674	0	42,916
200258	0	0	49,212	2,683,434	241,493	0
220324	0	0	127,554	3,601,953	0	10,972
220364	13,778	0	87,849	13,075,535	297,349	25,943
220387	1,150,670	0	329,572	33,411,054	2,372,953	5,983
230494	117,245	0	37,049	2,427,764	0	26,499
230497	0	0	57,283	5,090,713	0	0
230501	2,663,414	0	443,074	72,372,881	0	112,831
230505	333,351	0	83,063	10,063,540	0	4,258
250283	61,532	0	168,136	20,315,718	568,795	4,311
260396	3,472,241	0	132,733	13,705,317	5	12,063
260417	1,865	0	40,587	3,882,149	277,073	1,436
290553	6,067,233	637,299	609,639	75,795,097	0	431,147
290559	1,456,764	0	382,071	34,099,746	2,006,332	30,085
290565	2,315,269	0	457,408	42,600,310	0	49,268
290570	1,242,029	192,451	137,887	8,111,901	941,231	52,517
300585	2,123	0	23,375	1,939,632	181,866	3,684
300594	150,502	0	214,132	25,290,409	1,753,406	5,351
300609	0	0	93,693	5,370,984	509,487	1,833
300625	0	0	35,102	1,888,086	0	14,659
300633	0	0	14,044	1,557,510	133,715	3,024
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	8,880,859	2,082,658	9,788
310678	132,878	0	29,392	2,198,047	287,963	271
310688	48,292	0	44,469	4,991,770	2,552,529	1,246
320796	79,347	0	24,885	2,503,876	264,032	109
320834	0	0	50,615	6,594,652	0	0
320837	1,842	0	19,021	2,080,953	122,120	774
320839	6,993	0	25,452	2,171,443	45,600	16,067
330946	0	0	29,643	2,442,152	410,769	0
330955	334,115	0	198,944	10,514,999	1,445,827	41,130
330967	93,222	0	63,334	6,714,924	1,355,202	989
330968	251,531	0	123,149	8,111,636	914,489	7,840
341024	491,455	0	52,211	9,203,929	0	0
341086	0	0	13,995	1,689,173	188,942	174
341092	0	0	4,150	362,646	0	0

APPENDIX C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>&amp; Plant</u>	<u>Expense</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
100020	101,495	161,552	175,176	36,007	361,438
120043	60,219	122,989	81,174	33,256	26,829
132454	2,308,574	85,536	286,414	-12,051	1,764,568
140053	49,896	31,963	35,971	0	28,995
170151	259,076	468,204	788,322	973	856,966
170161	2,979,690	2,044,036	11,246,888	0	10,885,175
170162	517,544	907,263	1,757,851	379	2,000,823
170179	75,631	81,383	356,405	20,889	243,400
170193	1,194,256	2,406,897	1,996,700	348,174	3,393,852
170200	82,292	86,333	141,116	18,647	193,705
190225	276,008	442,795	365,100	43,450	336,451
190248	315,415	440,315	544,940	48,497	230,197
200258	4,643	25,697	247,978	0	33,380
220324	23,874	260,353	298,761	0	87,753
220364	153,993	197,190	380,241	1,484	231,415
220387	965,231	517,318	409,715	172	886,017
230494	51,372	102,310	54,378	0	73,571
230497	25,703	64,666	200,251	0	82,857
230501	928,708	876,608	1,757,211	103,077	904,461
230505	90,464	188,485	222,039	11,053	97,600
250283	226,184	479,585	680,113	0	168,637
260396	90,865	244,284	390,947	31,097	305,431
260417	8,363	26,959	108,042	0	96,255
290553	835,188	2,342,350	2,485,143	151,143	2,002,951
290559	292,109	388,836	657,640	-7	1,097,492
290565	1,104,290	1,204,358	1,752,611	48,212	665,341
290570	454,054	200,489	243,766	0	317,120
300585	12,288	50,640	56,512	0	63,408
300594	350,629	333,083	458,066	807	519,741
300609	109,993	90,108	312,156	0	174,388
300625	9,419	38,063	91,824	0	177,580
300633	20,697	24,792	36,688	0	34,206
300639	44,159	38,545	55,777	0	48,261
300656	17,767	37,165	71,437	0	65,193
300659	448,014	364,859	119,822	60,000	197,500
310678	18,596	92,833	54,591	73,372	10,254
310688	95,132	113,662	5,680	594	70,439
320796	12,047	28,983	135,310	0	36,428
320834	63,097	205,038	87,856	0	120,638
320837	13,858	96,116	21,100	0	7,175
320839	13,407	49,328	93,225	2,770	11,367
330946	65,468	21,055	52,719	0	22,969
330955	189,547	290,159	392,034	0	549,481
330967	164,935	53,851	145,978	11	137,986
330968	115,498	101,773	245,448	0	372,658
341024	71,147	163,580	222,308	0	111,132
341086	6,952	50,457	35,840	3,990	18,162
341092	2,975	30,245	7,507	0	2,574

APPENDIX C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Depreciation</u>	<u>Marketing</u>	<u>Services</u>	<u>General</u>	<u>Contributions</u>
	<u>&amp; Amortization</u>			<u>Administrative</u>	
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	
100020	919,683	67,889	340,385	1,157,936	6,057
120043	299,375	0	267,351	429,354	2,689
132454	2,795,930	1,602,635	252,166	1,850,667	20,121
140053	130,956	0	85,873	71,017	0
170151	3,471,595	84,286	621,779	2,102,098	0
170161	45,163,686	1,988,665	4,189,804	24,620,660	88,278
170162	7,851,648	152,233	1,336,800	3,685,675	0
170179	787,993	22,542	550,379	513,202	5,670
170193	14,241,720	2,003,294	2,704,202	8,312,757	76,399
170200	214,092	465	230,500	241,045	0
190225	1,123,185	163,428	768,512	963,604	0
190248	1,187,751	100,988	629,372	822,416	0
200258	257,621	18,149	96,703	261,319	1,710
220324	199,040	0	222,223	339,194	0
220364	1,342,823	46,556	252,641	295,000	0
220387	3,703,597	232,436	1,801,358	781,636	19,017
230494	223,191	3,251	215,224	211,977	0
230497	505,851	22,616	236,066	279,209	2,832
230501	7,206,550	230,745	1,530,547	3,229,515	30,474
230505	799,334	16,269	532,113	468,275	4,477
250283	1,825,148	163,958	619,929	541,779	9,711
260396	1,648,193	15,979	493,647	495,395	7,161
260417	284,183	56,220	202,426	247,528	2,072
290553	7,322,217	421,084	3,286,342	1,548,966	0
290559	4,394,904	599,101	1,709,937	2,153,267	21,893
290565	5,295,337	153,734	1,509,147	2,515,122	26,907
290570	834,846	25,030	227,921	749,275	6,230
300585	224,232	33,277	135,991	99,853	0
300594	2,099,967	282,848	745,682	999,547	0
300609	626,247	3,326	519,242	290,658	4,884
300625	184,591	21,268	0	323,418	0
300633	86,174	1,452	24,376	111,309	0
300639	153,133	1,474	92,456	87,309	0
300656	204,869	0	102,042	132,450	0
300659	1,187,266	117,796	634,862	861,210	8,429
310678	163,405	328	97,369	154,203	1,432
310688	582,616	11,244	173,245	209,845	2,806
320796	251,275	0	72,738	162,782	1,374
320834	482,519	129	200,351	233,175	0
320837	191,859	0	54,939	132,277	0
320839	218,519	0	155,868	189,254	0
330946	360,270	670	144,205	171,807	1,730
330955	1,458,907	22,816	836,026	562,792	10,233
330967	503,674	13,090	275,373	148,034	3,177
330968	914,950	395,493	350,274	710,420	6,058
341024	594,194	895	93,834	283,367	0
341086	150,586	0	33,916	109,316	789
341092	23,121	0	20,537	26,602	0

APPENDIX C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
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 C5  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
100020	0	724	0	N	N
120043	0	143	-38600	N	N
132454	636	1,961	242961	N	N
140053	0	65	0	N	N
170151	0	1,399	-567462	N	N
170161	0	28,891	-1071086	N	N
170162	0	3,433	-2295926	N	N
170179	0	650	314827	N	N
170193	0	5,099	0	N	N
170200	0	259	117472	N	N
190225	0	1,808	0	N	Y
190248	50,713	1,443	0	N	Y
200258	0	150	0	N	N
220324	0	165	0	N	N
220364	1,421	738	-9848	N	N
220387	45,184	2,295	109964.95	N	N
230494	0	359	0	Y	Y
230497	186	922	0	Y	Y
230501	139,815	6,198	0	N	Y
230505	3,541	540	0	Y	Y
250283	0	1,026	0	N	N
260396	0	2,085	0	N	Y
260417	0	194	47696	N	N
290553	224,354	8,343	0	N	Y
290559	13,016	2,833	-28977	N	N
290565	103,437	4,812	0	N	Y
290570	0	1,119	80510	N	N
300585	0	167	58148	N	N
300594	1	1,347	57868	N	N
300609	0	298	60018	N	N
300625	0	254	30756	N	N
300633	0	101	3696	N	N
300639	0	160	9249	N	N
300656	0	296	0	N	Y
300659	0	1,444	0	N	N
310678	0	170	38291.2	N	N
310688	0	64	57576	N	N
320796	0	206	62820	N	N
320834	0	1,191	0	N	Y
320837	0	91	-4834	N	N
320839	0	118	7300	N	N
330946	0	263	-11417	N	N
330955	334	1,283	30756	N	N
330967	5,188	54	41350.38	N	N
330968	2,800	879	117056	N	N
341024	0	300	0	N	Y
341086	0	116	1976	N	N
341092	0	13	0	N	N

APPENDIX C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Land &amp; Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable &amp; Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials &amp; Supplies</u>
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 C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
351098	0	0	15,093	496,963	0	140
351112	0	0	48,985	3,721,120	30,702	1,471
351118	273,181	0	42,677	3,292,087	620,353	505
351121	0	0	6,237	260,005	29,094	0
351153	2,871	0	17,388	1,670,477	0	1,429
351171	0	0	24,357	3,086,960	0	0
351174	7,902	0	40,149	3,473,046	338,671	0
351176	565,781	0	23,759	1,989,685	23,063	0
351188	0	0	17,603	1,558,872	21,781	1,144
351206	22,286	0	18,176	2,278,260	0	63
351232	0	0	20,534	449,220	98,201	0
351274	0	0	35,945	2,406,231	7,771	1,811
351280	0	0	17,689	1,427,732	0	945
351297	23,002	0	112,425	7,494,673	326,476	8,104
351324	0	0	32,426	2,751,448	467,337	753
351326	0	0	39,295	1,395,074	310,490	0
361358	0	0	151,119	12,282,454	0	18,000
361389	0	0	37,670	4,499,509	121,409	0
361401	26,821	0	73,045	7,119,453	12,372	270
361439	0	0	35,362	4,390,006	52,476	0
361479	0	0	298,724	22,621,519	0	0
361482	0	0	368,969	24,577,751	2,535,123	41,865
371530	4,324	0	51,490	5,148,144	0	11,776
371532	1,300	0	137,697	11,099,259	0	22,729
371556	1,979	0	58,925	2,794,347	434,235	1,182
381601	0	0	1,654	142,314	0	0
381631	1,334,098	0	117,028	14,479,974	572,029	1,722
391654	193,168	0	295,860	42,554,723	566,634	7,473
391654	193,168	0	295,860	42,554,723	566,634	7,473
391688	0	0	34,944	3,854,559	13,070	-195
421932	18,409	0	36,734	2,356,607	285,392	0
421942	0	0	44,702	3,084,239	0	0
442038	0	0	32,742	2,797,294	0	92,895
442043	0	0	21,909	735,273	173,232	9,257
442107	0	0	190,421	9,730,807	1,316,335	28,473
522430	93,076	0	83,012	6,985,091	772,094	7,920
532396	0	0	15,003	1,032,607	0	2,738
613026	0	0	6,511	225,616	24,887	0

APPENDIX C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable &amp; Wire</u>	<u>Other</u>	<u>Network</u>
	<u>Support</u>	<u>Equipment</u>	<u>Facilities</u>	<u>Property</u>	<u>Operations</u>
	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>	<u>Expense</u>
351098	11,258	22,760	94,503	0	3,650
351112	74,303	63,054	123,530	29,056	14,926
351118	35,925	100,342	113,954	0	3,213
351121	2,681	32,171	22,126	0	2,705
351153	21,754	26,254	77,553	0	7,941
351171	45,127	65,197	116,018	0	23,262
351174	76,038	84,043	99,832	5,086	42,752
351176	37,749	15,035	39,323	0	72,493
351188	22,554	21,031	43,599	0	19,271
351206	18,544	47,649	96,949	0	8,795
351232	1,235	251,840	30,940	0	3,611
351274	31,815	113,899	134,866	3,743	57,318
351280	26,702	44,342	31,950	0	5,860
351297	152,857	261,040	317,960	0	81,859
351324	35,857	37,045	169,723	0	7,991
351326	24,358	152,545	43,589	1,813	15,287
361358	390,074	210,416	864,881	4,206	84,953
361389	17,843	81,944	201,800	0	13,048
361401	30,263	146,453	251,718	0	35,423
361439	43,716	84,147	146,778	0	16,001
361479	197,354	340,469	499,205	0	989,100
361482	292,608	1,135,498	1,020,422	52,345	527,773
371530	66,571	56,180	229,212	0	162,852
371532	203,628	172,232	506,910	2,076	758,676
371556	32,070	127,041	153,589	0	214,516
381601	2,240	3,483	11,831	183	2,597
381631	97,208	474,098	657,748	24,726	115,144
391654	422,129	672,652	1,201,004	0	340,643
391654	422,129	672,652	1,201,004	0	340,643
391688	60,257	91,401	126,723	0	60,660
421932	23,598	48,866	90,555	0	51,753
421942	26,493	212,512	194,959	1,650	21,755
442038	0	44,924	103,067	0	23,949
442043	16,337	24,584	98,214	0	17,524
442107	214,739	639,274	751,725	128	380,084
522430	40,779	126,859	183,834	0	223,403
532396	11,853	29,739	33,413	0	2,470
613026	12,510	16,473	13,755	0	6,097

APPENDIX C5  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Depreciation &amp; Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
351098	54,652	2,096	63,907	94,360	0
351112	341,527	93,439	141,574	309,996	0
351118	252,405	9,031	121,394	164,266	0
351121	28,268	124	20,781	26,865	296
351153	183,885	0	67,530	91,874	0
351171	317,609	7,715	138,033	92,178	0
351174	417,943	5,540	115,048	176,892	2,136
351176	120,608	0	78,903	164,575	0
351188	117,848	4,705	70,937	70,771	0
351206	100,838	0	54,538	67,656	936
351232	114,259	3,150	29,321	66,817	1,018
351274	206,446	22,175	174,757	111,039	1,828
351280	122,188	2,616	44,503	97,538	0
351297	1,367,463	84,390	334,600	425,822	6,476
351324	214,550	958	175,623	79,927	0
351326	293,154	43,599	167,986	75,759	1,863
361358	811,215	70,644	655,340	486,672	7,251
361389	428,786	7,339	182,272	112,350	0
361401	919,317	0	323,606	408,546	0
361439	373,322	0	170,918	80,650	1,782
361479	2,341,891	315,106	977,276	2,292,498	0
361482	3,991,268	188,463	1,718,220	459,975	18,889
371530	391,536	28,586	138,054	358,683	0
371532	1,129,281	54,291	295,706	626,268	0
371556	280,780	15,185	110,469	492,779	0
381601	18,471	0	10,236	7,006	102
381631	1,323,475	20,826	456,265	487,303	0
391654	4,392,887	110,275	733,194	1,052,723	17,360
391654	4,392,887	110,275	733,194	1,052,723	17,360
391688	356,015	0	91,438	199,231	1,925
421932	236,431	11,833	311,436	121,757	1,756
421942	267,891	15,532	224,385	122,814	0
442038	321,829	1,511	74,843	164,850	1,897
442043	69,346	0	85,194	63,564	990
442107	1,361,464	10,016	1,036,798	449,057	9,884
522430	778,181	203,009	374,517	432,568	4,486
532396	121,996	0	98,318	57,971	846
613026	24,828	0	24,775	79,341	0

APPENDIX C5  
2008 MODIFICATION OF AVERAGE SCHEDULES  
2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Interest &amp; Related Items</u>	<u>Interest on Customer Deposits</u>	<u>Other Long Term Liabilities</u>	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>Other Operating Taxes</u>
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 C5  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 2005 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Allowance For Funds Used During Construction</u>	<u>Federal Investment Tax Credit</u>	<u>Provision For Deferred Operating Income Tax</u>	<u>State Income Tax Indicator</u>	<u>Federal Income Tax Indicator</u>
351098	0	69	0	N	Y
351112	0	274	0	N	N
351118	0	507	0	N	N
351121	0	30	0	N	N
351153	0	194	0	N	Y
351171	0	355	0	N	Y
351174	0	514	0	N	N
351176	0	197	0	N	N
351188	0	63	0	N	N
351206	0	7	0	N	N
351232	0	87	0	Y	N
351274	0	92	0	N	N
351280	0	111	-5743	N	N
351297	0	875	0	N	Y
351324	0	347	0	N	N
351326	26,824	381	0	N	N
361358	0	986	0	N	N
361389	0	350	0	N	Y
361401	5,845	1,077	0	N	Y
361439	0	171	0	N	N
361479	0	2,483	0	N	N
361482	0	3,414	0	Y	N
371530	0	152	0	Y	N
371532	0	1,137	0	Y	N
371556	1,570	227	56062	N	N
381601	0	34	0	N	Y
381631	0	1,307	0	N	Y
391654	67,800	5,438	0	N	Y
391654	67,800	5,438	0	N	Y
391688	0	175	0	N	N
421932	0	262	0	N	N
421942	0	399	0	N	Y
442038	0	83	0	N	N
442043	0	102	36472	N	N
442107	0	960	91240	N	N
522430	0	628	-4690	N	N
532396	0	187	0	N	Y
613026	0	14	0	N	N

APPENDIX D1  
2008 MODIFICATION OF AVERAGE SCHEDULES  
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Access Lines</u>	<u>Traffic Sensitive Minutes of Use</u>	<u>Intertoll Dial Circuits</u>	<u>Circuit Miles</u>	<u>Normal Route Circuit Miles</u>	<u>Long Route Circuit Miles</u>
100020	6,489	1,098,038	577	3,512	3,512	0
120043	1,719	429,037	0	700	700	0
140053	895	193,708	0	191	191	0
140053	895	193,708	0	191	191	0
150076	1,361	202,651	0	328	328	0
150125	7,883	1,509,228	0	583	583	0
170151	20,269	3,272,131	0	6,820	6,820	0
170161	294,017	49,908,364	6,370	808,453	808,453	0
170162	52,628	8,344,872	0	32,473	32,473	0
170179	5,753	740,416	110	1,543	1,543	0
170193	64,498	16,755,757	2,644	69,282	69,282	0
170195	503	134,745	0	17	17	0
170197	1,360	220,332	0	344	344	0
170200	2,238	469,568	0	99	99	0
170210	1,340	256,931	0	503	503	0
190225	7,293	2,583,119	0	15,388	15,388	0
190237	1,410	328,883	0	1,123	1,123	0
190248	6,241	2,536,394	0	25,298	25,298	0
190253	2,228	2,937,421	0	2,661	2,661	0
200258	1,427	743,800	0	783	783	0
220324	4,087	912,798	0	661	661	0
220364	6,912	1,722,734	100	21,387	20,400	987
220375	7,456	1,598,740	0	4,178	4,178	0
220387	21,520	3,153,845	0	26,116	26,116	0
230491	105,670	29,898,059	1,773	48,604	48,604	0
230494	1,805	428,457	0	171	171	0
230497	3,119	496,927	0	936	936	0
230501	35,522	6,949,906	0	74,542	74,542	0
230505	3,332	549,399	0	6,335	6,335	0
230511	29,463	5,306,333	0	67,725	67,725	0
240516	16,352	3,927,025	1,592	71,945	71,945	0
240532	620	69,484	0	0	0	0
240541	2,201	652,355	0	1,476	1,476	0
240546	16,269	4,237,745	0	32,349	32,349	0
250283	11,353	3,192,908	1,315	12,606	12,606	0
250311	2,347	400,379	0	604	604	0
250312	7,185	1,909,569	0	7,938	7,938	0
260396	6,080	1,221,070	102	10,668	10,668	0
260398	25,823	6,285,574	0	19,724	19,724	0
260417	2,081	387,531	0	378	378	0
260419	7,823	1,723,010	397	130,975	112,440	18,535
287449	826	151,588	0	180	180	0
290553	34,503	6,238,944	0	120,609	120,609	0
290554	12,492	2,449,371	662	18,478	18,478	0
290559	20,528	7,573,090	0	5,649	5,649	0
290565	26,330	5,226,278	0	55,558	55,558	0



APPENDIX D1  
2008 MODIFICATION OF AVERAGE SCHEDULES  
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Interstate Circuits</u>	<u>Switch Circuit Terminations</u>	<u>Adjusted Special Access Revenues</u>	<u>Number of Exchanges</u>	<u>Sample Weight</u>	<u>Data Collection Year</u>
100020	921	1,004	33,440	3	2.0000	2005
120043	177	163	6,479	1	1.0000	2005
140053	38	35	3,041	1	2.9167	2005
140053	38	35	2,754	1	6.0000	2006
150076	34	31	5,945	1	5.0000	2006
150125	193	178	46,444	2	2.0000	2006
170151	879	811	128,958	2	2.0000	2005
170161	21,158	21,437	813,350	79	2.0000	2005
170162	1,900	1,754	253,388	10	2.0000	2005
170179	210	153	18,463	2	5.6811	2005
170193	5,624	5,601	661,540	8	2.0000	2005
170195	23	21	3,006	1	6.7887	2006
170197	64	59	562	1	2.0000	2006
170200	91	84	5,606	1	5.0000	2005
170210	87	80	9,408	1	2.0000	2006
190225	561	518	37,887	5	6.7186	2005
190237	91	84	6,224	3	8.2435	2006
190248	897	828	12,932	6	2.0000	2005
190253	226	209	27,826	1	2.0000	2006
200258	153	141	1,346	1	1.0000	2005
220324	75	81	6,931	1	5.0000	2005
220364	348	340	38,722	4	5.3862	2005
220375	537	496	80,204	3	2.0000	2006
220387	1,158	1,069	157,487	2	2.0000	2005
230491	5,911	6,121	728,562	3	2.0000	2006
230494	163	150	10,026	1	5.0000	2005
230497	152	140	627	2	5.0000	2005
230501	2,220	2,218	77,554	12	2.0000	2005
230505	212	196	5,822	3	5.0000	2005
230511	1,779	1,642	132,301	10	2.0000	2006
240516	2,433	2,769	122,954	3	2.0000	2006
240532	10	0	0	1	7.7542	2006
240541	210	194	11,319	1	5.0000	2006
240546	983	991	58,787	7	2.0000	2006
250283	1,845	1,850	177,501	3	2.0000	2005
250311	131	121	1,879	4	6.5751	2006
250312	456	422	22,914	1	2.0000	2006
260396	577	602	18,559	7	6.6094	2005
260398	1,689	1,559	72,202	8	2.0000	2006
260417	94	87	2,052	1	5.0000	2005
260419	1,916	1,083	41,359	6	2.0000	2006
287449	53	49	846	1	6.2351	2006
290553	3,152	2,909	180,496	17	2.0000	2005
290554	1,120	1,374	33,686	5	3.0000	2006
290559	1,895	1,749	167,990	1	2.0000	2005
290565	1,755	967	65,727	10	2.0000	2005

APPENDIX D1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Access Lines</u>	<u>Traffic Sensitive Minutes of Use</u>	<u>Intertoll Dial Circuits</u>	<u>Circuit Miles</u>	<u>Normal Route Circuit Miles</u>	<u>Long Route Circuit Miles</u>
290570	5,710	1,220,985	55	10,031	10,031	0
300585	718	99,374	0	340	340	0
300591	779	123,394	0	7,745	7,745	0
300594	10,161	1,590,837	0	2,956	2,956	0
300609	3,603	542,824	0	377	377	0
300614	830	72,426	0	22,476	22,476	0
300625	1,517	194,212	0	8,677	8,677	0
300633	664	110,527	0	4,023	4,023	0
300634	3,156	794,578	0	377	377	0
300639	1,310	147,124	0	272	272	0
300645	1,166	255,817	0	143	143	0
300650	1,508	167,145	0	3,510	3,510	0
300651	400	92,997	0	62	62	0
300656	1,357	167,638	0	5,686	5,686	0
300659	9,470	1,453,019	0	17,527	17,527	0
310676	6,791	1,093,287	0	5,904	5,904	0
310678	1,334	362,463	0	2,222	2,222	0
310688	1,378	247,351	0	7,822	7,822	0
310725	1,133	234,672	0	150	150	0
320744	1,659	272,185	0	711	711	0
320756	1,088	170,033	0	29,244	29,244	0
320777	2,672	494,421	0	328	328	0
320796	1,013	56,751	0	526	526	0
320837	768	118,575	0	227	227	0
320839	981	142,653	0	22,361	22,361	0
330842	6,923	1,355,998	169	62,243	38,400	23,843
330848	205	62,833	0	53	53	0
330881	31,398	12,214,745	0	7,917	7,917	0
330889	1,974	471,237	0	4,766	3,240	1,526
330896	1,633	260,680	0	1,177	1,177	0
330944	8,887	2,365,372	352	125,302	91,980	33,322
330946	1,114	353,692	0	760	760	0
330951	2,947	884,519	0	2,908	2,908	0
330955	10,255	1,939,694	300	4,296	4,296	0
330960	4,023	691,118	0	17,437	11,580	5,857
330967	3,836	670,562	533	20,068	20,068	0
330968	7,413	1,142,919	0	1,635	1,635	0
341024	2,186	357,038	0	2,062	2,062	0
341050	3,339	780,961	0	2,676	2,676	0
341086	527	89,545	0	97	97	0
341087	691	120,463	0	1,037	1,037	0
341092	86	21,352	0	15	15	0
351098	339	47,127	0	9,154	9,154	0
351112	1,101	186,445	63	60,636	33,300	27,336
351118	1,803	248,916	13	5,894	3,240	2,654
351121	135	14,834	0	6,977	1,140	5,837

APPENDIX D1  
2008 MODIFICATION OF AVERAGE SCHEDULES  
SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Interstate Circuits</u>	<u>Switch Circuit Terminations</u>	<u>Adjusted Special Access Revenues</u>	<u>Number of Exchanges</u>	<u>Sample Weight</u>	<u>Data Collection Year</u>
290570	674	648	13,970	5	3.0000	2005
300585	77	71	2,622	1	6.1938	2005
300591	933	32	107	1	6.0036	2006
300594	269	201	32,731	2	2.0000	2005
300609	267	171	3,070	1	2.0000	2005
300614	1,247	37	5,343	1	6.1220	2006
300625	1,076	43	2,154	1	5.0000	2005
300633	1,489	36	259	1	5.0569	2005
300634	108	100	5,980	1	5.0000	2006
300639	85	78	4,302	1	5.0000	2005
300645	34	0	3,563	1	5.0009	2006
300650	732	37	7,685	2	5.0000	2006
300651	15	14	0	1	6.7646	2006
300656	813	32	5,743	1	5.2580	2005
300659	398	367	29,979	2	6.0191	2005
310676	203	219	7,934	4	9.2479	2006
310678	48	44	3,427	1	5.0000	2005
310688	1,593	714	37,919	1	2.0000	2005
310725	35	32	1,768	1	5.0000	2006
320744	56	52	9,811	3	7.3964	2006
320756	1,696	85	286	1	5.0000	2006
320777	48	0	12,204	1	5.0000	2006
320796	132	122	435	1	6.0562	2005
320837	47	43	2,245	1	6.3159	2005
320839	1,580	72	1,590	1	5.3277	2005
330842	654	636	37,488	3	2.0000	2006
330848	12	0	302	2	5.0000	2006
330881	2,988	1,586	323,376	2	2.0000	2006
330889	55	0	5,896	2	5.4779	2006
330896	102	94	2,237	2	7.0621	2006
330944	1,567	994	107,924	2	2.0000	2006
330946	89	82	2,646	2	7.2942	2005
330951	93	86	7,549	1	5.0000	2006
330955	701	743	27,791	1	2.0000	2005
330960	196	193	16,975	6	10.0238	2006
330967	1,173	569	32,096	1	5.0000	2005
330968	320	295	34,887	1	2.0000	2005
341024	116	107	4,091	7	5.7570	2005
341050	470	434	10,027	1	5.0000	2006
341086	23	21	1,204	1	7.1887	2005
341087	208	39	2,676	1	5.4394	2006
341092	17	16	0	1	5.0000	2005
351098	278	37	2,288	1	8.1271	2005
351112	567	220	3,667	3	7.7780	2005
351118	55	101	14,553	2	7.8821	2005
351121	19	39	1,219	1	5.0000	2005

APPENDIX D1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Access Lines</u>	<u>Traffic Sensitive Minutes of Use</u>	<u>Intertoll Dial Circuits</u>	<u>Circuit Miles</u>	<u>Normal Route Circuit Miles</u>	<u>Long Route Circuit Miles</u>
351146	352	55,307	0	3,137	1,200	1,937
351153	750	111,035	0	2,960	2,960	0
351160	1,088	199,051	0	15,777	3,360	12,417
351168	1,792	466,878	133	25,123	8,760	16,363
351171	1,945	276,460	0	5,208	4,620	588
351174	1,096	238,006	58	25,531	4,980	20,551
351176	672	125,249	0	18,188	2,100	16,088
351188	548	76,841	70	10,614	2,280	8,334
351189	911	147,446	36	2,203	2,160	43
351206	393	108,707	0	25,698	4,380	21,318
351213	600	275,336	0	59,405	16,560	42,845
351220	1,802	247,715	0	13,359	13,359	0
351232	493	416,320	233	74,670	29,520	45,150
351243	95	13,160	0	1,187	360	827
351251	2,311	424,698	0	32,698	7,860	24,838
351252	5,250	1,328,382	0	54,287	34,500	19,787
351271	1,945	383,456	0	24,692	8,940	15,752
351274	1,745	1,916,561	0	118	118	0
351280	369	67,693	0	2,309	1,260	1,049
351283	435	218,709	0	11,570	7,200	4,370
351291	1,766	520,122	38	36,623	31,860	4,763
351298	13,898	2,524,764	0	103,832	89,520	14,312
351301	719	173,283	53	24,168	5,520	18,648
351319	2,806	465,071	0	18,444	5,880	12,564
351320	584	171,234	0	39,498	39,498	0
351324	1,116	219,723	0	16,879	2,580	14,299
351326	731	169,599	0	10,455	2,460	7,995
351328	4,638	616,531	254	66,034	22,020	44,014
351331	4,828	732,209	130	46,314	37,860	8,454
351337	6,258	1,241,458	276	48,303	20,220	28,083
351343	620	124,505	0	12,298	2,040	10,258
361358	6,796	1,088,615	172	17,017	16,020	997
361362	8,163	2,863,609	0	27,393	27,393	0
361373	9,766	1,161,278	0	33,777	21,480	12,297
361384	267	34,308	0	100	100	0
361389	1,097	236,843	0	18,556	4,740	13,816
361401	1,774	339,354	316	63,955	37,380	26,575
361403	834	203,812	0	10,224	4,500	5,724
361409	11,615	1,583,040	0	28,366	12,840	15,526
361412	4,843	660,295	0	1,944	1,944	0
361422	1,857	262,801	0	724	724	0
361425	1,580	288,611	0	16,260	10,680	5,580
361431	2,763	462,654	0	14,846	7,800	7,046
361439	914	99,135	96	5,378	5,378	0
361443	12,171	2,221,159	0	58,143	39,240	18,903
361479	18,345	3,289,224	0	4,053	4,053	0

APPENDIX D1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Interstate Circuits</u>	<u>Switch Circuit Terminations</u>	<u>Adjusted Special Access Revenues</u>	<u>Number of Exchanges</u>	<u>Sample Weight</u>	<u>Data Collection Year</u>
351146	20	36	1,229	1	8.8062	2006
351153	462	39	2,349	1	5.5976	2005
351160	57	100	4,563	2	10.0819	2006
351168	149	280	17,598	7	2.0000	2006
351171	78	43	13,591	1	5.0000	2005
351174	85	150	3,039	3	5.0000	2005
351176	36	65	0	1	7.0873	2005
351188	39	71	3,613	1	2.0000	2005
351189	37	66	8,184	2	5.0000	2006
351206	74	138	655	2	15.3038	2005
351213	280	519	5,592	2	2.0000	2006
351220	584	110	10,821	2	6.2224	2006
351232	503	983	0	1	9.3956	2005
351243	6	10	0	1	5.0000	2006
351251	133	228	16,257	3	5.1868	2006
351252	584	356	35,854	1	5.0000	2006
351271	151	207	11,695	1	9.5035	2006
351274	39	36	4,479	1	2.0000	2005
351280	21	38	3,136	1	6.8650	2005
351283	122	207	3,401	1	2.0000	2006
351291	543	432	3,038	4	2.0000	2006
351298	1,515	633	89,069	6	2.0000	2006
351301	94	178	1,902	3	5.7158	2006
351319	99	145	14,555	6	6.0161	2006
351320	911	196	2,748	1	2.0000	2006
351324	44	43	1,342	2	8.6224	2005
351326	42	77	4,101	1	5.0955	2005
351328	375	728	18,491	16	7.0269	2006
351331	645	282	15,179	6	2.0000	2006
351337	345	494	29,883	16	3.0000	2006
351343	35	64	3,619	1	6.5412	2006
361358	273	315	74,618	7	2.0000	2005
361362	922	1,011	89,874	2	2.0000	2006
361373	363	456	28,876	10	5.6348	2006
361384	10	9	0	1	2.0000	2006
361389	80	115	5,099	4	6.4116	2005
361401	637	698	689	10	5.0000	2005
361403	76	94	2,061	1	5.3140	2006
361409	217	365	66,882	1	2.0000	2006
361412	96	125	1,639	3	5.0000	2006
361422	29	44	4,513	1	5.0000	2006
361425	181	171	8,428	1	5.0000	2006
361431	132	186	16,920	4	5.0000	2006
361439	119	114	5,039	3	5.5715	2005
361443	664	912	39,527	9	5.0886	2006
361479	624	576	38,956	3	2.0000	2005

APPENDIX D1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Access Lines</u>	<u>Traffic Sensitive Minutes of Use</u>	<u>Intertoll Dial Circuits</u>	<u>Circuit Miles</u>	<u>Normal Route Circuit Miles</u>	<u>Long Route Circuit Miles</u>
361494	1,131	146,668	0	3,087	2,040	1,047
371530	1,565	458,343	174	15,787	15,787	0
371532	2,911	735,580	253	30,253	22,440	7,813
371555	5,862	2,339,414	0	9,022	9,022	0
371590	86	16,192	0	0	0	0
381601	48	5,869	0	627	540	87
381631	4,690	1,059,577	315	23,217	23,217	0
383303	37,187	10,858,742	1,613	146,504	146,504	0
391650	12,695	3,776,542	0	70,054	26,340	43,714
391654	13,901	3,226,058	535	178,704	87,900	90,804
391654	13,901	3,226,058	535	178,704	87,900	90,804
391660	6,319	1,300,355	0	19,174	19,174	0
391669	2,105	374,723	132	160,028	107,940	52,088
391674	1,953	631,986	124	78,694	40,740	37,954
391677	5,066	888,849	351	146,460	130,920	15,540
391677	5,066	888,849	351	146,460	130,920	15,540
391684	1,746	251,314	40	25,680	25,680	0
391688	1,087	201,195	0	10,230	3,240	6,990
401712	7,183	1,655,449	168	14,612	14,612	0
421893	581	109,350	0	0	0	0
421932	1,490	264,495	0	281	281	0
421942	1,795	429,240	0	46,821	6,780	40,041
431704	1,279	309,565	0	70	70	0
431704	1,279	309,565	0	70	70	0
431968	1,796	339,208	0	2,795	2,795	0
442038	1,306	819,998	0	583	583	0
442038	1,306	819,998	0	583	583	0
442043	800	98,874	0	228	228	0
442107	7,821	1,371,400	0	959	959	0
462206	75	14,797	0	0	0	0
502282	3,095	608,990	0	10,588	9,480	1,108
522430	4,345	1,157,422	0	3,300	3,300	0
532396	623	113,769	0	241	241	0
532399	7,430	2,434,808	343	5,840	5,840	0
613026	178	25,181	0	0	0	0
613026	178	25,181	0	0	0	0

APPENDIX D1  
 2008 MODIFICATION OF AVERAGE SCHEDULES  
 SAMPLE AVERAGE SCHEDULE COMPANY DEMAND DATA

<u>Study Area Code</u>	<u>Interstate Circuits</u>	<u>Switch Circuit Terminations</u>	<u>Adjusted Special Access Revenues</u>	<u>Number of Exchanges</u>	<u>Sample Weight</u>	<u>Data Collection Year</u>
361494	35	50	3,690	1	5.0000	2006
371530	282	289	16,965	5	1.0000	2005
371532	382	526	37,792	15	1.5000	2005
371555	297	274	52,751	9	3.1577	2006
371590	12	11	0	1	6.0000	2006
381601	9	18	0	1	5.0000	2005
381631	559	469	28,240	13	9.5611	2005
383303	3,478	2,438	550,075	26	2.0000	2006
391650	446	718	50,483	1	1.0000	2006
391654	1,498	1,520	112,065	26	1.5000	2005
391654	1,498	1,520	112,065	26	6.0000	2005
391660	405	374	10,635	8	6.0000	2006
391669	1,839	452	7,971	6	1.0000	2006
391674	694	420	11,991	8	3.0155	2006
391677	2,231	1,832	21,767	5	1.0000	2005
391677	2,231	1,832	21,767	5	6.0000	2006
391684	2,358	261	0	2	4.2565	2006
391688	55	82	3,748	3	3.3925	2005
401712	832	916	21,732	8	2.0000	2006
421893	70	65	2,308	1	7.1518	2006
421932	59	54	7,066	1	5.0000	2005
421942	115	113	13,337	3	5.3571	2005
431704	93	86	4,990	1	1.0000	2006
431704	93	86	4,990	1	6.0000	2006
431968	169	156	12,038	1	2.5000	2006
442038	70	65	0	1	6.0000	2005
442038	70	65	0	1	1.0000	2006
442043	39	36	2,094	2	4.8288	2005
442107	438	404	32,729	1	1.0000	2005
462206	13	12	0	1	2.5000	2006
502282	160	158	14,265	2	11.1059	2006
522430	296	178	4,595	3	5.9999	2005
532396	33	30	3,652	1	6.5907	2005
532399	763	731	60,851	1	2.0000	2006
613026	8	7	995	1	2.5000	2005
613026	8	7	1,207	1	6.0000	2006

APPENDIX D2  
2008 MODIFICATION OF AVERAGE SCHEDULES  
COST COMPANY DEMAND DATA

Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	2003	2003	Interstate	Host	Circuit Miles	Circuit Miles	Switched Terminations	Host	Adjusted	Data	Sample Weight	TS Participant	Special Access Indicator
					High Volume Access Lines	High Volume Minutes of Use	Toll Circuit Miles	Remote Circuit Miles				Remote Circuits	Special Access Revenues	Collection Year			
1001	9	7,014	1,537,529	3.0	0	0	3,835	3,807	7,642	455	163	0	10,232	2005	5.29	1	1
1002	8	14,028	4,099,523	2.5	14,422	246,232	17,575	2,299	19,874	931	146	401	41,000	2005	5.33	1	1
1003	9	20,213	4,836,598	2.0	0	0	1,602	877	2,478	1,216	44	0	63,612	2005	3.00	1	1
1004	3	1,460	309,518	3.0	0	0	2,981	792	3,772	162	35	0	2,706	2006	12.42	1	1
1005	24	24,211	6,720,720	2.0	0	0	98,529	0	98,529	1,531	0	0	132,953	2006	5.00	1	1
1006	1	3,473	892,038	3.0	0	0	219	0	219	200	0	0	24,128	2005	8.50	1	1
1007	1	1,660	725,996	3.0	1,625	154,803	1,030	0	1,030	168	0	0	3,554	2005	2.00	1	1
1008	9	20,995	6,584,034	2.0	21,210	525,158	203,068	18,662	221,729	2,771	495	0	151,512	2006	2.00	1	1
1009	8	6,305	1,972,602	3.0	6,277	123,509	2,645	0	2,645	462	0	0	24,534	2006	5.24	1	1
1010	3	5,905	1,719,238	3.0	0	0	4,575	2,662	7,237	590	168	0	101,656	2005	5.00	1	1
1011	6	10,894	2,505,223	2.5	0	0	6,383	1,671	8,054	712	152	0	83,898	2005	5.60	1	1
1012	6	7,656	1,569,064	3.0	0	0	1,775	1,750	3,525	321	177	0	15,732	2006	5.51	1	1
1013	1	1,069	214,126	3.0	0	0	84	0	84	70	0	0	1,687	2006	12.07	1	1
1014	2	1,790	447,170	3.0	0	0	363	0	363	51	0	0	13,362	2006	5.00	1	1
1015	1	1,309	228,826	3.0	0	0	32	59	91	66	8	0	8,840	2005	6.36	1	1
1016	1	3,982	1,316,113	3.0	0	0	1,991	2,521	4,512	291	143	0	14,576	2005	5.00	1	1
1017	1	7,398	1,981,291	3.0	0	0	2,268	751	3,018	320	86	0	15,571	2005	5.00	1	1
1018	4	7,580	1,532,542	3.0	0	0	3,525	376	3,901	309	32	0	24,352	2006	5.73	1	1
1019	1	2,960	673,408	3.0	0	0	324	887	1,211	184	142	0	7,048	2005	6.01	1	1
1020	1	1,117	300,070	3.0	0	0	4,821	0	4,821	91	0	0	2,940	2005	6.00	1	1
1021	1	3,857	1,715,406	3.0	3,838	147,864	2,519	0	2,519	200	0	0	19,935	2006	5.00	1	1
1022	2	10,132	2,143,260	2.5	0	0	1,367	957	2,324	405	110	0	26,297	2005	5.14	1	1
1023	13	35,191	8,135,014	2.0	0	0	56,784	799	57,584	1,783	28	760	311,864	2005	3.00	1	1
1024	3	7,639	1,457,350	3.0	0	0	2,263	889	3,152	202	24	0	38,704	2005	5.47	1	1
1025	3	13,396	2,829,120	2.5	0	0	5,503	840	6,343	351	95	0	56,806	2006	5.00	1	1
1026	4	5,156	1,314,930	3.0	0	0	2,755	550	3,305	202	31	0	18,839	2006	6.87	1	1
1027	12	78,440	17,613,759	1.0	0	0	216,441	54,554	270,995	3,257	765	1,879	597,663	2005	3.00	1	1
1028	1	21,205	5,261,524	2.0	0	0	3,724	0	3,724	403	0	0	61,181	2005	3.00	1	1
1029	4	11,458	2,151,271	2.5	0	0	32,154	9,949	42,103	728	176	0	33,314	2006	6.40	1	1
1030	6	13,313	3,041,488	2.5	0	0	12,925	7,181	20,106	2,237	533	680	99,273	2005	7.59	1	1
1031	7	11,936	2,749,615	2.5	0	0	44,729	6,373	51,102	1,002	141	0	76,844	2006	5.63	1	1
1032	3	2,491	872,419	3.0	0	0	4,400	1,607	6,007	233	83	0	14,825	2006	9.65	1	1
1033	2	3,612	863,207	3.0	0	0	3,783	1,190	4,974	252	75	0	8,459	2006	7.24	1	1
1034	3	5,673	1,298,014	3.0	0	0	10,682	1,796	12,478	366	70	0	18,194	2006	5.00	1	1
1035	19	17,658	4,379,404	2.5	0	0	125,649	5,689	131,339	1,761	61	598	60,768	2006	3.00	1	1
1036	3	3,215	732,938	3.0	0	0	453	647	1,100	123	17	0	14,590	2005	8.75	1	1
1037	3	5,122	608,042	3.0	0	0	3,296	0	3,296	329	0	0	43,702	2006	5.00	1	1
1038	10	8,801	2,297,380	3.0	0	0	7,661	4,196	11,857	386	105	0	17,460	2006	5.11	1	1
1039	4	8,306	1,728,207	3.0	0	0	3,367	234	3,602	327	30	0	24,013	2005	6.64	1	1
1040	3	4,197	670,550	3.0	0	0	191	542	733	134	53	0	12,872	2005	5.11	1	1
1041	1	1,884	395,695	3.0	0	0	403	0	403	94	0	0	12,145	2005	8.12	1	1
1042	15	37,354	8,090,294	2.0	0	0	243,091	4,459	247,550	3,011	207	1,193	204,898	2005	4.00	1	1
1043	8	16,897	3,742,456	2.5	0	0	10,617	4,737	15,353	1,150	112	0	39,314	2006	5.00	1	1
1044	1	7,187	1,648,337	3.0	0	0	2,496	0	2,496	266	0	0	28,343	2005	5.00	1	1



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<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Minutes of Use</u>	<u>DEM Weighting Factor</u>	<u>2003 High Volume Access Lines</u>	<u>2003 High Volume Minutes of Use</u>	<u>Interstate Toll Circuit Miles</u>	<u>Host Remote Circuit Miles</u>	<u>Host Circuit Miles</u>	<u>Switched Terminations</u>	<u>Host Remote Circuits</u>	<u>Imputed ITD</u>	<u>Adjusted Special Access Revenues</u>	<u>Data Collection Year</u>	<u>Sample Weight</u>	<u>TS Participant</u>	<u>Special Access Indicator</u>
1045	2	1,421	248,109	3.0	0	0	907	0	907	56	0	0	1,211	2005	5.00	1	1
1046	3	2,124	245,015	3.0	0	0	731	113	843	95	17	0	6,650	2005	11.26	1	1
1047	2	2,469	642,293	3.0	0	0	1,149	231	1,381	197	33	0	3,709	2005	8.27	1	1
1048	5	5,703	854,486	3.0	0	0	6,499	1,959	8,458	261	71	0	19,511	2005	5.00	1	1
1049	1	1,562	400,875	3.0	0	0	128	1,917	2,045	74	34	0	9,505	2006	7.31	1	1
1050	9	5,850	1,160,485	3.0	0	0	648	2,562	3,210	195	74	0	39,881	2005	5.84	1	1
1051	1	1,476	311,242	3.0	0	0	303	0	303	53	0	0	6,314	2005	8.56	1	1
1052	9	12,694	2,120,926	2.5	0	0	8,938	0	8,938	396	0	0	46,036	2005	5.00	1	1
1053	1	2,154	444,355	3.0	0	0	2,036	0	2,036	142	0	0	8,489	2005	6.38	1	1
1054	5	13,308	4,694,703	2.5	13,987	676,064	0	1,510	1,511	1,844	148	846	58,708	2005	2.00	1	1
1055	3	4,597	1,829,115	3.0	4,679	329,789	18,279	0	18,279	475	0	0	29,643	2005	2.00	1	1
1056	1	1,809	408,889	3.0	0	0	419	0	419	0	0	0	5,050	2006	8.46	1	1
1057	13	9,542	2,549,799	2.5	0	0	0	10,603	10,603	769	218	290	67,740	2005	5.81	1	1
1058	6	6,044	1,348,676	3.0	0	0	0	3,777	3,777	399	77	396	18,115	2006	3.00	1	1
1059	3	4,751	1,092,553	3.0	0	0	2,314	704	3,018	239	50	0	20,706	2005	7.02	1	1
1060	2	10,345	1,608,326	2.5	0	0	0	0	0	304	0	0	40,628	2005	5.00	1	1
1061	1	538	113,719	3.0	0	0	0	0	0	0	0	0	4,411	2006	20.10	1	1
1062	2	309	50,712	3.0	0	0	570	0	570	17	0	0	3,081	2005	5.00	1	1
1063	1	653	320,872	3.0	696	18,751	2,815	0	2,815	70	0	0	3,706	2005	2.00	1	1
1064	1	532	110,364	3.0	0	0	1,459	0	1,459	119	0	0	200	2006	2.00	1	1
1065	8	4,743	1,050,565	3.0	0	0	1,873	3,362	5,235	222	101	0	8,498	2006	6.39	1	1
1066	12	11,577	2,838,303	2.5	0	0	23,277	8,780	32,058	799	242	0	82,713	2005	4.00	1	1
1067	2	1,958	361,973	3.0	0	0	12,968	67	13,034	103	7	0	4,017	2006	8.95	1	1
1068	2	1,759	226,646	3.0	0	0	4,490	187	4,676	45	11	35	3,115	2006	16.83	1	1
1069	2	731	124,673	3.0	0	0	266	0	266	45	0	0	3,597	2005	5.00	1	1
1070	1	4,757	616,197	3.0	0	0	8,613	0	8,613	219	0	0	31,895	2005	2.00	1	1
1071	1	1,506	217,039	3.0	0	0	5,910	0	5,910	93	0	0	6,255	2006	8.93	1	1
1072	6	13,216	1,976,008	2.5	0	0	15,678	566	16,243	683	17	454	58,267	2006	4.00	1	1
1073	3	2,125	412,456	3.0	0	0	0	0	0	94	0	0	10,706	2005	5.00	1	1
1074	3	882	175,687	3.0	0	0	840	78	917	50	9	0	4,603	2006	20.13	1	1
1075	8	3,231	817,848	3.0	0	0	3,923	1,528	5,451	202	73	0	10,880	2006	8.16	1	1
1076	1	1,003	210,274	3.0	0	0	117	0	117	25	0	0	6,003	2005	13.37	1	1
1077	19	7,169	1,750,713	3.0	0	0	9,064	16,355	25,419	412	181	0	21,956	2006	5.30	1	1
1078	2	3,903	1,140,346	3.0	0	0	3,767	270	4,037	132	18	0	22,818	2006	6.02	1	1
1079	1	586	144,758	3.0	0	0	1,332	0	1,332	30	0	0	4,634	2005	11.23	1	1
1080	26	18,163	3,701,596	2.5	0	0	56,267	26,553	82,820	1,437	301	0	153,351	2005	5.00	1	1
1081	18	6,801	1,561,590	3.0	0	0	34,229	31,445	65,673	516	193	0	49,067	2006	5.00	1	1
1082	21	8,348	1,773,580	3.0	0	0	136,445	18,989	155,435	590	236	179	63,512	2006	5.78	1	1
1083	20	8,866	2,162,940	3.0	0	0	54,144	17,160	71,305	801	212	231	102,419	2006	4.00	1	1
1084	15	12,246	2,448,176	2.5	0	0	58,083	3,321	61,403	468	72	0	87,677	2005	5.00	1	1
1085	27	15,409	4,438,010	2.5	0	0	131,185	49,086	180,271	1,034	250	0	122,408	2006	4.00	1	1
1086	10	4,561	725,369	3.0	0	0	30,733	0	30,733	623	0	285	35,764	2005	1.00	1	1
1087	3	723	193,455	3.0	0	0	2,248	914	3,162	92	23	0	117	2005	13.96	1	1
1088	9	3,454	900,608	3.0	0	0	19,810	14,412	34,221	219	109	0	27,281	2005	5.00	1	1

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Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	2003 High Volume Access Lines	2003 High Volume Minutes of Use	Interstate	Host	Switched Terminations	Host Remote Circuits	Host Imputed ITD	Adjusted Special	Data	Sample Weight	TS Participant	Special Access Indicator	
							Toll Circuit Miles	Remote Circuit Miles				Access Revenues	Collection Year				
1089	24	18,542	4,937,216	2.5	0	0	32,243	11,424	43,666	920	198	0	70,834	2005	5.00	1	1
1090	8	3,829	1,210,389	3.0	3,993	103,904	13,049	7,494	20,544	320	121	0	23,817	2005	2.00	1	1
1091	6	7,701	2,644,171	3.0	8,029	573,994	1,056	3,536	4,591	341	186	0	46,666	2005	2.00	1	1
1092	5	9,564	2,205,115	3.0	0	0	36,598	0	36,598	1,141	0	0	43,415	2005	2.00	1	1
1093	10	6,896	1,930,691	3.0	0	0	3,953	13,789	17,742	625	208	157	27,677	2006	7.38	1	1
1094	6	5,447	1,930,935	3.0	5,530	158,001	1,368	957	2,325	313	67	0	25,424	2005	6.41	1	1
1095	2	3,872	1,108,735	3.0	0	0	1,884	0	1,884	281	0	222	23,583	2006	10.54	1	1
1096	12	4,191	1,705,792	3.0	3,072	624,142	224	0	224	124	0	0	21,180	2006	2.00	1	1
1097	1	1,543	383,826	3.0	1,640	183,531	6,007	0	6,007	121	0	0	26,760	2005	2.00	1	1
1098	2	329	94,258	3.0	0	0	6,831	386	7,217	103	13	0	2,662	2006	6.00	1	1
1099	3	841	269,213	3.0	0	0	3,333	378	3,711	430	24	0	16,591	2006	10.74	1	1
1100	10	2,176	526,607	3.0	0	0	5,339	0	5,339	159	0	0	19,249	2006	5.00	1	1
1101	1	394	261,142	3.0	414	119,288	141	0	141	214	0	0	0	2005	1.00	1	0
1102	2	694	175,726	3.0	0	0	172	0	172	50	0	0	4,021	2006	5.00	1	1
1103	3	3,828	894,533	3.0	0	0	1,674	0	1,674	171	0	0	25,202	2006	5.00	1	1
1104	3	2,686	6,437,850	3.0	2,780	3,090,659	5,042	2,650	7,692	234	127	0	38,767	2006	2.00	1	1
1105	8	1,875	600,018	3.0	0	0	10,930	0	10,930	188	0	0	7,957	2005	5.00	1	1
1106	29	10,159	2,943,249	2.5	0	0	32,211	0	32,211	1,705	0	0	94,591	2006	3.00	1	1
1107	2	933	429,433	3.0	0	0	217	0	217	34	0	0	13,034	2006	5.00	1	1
1108	3	5,187	1,487,658	2.5	0	0	74,587	0	74,587	1,341	0	0	35,296	2005	5.00	1	1
1109	8	1,331	407,427	3.0	1,418	68,621	98	975	1,073	254	55	0	8,888	2005	2.00	1	1
1110	3	3,660	1,237,522	3.0	3,819	69,253	1,389	0	1,389	183	0	0	18,931	2005	5.00	1	1
1111	2	2,645	1,288,132	3.0	2,530	274,288	0	1,464	1,464	103	103	0	6,059	2005	2.00	1	1
1112	7	5,243	1,241,683	3.0	0	0	269,540	184	269,723	910	17	582	28,295	2006	7.96	1	1
1113	2	1,632	718,643	3.0	1,582	181,312	1,534	0	1,534	98	0	0	7,824	2005	2.00	1	1
1114	1	515	129,519	3.0	0	0	26	0	26	26	0	0	877	2006	15.68	1	1
1115	2	3,348	1,108,558	3.0	0	0	5,074	335	5,409	464	18	0	11,932	2005	5.43	1	1
1116	3	1,631	528,034	3.0	1,721	12,389	7,661	0	7,661	755	0	291	1,378	2005	2.00	1	1
1117	2	1,209	358,186	3.0	0	0	212	71	283	75	24	0	5,996	2006	2.00	1	1
1118	2	1,533	336,605	3.0	0	0	827	76	903	54	9	0	8,772	2005	10.05	1	1
1119	7	2,300	557,930	3.0	0	0	2,978	0	2,978	131	0	135	10,479	2006	9.71	1	1
1120	9	8,357	2,188,411	3.0	0	0	179	0	179	946	0	943	40,405	2006	2.00	1	1
1121	9	4,188	1,436,376	3.0	4,369	580,852	97,392	2,767	100,159	3,404	132	2,259	40,376	2006	2.00	1	1
1122	3	8,658	1,529,224	3.0	0	0	89,675	1,167	90,842	2,990	132	0	31,857	2006	7.54	1	1
1123	6	2,096	509,636	3.0	0	0	2,219	895	3,114	123	48	0	14,581	2005	9.33	1	1
1124	22	16,479	6,596,367	2.0	16,867	1,643,473	105,228	33,643	138,871	2,457	237	737	201,750	2005	2.00	1	1
1125	5	6,262	2,249,879	3.0	6,655	223,259	22,336	0	22,336	1,674	0	895	26,637	2005	2.00	1	1
1126	6	7,704	2,086,131	3.0	0	0	4,685	682	5,367	1,318	89	1,090	50,440	2006	6.54	1	1
1127	6	2,262	511,141	3.0	0	0	2,822	2,036	4,859	284	53	0	15,020	2006	2.00	1	1
1128	2	1,138	141,209	3.0	0	0	870	0	870	42	0	0	11,667	2005	5.00	1	1
1129	2	6,043	971,531	3.0	0	0	5,173	0	5,173	511	0	0	29,430	2005	8.12	1	1
1130	6	6,968	813,643	3.0	0	0	36,376	445	36,821	585	52	423	57,641	2005	6.57	1	1
1131	21	31,951	5,335,214	2.0	0	0	22,149	0	22,149	2,091	0	1,268	136,652	2006	4.00	1	1
1132	1	97	7,215	3.0	0	0	48	0	48	5	0	0	2,149	2005	24.77	1	1

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Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	2003 High Access	2003 High Volume Minutes of Use	Interstate	Host	Switched Terminations	Host Remote Circuits	Host Imputed ITD	Adjusted Special	Data	Sample Weight	TS Participant	Special Access Indicator	
							Toll Circuit Miles	Remote Circuit Miles				Access Revenues	Collection Year				
1133	10	2,074	379,717	3.0	0	0	1,822	949	2,771	141	36	0	27,980	2005	7.93	1	1
1134	2	24,828	5,115,826	2.0	0	0	21,140	757	21,897	996	25	527	200,043	2005	3.00	1	1
1135	6	4,215	742,675	3.0	0	0	2,295	715	3,011	368	45	215	17,444	2005	8.49	1	1
1136	15	3,108	419,833	3.0	0	0	2,802	2,969	5,771	535	84	361	20,639	2005	9.90	1	1
1137	9	2,043	454,416	3.0	0	0	0	3,145	3,145	87	87	0	15,321	2005	7.48	1	1
1138	10	7,976	2,418,614	3.0	7,896	151,901	11,677	1,072	12,750	701	47	305	93,920	2006	2.00	1	1
1139	1	202	36,942	3.0	0	0	0	0	0	18	0	0	1,605	2006	2.00	1	1
1140	3	1,032	411,459	3.0	1,011	122,183	858	377	1,235	158	40	0	6,920	2006	2.00	1	1
1141	7	4,894	1,676,506	3.0	4,989	298,913	0	0	0	262	0	0	45,790	2006	2.00	1	1
1142	1	595	189,814	3.0	533	1,955	325	0	325	27	0	0	3,734	2006	2.00	1	1
1143	1	1,037	279,150	3.0	0	0	0	0	0	0	0	0	5,688	2006	10.21	1	1
1144	2	228	73,325	3.0	0	0	0	0	0	0	0	0	874	2006	5.00	1	1
1145	5	2,081	735,329	3.0	2,049	59,847	28,541	7,766	36,307	264	84	0	12,991	2006	2.00	1	1
1146	4	2,180	662,417	3.0	0	0	4,127	850	4,977	207	33	0	14,585	2005	7.35	1	1
1147	3	5,546	1,325,349	3.0	0	0	91,260	0	91,260	387	0	0	57,768	2005	5.00	1	1
1148	7	1,180	398,067	3.0	1,227	36,114	7,569	0	7,569	195	0	0	4,700	2006	5.00	1	1
1149	5	7,736	2,054,782	3.0	0	0	17,136	2,794	19,930	421	87	0	26,095	2005	5.00	1	1
1150	5	5,045	2,044,640	3.0	5,006	666,432	10,901	0	10,901	772	0	0	53,828	2006	2.00	1	1
1151	2	372	149,175	3.0	349	30,026	471	0	471	44	0	0	396	2006	5.00	1	1
1152	13	8,397	2,590,557	3.0	0	0	0	14,969	14,969	266	266	0	41,621	2006	5.00	1	1
1153	2	2,193	943,722	3.0	2,099	238,142	173	0	173	173	0	0	16,103	2005	2.00	1	1
1154	27	10,917	3,633,457	2.5	10,949	605,845	162,506	29,517	192,022	1,807	352	688	110,292	2005	2.00	1	1
1155	33	13,043	3,630,664	2.5	13,698	65,369	73,729	10,063	83,792	895	276	316	145,878	2005	4.00	1	1
1156	6	1,494	483,909	3.0	0	0	12,018	0	12,018	70	0	0	25,424	2006	7.61	1	1
1157	11	4,512	1,715,837	3.0	4,699	40,320	506	14,062	14,568	403	204	104	34,140	2005	2.00	1	1
1158	26	10,692	2,974,434	2.5	0	0	55,091	19,572	74,663	1,666	341	670	93,410	2006	4.00	1	1
1159	9	8,845	3,595,177	3.0	8,854	680,402	0	32,598	32,598	314	314	0	71,580	2006	2.00	1	1
1160	3	1,410	508,526	3.0	1,354	136,578	2,440	0	2,440	90	0	0	23,694	2005	2.00	1	1
1161	2	732	310,791	3.0	755	65,470	3,827	931	4,759	73	14	0	7,660	2006	2.00	1	1
1162	9	6,864	2,714,393	3.0	6,900	750,735	26,535	25,285	51,820	507	227	0	65,641	2006	2.00	1	1
1163	6	3,363	1,074,729	3.0	3,560	76,691	11,673	6,256	17,929	273	93	0	24,179	2005	2.00	1	1
1164	8	2,119	514,645	3.0	2,227	8,126	1,373	1,528	2,901	233	72	0	12,590	2006	8.49	1	1
1165	12	14,216	4,023,405	2.5	0	0	86,667	27,766	114,433	1,304	377	0	76,735	2006	5.00	1	1
1166	3	6,331	1,261,696	3.0	0	0	3,250	2,559	5,810	383	86	0	58,872	2005	5.62	1	1
1167	20	18,691	5,924,044	2.5	19,400	463,315	112,383	0	112,383	1,144	0	0	127,481	2006	2.00	1	1
1168	1	328	148,812	3.0	338	115,347	0	567	567	23	23	0	3,221	2006	2.00	1	1
1169	4	2,334	889,394	3.0	2,276	141,182	6,788	426	7,214	139	24	0	13,762	2005	2.00	1	1
1170	4	3,307	1,254,699	3.0	3,097	277,627	28,106	0	28,106	572	0	0	29,547	2006	2.00	1	1
1171	1	22,770	4,488,898	2.0	0	0	6,827	0	6,827	177	0	0	232,360	2006	3.00	1	1
1172	4	2,679	682,187	3.0	2,559	198,083	32,196	0	32,196	179	0	0	14,156	2006	2.00	1	1
1173	2	3,592	797,503	3.0	0	0	537	0	537	93	0	0	17,436	2006	5.00	1	1
1174	1	12,566	2,835,232	2.5	0	0	3,395	0	3,395	329	0	0	20,762	2005	6.49	1	1
1175	1	11,119	2,395,336	2.5	0	0	19,820	663	20,482	525	62	172	79,314	2006	3.00	1	1
1176	1	3,653	780,412	3.0	0	0	1,253	0	1,253	156	0	0	3,595	2006	6.16	1	1

APPENDIX D2  
2008 MODIFICATION OF AVERAGE SCHEDULES  
COST COMPANY DEMAND DATA

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Minutes of Use</u>	<u>DEM Weighting Factor</u>	<u>2003 High Volume Access Lines</u>	<u>2003 High Volume Minutes of Use</u>	<u>Interstate Toll Circuit Miles</u>	<u>Host Remote Circuit Miles</u>	<u>Host Circuit Miles</u>	<u>Switched Terminations</u>	<u>Host Remote Circuits</u>	<u>Imputed ITD</u>	<u>Adjusted Special Access Revenues</u>	<u>Data Collection Year</u>	<u>Sample Weight</u>	<u>TS Participant</u>	<u>Special Access Indicator</u>
1177	1	647	233,223	3.0	694	46,063	831	0	831	131	0	0	6,863	2005	9.95	1	1
1178	1	218	86,768	3.0	220	10,689	0	101	101	12	12	0	1,474	2005	2.00	1	1
1179	1	6,570	1,176,577	3.0	0	0	8,381	38	8,419	216	10	0	13,001	2006	5.00	1	1
1180	1	3,119	591,390	3.0	0	0	1,061	0	1,061	91	0	0	16,783	2006	5.55	1	1
1181	1	511	200,815	3.0	546	29,782	724	0	724	36	0	0	3,486	2005	2.00	1	1
1182	4	711	406,707	3.0	703	138,287	27,750	435	28,186	347	26	0	8,003	2005	2.00	1	1
1183	1	1,461	304,762	3.0	0	0	0	300	300	28	28	0	5,652	2006	5.00	1	1
1184	14	15,222	3,826,445	2.5	0	0	4,018	21,852	25,870	666	205	0	80,678	2005	4.00	1	1
1185	2	4,349	851,444	3.0	0	0	2,202	511	2,713	139	27	0	21,016	2006	7.44	1	1
1186	8	9,588	1,108,065	3.0	0	0	12,250	0	12,250	235	0	0	44,954	2005	5.00	1	1
1187	2	266	45,148	3.0	0	0	70	0	70	14	0	0	2,354	2005	5.00	1	1
1188	1	632	279,829	3.0	676	99,967	0	3,392	3,392	34	34	0	14,392	2005	2.00	1	1
1189	3	1,059	331,673	3.0	970	44,190	803	0	803	54	0	0	3,832	2006	2.00	1	1
1190	2	13,018	4,745,375	2.5	13,850	437,127	7,767	502	8,269	748	94	0	142,984	2005	2.00	1	1
1191	6	2,445	1,036,872	3.0	0	0	24,212	4,420	28,632	200	88	0	41,104	2005	6.22	1	1
1192	3	9,740	3,814,635	3.0	9,147	270,391	0	468	468	355	43	0	86,691	2005	2.00	1	1
1193	6	1,019	440,307	3.0	1,042	103,377	4,970	2,081	7,052	168	41	0	11,523	2006	2.00	1	1
1194	9	5,263	2,401,210	3.0	5,836	659,385	332	0	332	399	0	0	38,673	2005	2.00	1	1
1195	10	1,055	715,387	3.0	1,013	14,661	73	0	73	68	0	0	9,264	2005	5.00	1	1
1196	6	5,859	1,700,811	3.0	6,315	260,123	842	85	927	237	12	0	61,526	2006	5.00	1	1
1197	1	27,495	9,041,230	2.0	0	0	1,257	0	1,257	1,534	0	0	203,202	2006	3.00	1	1
1198	11	8,725	5,610,101	3.0	8,794	1,386,692	1,687	0	1,687	704	0	0	93,438	2005	2.00	1	1
1199	12	3,398	1,164,033	3.0	3,497	194,091	0	0	0	270	0	0	31,434	2006	2.00	1	1
1200	3	253	68,556	3.0	242	17,121	11	0	11	6	0	0	2,062	2005	2.00	1	1

APPENDIX D3  
2008 MODIFICATION OF AVERAGE SCHEDULES  
AVERAGE SCHEDULE HIGH TRAFFIC VOLUME STUDY AREA DEMAND DATA

<u>Study Area Code</u>	<u>Data Collection</u> Year	<u>Access Lines</u>	<u>Traffic Sensitive</u> Minutes of Use	<u>Intertoll Dial</u> Circuits	<u>Adjusted Special</u> Access Revenues
120043	2002004	1,763	560,013	0	6,479
170175	2002004	5,539	2,315,239	0	0
190225	2002005	7,496	2,665,257	0	44,352
190248	2002005	6,245	2,596,781	0	13,641
190253	2002005	2,419	2,299,393	0	27,826
200258	2002005	1,481	789,445	0	4,225
230494	2002004	1,935	555,584	0	10,026
240541	2002005	2,250	668,161	0	11,319
240546	2002004	16,922	4,954,743	0	49,744
250312	2002004	7,510	2,663,538	0	18,637
290559	2002005	22,683	8,694,378	0	192,047
310678	2002005	1,403	397,755	0	4,016
310725	2002004	1,193	334,745	0	1,690
330848	2002005	211	71,729	0	302
330881	2002005	33,428	10,207,204	0	323,376
330889	2002005	1,988	592,835	0	5,896
330944	2002005	9,236	2,814,651	417	107,924
330946	2002005	1,196	414,372	0	2,850
330951	2002004	3,042	1,083,894	0	8,232
341050	2002005	3,671	3,224,639	0	10,027
351150	2002005	793	2,573,362	0	0
351168	2002005	1,787	715,395	134	17,598
351206	2002005	412	116,696	0	1,410
351213	2002004	629	406,937	0	3,668
351232	2002004	837	5,705,565	0	0
351252	2002004	5,285	1,888,288	0	38,023
351274	2002005	1,794	1,415,672	0	4,788
351283	2002005	461	251,678	0	3,401
351291	2002005	1,753	654,314	38	3,038
351292	2002005	219	931,813	51	0
351297	2002005	2,393	4,535,362	0	0
351301	2002005	816	3,824,510	26	1,902
351309	2002004	469	386,117	382	0
351320	2002005	605	169,430	0	2,748
351405	2002004	2,139	763,929	0	0
361362	2002005	8,785	3,282,902	0	89,874
371530	2002004	1,626	508,341	175	16,965
371555	2002005	6,075	1,790,850	0	52,751
371556	2002004	1,631	1,059,818	0	9,213
391650	2002004	13,365	4,443,579	0	44,420
391674	2002005	2,103	630,303	97	11,991
391684	2002005	1,750	1,536,702	0	0
431704	2002004	1,450	443,613	0	3,791
431704	2002004	1,450	443,613	0	3,791
442038	2002004	1,471	1,021,542	0	0
442038	2002004	1,471	1,021,542	0	0
522430	2002005	4,473	1,946,685	0	6,522
532399	2002005	7,667	2,350,935	356	60,851

APPENDIX D3  
2008 MODIFICATION OF AVERAGE SCHEDULES  
AVERAGE SCHEDULE HIGH TRAFFIC VOLUME STUDY AREA DEMAND DATA

<u>Study Area Code</u>	<u>Circuit Miles</u>	<u>Normal Route Circuit Miles</u>	<u>Long Route Circuit Miles</u>	<u>Interstate Circuits</u>	<u>Switch Circuit Terminations</u>	<u>Number of Exchanges</u>
120043	604	604	0	141	141	1
170175	0	0	0	0	0	1
190225	15,359	15,359	0	516	516	5
190248	22,934	22,934	0	750	750	6
190253	2,661	2,661	0	198	191	1
200258	767	767	0	140	140	1
230494	169	169	0	149	149	1
240541	1,472	1,472	0	192	192	1
240546	29,884	29,884	0	886	969	7
250312	7,627	7,627	0	418	418	1
290559	4,842	4,842	0	1,748	1,748	1
310678	1,939	1,939	0	39	39	1
310725	150	150	0	32	32	1
330848	49	49	0	11	0	2
330881	7,917	7,917	0	1,586	1,586	2
330889	5,002	3,360	1,642	56	0	2
330944	111,289	91,800	19,489	1,530	1,120	2
330946	722	722	0	78	78	2
330951	2,597	2,597	0	86	86	1
341050	2,334	2,334	0	378	378	1
351150	4,205	3,780	425	63	127	1
351168	25,123	8,760	16,363	146	280	7
351206	25,698	4,380	21,318	73	138	2
351213	59,852	17,100	42,752	285	528	2
351232	0	0	0	0	0	1
351252	57,020	22,740	34,280	379	319	1
351274	118	118	0	36	36	1
351283	11,570	7,200	4,370	120	207	1
351291	36,873	15,600	21,273	260	328	4
351292	8,088	1,440	6,648	24	47	1
351297	417,935	76,740	341,195	1,279	2,242	11
351301	12,084	2,760	9,324	46	89	3
351309	116,136	20,640	95,496	344	677	1
351320	39,516	11,820	27,696	197	199	1
351405	0	0	0	0	0	7
361362	26,941	26,941	0	895	1,060	2
371530	10,920	9,360	1,560	156	220	5
371555	8,161	8,161	0	248	248	9
371556	2,823	2,823	0	145	145	1
391650	70,032	25,740	44,292	429	708	1
391674	79,195	44,640	34,555	744	420	8
391684	0	0	0	0	0	2
431704	68	68	0	94	94	1
431704	68	68	0	94	94	1
442038	522	522	0	58	58	1
442038	522	522	0	58	58	1
522430	2,785	2,785	0	225	225	3
532399	6,202	6,202	0	773	773	1

APPENDIX D4  
AVERAGE SCHEDULE ACCESS MINUTES HISTORY  
ACCESS MINUTES OF USE TIME SERIES MODEL

Date	Interstate Access Minutes	Date	Interstate Access Minutes	Date	Interstate Access Minutes
199901	396,165,537	200201	428,793,817	200501	442,409,294
199902	399,112,571	200202	415,595,256	200502	435,160,077
199903	395,502,359	200203	418,778,685	200503	427,724,992
199904	398,515,127	200204	431,325,997	200504	422,547,428
199905	394,397,492	200205	417,973,595	200505	423,920,476
199906	399,567,534	200206	414,608,348	200506	418,609,735
199907	396,857,745	200207	418,201,651	200507	419,982,863
199908	425,636,237	200208	432,312,164	200508	438,571,014
199909	419,243,081	200209	434,067,512	200509	424,252,390
199910	413,353,729	200210	426,830,155	200510	426,759,879
199911	411,264,040	200211	420,807,572	200511	419,153,405
199912	414,659,211	200212	420,908,845	200512	421,001,402
200001	433,731,747	200301	431,957,364	200601	427,657,189
200002	437,986,553	200302	431,938,597	200602	411,180,280
200003	423,884,623	200303	410,098,027	200603	403,579,232
200004	430,098,843	200304	420,437,147	200604	407,319,416
200005	417,527,934	200305	408,770,953	200605	400,068,616
200006	410,134,334	200306	424,782,560	200606	402,351,021
200007	427,604,257	200307	418,709,697	200607	403,934,201
200008	441,188,127	200308	428,903,593	200608	418,167,004
200009	432,258,321	200309	436,193,125	200609	401,904,704
200010	431,777,803	200310	422,733,766	200610	400,835,527
200011	425,078,025	200311	421,050,471	200611	386,770,292
200012	427,964,019	200312	431,550,554	200612	382,938,410
200101	452,091,175	200401	436,315,901	200701	402,334,300
200102	429,143,969	200402	438,386,009	200702	383,342,170
200103	430,267,321	200403	432,812,601	200703	374,722,684
200104	435,326,009	200404	422,545,394	200704	371,423,683
200105	421,163,469	200405	414,193,863	200705	365,394,605
200106	419,272,918	200406	427,905,912		
200107	424,905,404	200407	422,933,114		
200108	433,843,329	200408	443,833,890		
200109	436,380,170	200409	435,147,980		
200110	429,248,106	200410	419,610,512		
200111	415,661,719	200411	424,474,469		
200112	412,176,363	200412	426,815,553		

APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1201	3	3,553	1,630	13,670
1202	4	4,995	869	17,204
1203	5	6,197	28,977	484
1204	1	2,841	297	11,982
1205	1	1,105	1,699	3,421
1206	1	907	147	4,620
1207	4	10,707	5,351	36,492
1208	4	8,076	5,065	53,468
1209	5	7,807	5,695	25,346
1210	4	12,848	7,033	54,006
1211	4	3,607	773	19,145
1212	3	6,462	3,019	29,289
1213	3	3,906	794	15,557
1214	2	1,961	532	7,151
1215	11	28,154	14,233	156,379
1216	1	1,111	138	1,459
1217	1	9,964	378	36,663
1218	1	2,994	2,157	15,994
1219	2	4,465	389	10,583
1220	4	7,073	1,004	28,416
1221	3	3,431	722	10,852
1222	2	2,536	967	7,671
1223	2	3,600	1,720	7,054
1224	3	6,855	1,342	46,233
1225	2	2,600	3,780	15,917
1226	1	1,633	681	22,064
1227	3	5,432	5,923	13,209
1228	4	9,781	0	76,290
1229	1	3,603	61,755	10,985
1230	6	4,527	2,715	17,313
1231	3	4,676	6,620	25,542
1232	1	10,808	3,662	85,029
1233	4	6,102	2,268	25,544
1234	6	10,845	13,000	41,797
1235	2	6,490	735	16,556
1236	3	6,569	7,749	29,952
1237	1	15,786	21,238	154,802
1238	1	1,034	864	2,291
1239	1	9,497	2,679	49,288
1240	1	4,979	2,810	26,972
1241	2	4,181	5,691	25,809
1242	5	9,816	14,142	33,873
1243	7	10,015	4,113	46,565
1244	7	12,036	33,434	90,296



APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1245	1	1,491	532	8,299
1246	6	11,698	18,368	63,875
1247	9	109,361	96,384	266,242
1248	6	16,563	6,865	73,783
1249	2	3,659	2,229	21,426
1250	3	2,201	1,001	6,395
1251	7	18,823	2,803	73,527
1252	3	4,389	1,477	8,255
1253	5	7,131	30,443	22,991
1254	1	3,222	6,063	10,325
1255	1	1,699	382	7,992
1256	4	2,527	5,160	9,290
1257	1	1,351	618	3,106
1258	2	5,259	2,135	22,858
1259	4	12,983	23,297	34,944
1260	7	16,616	9,393	78,531
1261	6	6,589	19,354	30,117
1262	4	8,609	25,534	26,047
1263	6	7,294	27,579	86,877
1264	4	2,591	2,208	8,469
1265	5	14,324	2,407	99,902
1266	2	978	241	3,771
1267	2	4,961	3,531	9,857
1268	5	4,549	2,392	11,747
1269	12	11,839	57,718	35,474
1270	4	3,096	4,103	9,562
1271	3	3,883	1,380	10,332
1272	7	4,216	2,060	9,803
1273	1	367	147	424
1274	1	1,029	92	1,989
1275	1	1,000	172	1,415
1276	1	591	173	1,658
1277	5	9,983	31,568	26,768
1278	10	20,033	32,983	77,174
1279	10	22,163	13,671	31,114
1280	3	5,348	533	16,995
1281	4	4,527	465	16,658
1282	1	728	143	2,017
1283	1	473	0	2,427
1284	9	6,835	9,596	17,112
1285	1	2,066	472	7,691
1286	1	1,620	139	12,336
1287	1	1,914	886	5,514
1288	3	854	0	788

APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1289	1	438	167	1,771
1290	6	4,107	3,909	18,202
1291	4	3,683	387	16,054
1292	1	1,914	274	1,814
1293	18	6,857	2,099	18,181
1294	1	557	304	4,200
1295	4	3,807	1,528	11,327
1296	3	8,439	20,806	17,935
1297	1	2,566	1,944	16,965
1298	1	533	59	2,374
1299	6	5,988	7,184	32,772
1300	2	1,782	1,453	6,256
1301	1	7,962	436	37,004
1302	4	4,879	14,708	17,421
1303	4	4,171	0	9,773
1304	2	2,772	0	20,780
1305	4	4,182	18,269	24,244
1306	4	4,621	3,991	16,191
1307	3	2,321	15,462	14,989
1308	1	1,201	1,123	6,227
1309	3	3,559	623	13,400
1310	2	2,564	770	12,670
1311	4	28,271	14,939	87,698
1312	2	852	0	6,648
1313	1	523	166	2,122
1314	1	473	92	1,724
1315	5	5,261	0	7,986
1316	4	1,619	889	7,787
1317	4	3,509	556	23,777
1318	1	669	0	5,648
1319	6	6,388	1,513	60,937
1320	1	525	1,134	2,162
1321	5	4,084	2,430	17,301
1322	1	6,325	40,581	33,563
1323	1	737	3,306	5,742
1324	3	1,608	1,600	14,077
1325	1	916	491	4,779
1326	1	1,977	818	5,386
1327	1	1,030	806	4,293
1328	2	399	0	2,346
1329	15	8,279	32,202	56,781
1330	1	676	62	2,780
1331	12	17,952	58,660	78,764
1332	3	698	3,715	1,270

APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1333	24	15,705	64,665	69,270
1334	1	260	102	867
1335	3	2,074	2,561	10,704
1336	1	533	87	1,347
1337	1	12,178	25,278	35,554
1338	12	10,863	36,611	17,635
1339	2	3,238	1,972	6,289
1340	5	6,210	8,204	27,056
1341	7	3,455	18,642	19,602
1342	5	3,950	8,731	2,705
1343	7	2,306	76,114	16,986
1344	1	214	99	1,473
1345	5	1,272	5,283	4,864
1346	2	1,219	2,830	9,132
1347	1	2,580	405	14,551
1348	1	791	1,436	5,655
1349	4	875	717	10,393
1350	3	423	73,734	1,664
1351	1	865	80	11,350
1352	2	575	222	4,823
1353	20	8,082	30,571	56,055
1354	1	1,062	638	6,529
1355	2	982	525	4,063
1356	1	1,106	560	6,992
1357	2	1,064	440	12,228
1358	18	7,903	19,375	67,865
1359	12	4,783	32,561	29,243
1360	29	11,200	80,652	86,460
1361	9	2,560	1,081	6,883
1362	3	1,684	7,162	33,417
1363	5	9,201	15,857	141,813
1364	5	3,416	6,498	17,922
1365	14	6,219	25,938	15,946
1366	1	476	338	1,709
1367	1	531	0	3,074
1368	2	738	2,159	9,218
1369	10	4,772	17,036	43,288
1370	25	13,357	82,139	47,318
1371	4	8,551	11,529	24,540
1372	2	3,164	1,241	10,791
1373	4	3,733	176	17,463
1374	1	1,672	182	6,827
1375	4	3,889	2,582	12,782
1376	3	948	555	12,968

APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1377	8	6,295	7,446	27,872
1378	7	5,321	1,302	42,873
1379	1	1,982	82	18,138
1380	6	1,369	3,498	15,752
1381	18	5,694	361	44,292
1382	12	3,635	1,322	23,708
1383	5	1,990	185	10,438
1384	15	2,742	817	9,808
1385	1	486	454	3,153
1386	1	1,611	880	11,426
1387	15	14,775	155,254	177,621
1388	31	13,381	18,477	115,549
1389	9	2,792	3,095	17,880
1390	14	4,746	5,115	7,599
1391	10	5,180	5,615	45,088
1392	13	3,344	2,355	30,720
1393	6	2,184	51,223	51,592
1394	7	2,137	8,861	20,457
1395	1	202	186	2,646
1396	1	849	285	1,466
1397	5	2,176	1,772	8,023
1398	9	16,109	1,151	54,625
1399	2	1,938	2,350	1,106
1400	2	2,655	0	7,802
1401	32	14,241	101,029	88,785
1402	13	3,540	95,457	20,971
1403	3	4,276	2,349	29,202
1404	14	4,384	18,202	9,380
1405	12	4,112	7,501	28,322
1406	1	1,044	391	8,651
1407	2	539	444	751
1408	14	7,835	26,907	52,265
1409	1	1,144	359	4,148
1410	4	4,664	3,505	23,918
1411	10	1,177	9,493	11,477
1412	2	347	312	264
1413	2	10,317	1,121	62,980
1414	3	3,309	1,066	18,438
1415	10	7,781	19,860	21,506
1416	11	9,878	11,372	117,696
1417	2	4,101	1,788	18,561
1418	6	3,387	4,451	13,865
1419	1	773	29	5,234
1420	9	3,369	19,837	2,883
1421	76	52,450	116,881	242,026
1422	5	2,464	295	3,204

APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1423	5	960	3,295	1,585
1424	5	817	2,879	3,598
1425	1	276	126	850
1426	3	2,107	235	5,553
1427	14	5,647	18,198	83,647
1428	10	5,723	3,173	30,899
1429	16	4,859	13,138	57,855
1430	17	7,487	32,402	36,004
1431	6	2,246	3,001	4,804
1432	8	5,316	16,573	21,712
1433	6	1,821	448	5,640
1434	1	854	425	12,415
1435	4	720	62,171	22,165
1436	1	1,739	392	8,402
1437	11	6,588	15,635	54,249
1438	3	3,115	600	17,567
1439	15	40,116	28,350	312,560
1440	15	17,307	5,366	39,998
1441	1	9,111	2,861	891
1442	3	2,361	2,551	13,961
1443	1	11,864	5,622	82,333
1444	3	1,178	1,397	9,051
1445	1	1,028	748	9,404
1446	2	1,518	454	15,284
1447	10	3,183	278	15,325
1448	13	13,314	0	13,137
1449	4	1,156	346	14,248
1450	6	4,553	16,982	39,751
1451	11	2,179	0	443
1452	16	5,239	20,965	38,742
1453	1	1,113	204	3,847
1454	14	7,392	73,563	38,720
1455	17	6,331	14,191	89,759
1456	10	2,952	8,403	13,336
1457	7	1,261	29,522	11,788
1458	2	890	1,614	4,436
1459	1	2,606	995	4,199
1460	3	3,687	2,153	22,679
1461	7	3,548	8,981	35,566
1462	5	1,237	1,065	4,488
1463	1	3,361	3,606	35,283
1464	1	143	0	323
1465	2	1,489	2,537	15,177
1466	1	1,421	14,581	6,095
1467	10	5,340	0	12,930
1468	3	1,612	8,203	4,086
1469	5	1,806	0	8,651

APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1470	1	688	0	4,748
1471	1	2,006	0	21,079
1472	7	1,463	0	27,597
1473	1	195	187	4,868
1474	1	284	0	269
1475	3	2,449	1,912	10,472
1476	2	1,497	0	6,856
1477	4	1,796	0	6,661
1478	9	4,616	10,007	29,047
1479	2	2,056	785	17,771
1480	2	3,437	2,527	36,004
1481	3	1,319	29,556	2,817
1482	7	652	719	555
1483	1	833	1,124	2,996
1484	2	1,125	3,368	3,522
1485	11	5,684	8,573	27,236
1486	5	1,025	4,470	4,840
1487	26	19,981	120,010	106,718
1488	13	7,954	7,038	43,123
1489	1	1,215	2,337	19,099
1490	4	456	11,320	1,777
1491	24	11,508	290,900	280,308
1492	2	2,272	43,851	9,730
1493	4	2,554	14,275	8,196
1494	3	4,824	3,817	47,232
1495	6	3,713	7,893	32,283
1496	11	15,555	15,436	360,165
1497	10	19,156	115,419	312,254
1498	1	915	0	5,428
1499	1	234	0	1,259
1500	1	131	137	0
1501	3	2,076	319	16,610
1502	1	1,463	483	6,996
1503	1	3,136	190	19,504
1504	2	3,807	1,606	20,513
1505	1	879	1,216	1,570
1506	1	638	427	527
1507	1	2,223	904	7,846
1508	2	1,190	0	4,070
1509	2	13,117	13,839	106,845
1510	2	259	372	768
1511	1	1,176	442	6,139
1512	1	457	2,327	9,488
1513	10	8,940	5,159	50,283
1514	1	1,056	165	7,525
1515	2	319	639	3,071
1516	1	658	3,308	3,356

APPENDIX D5

2008 MODIFICATION OF AVERAGE SCHEDULES  
 DEMAND DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE  
 USED FOR STUDIES OF SELECTED CATEGORIES

<u>Sequence</u>	<u>Exchange Count</u>	<u>Access Lines</u>	<u>Interstate Toll Circuit Miles</u>	<u>Adjusted Special Access Revenues</u>
1517	1	927	182	1,526
1518	5	1,778	5,177	24,200
1519	2	959	937	6,229
1520	1	1,789	433	8,286
1521	4	2,556	4,768	20,677
1522	3	1,219	564	2,385
1523	5	13,566	1,304	76,005
1524	1	3,090	0	408
1525	1	6,412	9,793	29,026
1526	3	22,967	114,532	130,277
1527	7	4,732	34,169	24,431
1528	4	11,286	4,202	41,069
1529	4	3,969	9,551	39,812
1530	3	192	6	1,734
1531	6	1,764	109	14,530
1532	1	2,010	754	11,320
1533	1	9,778	539	66,866
1534	11	58,706	46,992	434,473
1535	13	4,286	273	28,462
1536	20	11,296	401	62,821
1537	3	2,454	117	14,822
1538	60	12,263	887	62,442
1539	3	670	60	6,212

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
351292	5,943	64,491	70,435	5,904	47,401	53,305	-17,130	423	-40.50	-24.32%
351270	4,050	79,879	83,929	4,030	71,988	76,018	-7,911	281	-28.15	-9.43%
361500	556	6,213	6,770	555	5,746	6,301	-468	37	-12.66	-6.92%
613005	676	5,721	6,397	674	5,190	5,864	-534	45	-11.86	-8.34%
381601	691	8,212	8,903	689	7,705	8,394	-510	46	-11.08	-5.72%
351243	1,371	8,717	10,087	1,366	7,981	9,347	-740	92	-8.04	-7.34%
361348	1,135	6,255	7,390	1,132	5,667	6,799	-591	76	-7.78	-8.00%
351150	7,819	26,719	34,537	7,753	22,551	30,305	-4,233	572	-7.40	-12.26%
462210	914	7,050	7,963	911	6,652	7,563	-400	61	-6.56	-5.02%
462206	1,121	6,721	7,842	1,117	6,372	7,490	-352	75	-4.69	-4.49%
341021	1,546	6,334	7,880	1,541	5,884	7,425	-455	104	-4.38	-5.77%
361512	2,470	12,778	15,248	2,460	12,145	14,605	-643	168	-3.83	-4.21%
170277	586	6,361	6,947	585	6,217	6,802	-145	39	-3.72	-2.09%
341092	1,253	7,438	8,691	1,249	7,205	8,454	-237	84	-2.82	-2.72%
371590	1,253	7,082	8,335	1,249	6,861	8,110	-225	84	-2.67	-2.69%
341046	2,384	7,258	9,643	2,375	6,870	9,245	-397	162	-2.45	-4.12%
351342	3,247	10,757	14,004	3,233	10,236	13,469	-536	223	-2.40	-3.82%
351121	1,939	11,268	13,206	1,932	10,964	12,895	-311	131	-2.37	-2.35%
351309	7,015	26,172	33,186	6,961	25,179	32,140	-1,046	507	-2.06	-3.15%
383303	441,630	732,121	1,173,751	426,728	676,029	1,102,757	-70,994	37,092	-1.91	-6.05%
351274	19,886	37,160	57,046	20,151	33,982	54,133	-2,913	1,707	-1.71	-5.11%
361495	11,596	33,741	45,337	11,530	32,540	44,071	-1,266	756	-1.67	-2.79%
341041	1,356	9,031	10,387	1,352	8,890	10,241	-146	91	-1.61	-1.41%
391682	5,919	22,549	28,468	5,894	21,959	27,853	-616	405	-1.52	-2.16%
190250	233,895	507,127	741,022	251,565	453,779	705,344	-35,678	24,862	-1.44	-4.81%
361401	29,984	82,794	112,779	29,877	80,342	110,219	-2,560	1,806	-1.42	-2.27%
351209	19,713	96,535	116,248	19,596	94,905	114,502	-1,746	1,260	-1.39	-1.50%
330881	299,392	484,827	784,219	319,155	427,149	746,303	-37,916	31,105	-1.22	-4.83%
381625	85,476	157,565	243,041	85,028	152,781	237,809	-5,232	5,460	-0.96	-2.15%
351108	2,370	6,938	9,308	2,361	6,797	9,158	-150	161	-0.93	-1.61%
351265	3,163	11,994	15,157	3,149	11,817	14,966	-191	217	-0.88	-1.26%



APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
351275	2,882	11,202	14,084	2,870	11,045	13,915	-169	197	-0.86	-1.20%
250322	58,308	120,903	179,211	57,458	118,123	175,581	-3,630	4,474	-0.81	-2.03%
502283	38,685	178,936	217,621	38,409	177,401	215,810	-1,811	2,591	-0.70	-0.83%
361384	3,748	7,891	11,639	3,730	7,731	11,461	-178	259	-0.69	-1.53%
351152	22,012	35,352	57,364	21,811	34,595	56,406	-958	1,472	-0.65	-1.67%
190225	84,555	143,624	228,179	82,862	140,765	223,627	-4,552	7,209	-0.63	-1.99%
190248	82,580	122,525	205,105	81,463	120,369	201,832	-3,273	6,239	-0.52	-1.60%
290559	178,014	315,551	493,565	190,684	293,996	484,680	-8,884	19,289	-0.46	-1.80%
381614	29,805	88,059	117,864	29,631	87,318	116,950	-915	2,093	-0.44	-0.78%
170193	552,948	1,024,354	1,577,301	589,451	965,259	1,554,709	-22,592	61,043	-0.37	-1.43%
310735	13,430	76,329	89,759	13,248	76,148	89,396	-363	1,027	-0.35	-0.40%
361502	30,237	56,777	87,015	29,781	56,413	86,194	-820	2,326	-0.35	-0.94%
351266	3,582	12,394	15,975	3,565	12,330	15,894	-81	247	-0.33	-0.51%
351405	34,023	80,035	114,059	33,861	79,528	113,389	-669	2,115	-0.32	-0.59%
290553	354,050	426,015	780,065	371,264	399,474	770,738	-9,327	34,055	-0.27	-1.20%
391649	18,924	0	18,924	18,576	0	18,576	-348	1,463	-0.24	-1.84%
351248	27,320	35,803	63,122	26,970	35,698	62,668	-454	2,007	-0.23	-0.72%
300656	15,689	0	15,689	15,393	0	15,393	-296	1,341	-0.22	-1.89%
351306	15,422	0	15,422	15,138	0	15,138	-283	1,309	-0.22	-1.84%
300625	18,694	0	18,694	18,381	0	18,381	-313	1,520	-0.21	-1.68%
300586	14,766	0	14,766	14,513	0	14,513	-254	1,233	-0.21	-1.72%
391654	191,847	240,126	431,973	187,281	242,034	429,315	-2,658	13,792	-0.19	-0.62%
300619	13,386	0	13,386	13,186	0	13,186	-200	1,083	-0.19	-1.50%
351278	11,859	0	11,859	11,707	0	11,707	-152	930	-0.16	-1.28%
361472	102,799	135,602	238,400	101,804	135,416	237,220	-1,180	7,310	-0.16	-0.50%
300614	10,720	0	10,720	10,598	0	10,598	-123	823	-0.15	-1.14%
351238	4,310	12,986	17,295	4,287	12,965	17,252	-44	300	-0.15	-0.25%
361375	125,351	0	125,351	124,124	0	124,124	-1,227	8,582	-0.14	-0.98%
300650	20,824	0	20,824	20,620	0	20,620	-204	1,484	-0.14	-0.98%
300654	9,694	0	9,694	9,595	0	9,595	-100	731	-0.14	-1.03%
300589	9,385	0	9,385	9,292	0	9,292	-93	704	-0.13	-0.99%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
300633	8,873	0	8,873	8,789	0	8,789	-83	660	-0.13	-0.94%
351230	28,169	0	28,169	27,931	0	27,931	-237	1,922	-0.12	-0.84%
391657	100,024	0	100,024	99,088	0	99,088	-936	7,831	-0.12	-0.94%
391642	46,291	0	46,291	45,952	0	45,952	-339	2,928	-0.12	-0.73%
300591	7,863	0	7,863	7,779	0	7,779	-83	758	-0.11	-1.06%
351232	7,314	0	7,314	7,256	0	7,256	-58	531	-0.11	-0.79%
351407	6,111	0	6,111	6,070	0	6,070	-41	436	-0.10	-0.68%
351259	35,934	74,463	110,396	35,748	74,433	110,181	-215	2,310	-0.09	-0.20%
351283	5,852	0	5,852	5,814	0	5,814	-38	416	-0.09	-0.66%
351172	32,644	44,123	76,767	32,400	44,175	76,576	-192	2,200	-0.09	-0.25%
300590	15,535	0	15,535	15,441	0	15,441	-93	1,094	-0.09	-0.60%
391688	16,526	0	16,526	16,435	0	16,435	-91	1,079	-0.08	-0.55%
391669	33,004	0	33,004	32,831	0	32,831	-173	2,084	-0.08	-0.52%
361430	118,091	104,970	223,061	114,017	108,228	222,244	-816	10,399	-0.08	-0.37%
351260	64,471	0	64,471	64,105	0	64,105	-365	4,766	-0.08	-0.57%
351213	9,750	0	9,750	9,706	0	9,706	-44	586	-0.08	-0.45%
170165	464,987	411,788	876,775	485,715	387,072	872,787	-3,988	53,198	-0.07	-0.45%
391664	60,384	0	60,384	60,106	0	60,106	-278	3,833	-0.07	-0.46%
391674	30,585	0	30,585	30,451	0	30,451	-133	1,949	-0.07	-0.44%
350739	3,485	0	3,485	3,468	0	3,468	-16	240	-0.07	-0.47%
300663	3,902	0	3,902	3,880	0	3,880	-22	328	-0.07	-0.56%
230496	120,470	114,718	235,188	118,276	116,570	234,846	-342	9,678	-0.04	-0.15%
351173	34,890	51,513	86,403	34,602	51,809	86,411	8	2,429	0.00	0.01%
351225	27,474	40,568	68,042	27,304	40,745	68,049	7	1,769	0.00	0.01%
290565	245,155	252,265	497,420	262,584	235,480	498,064	644	25,864	0.02	0.13%
250301	27,024	40,544	67,569	26,667	40,957	67,623	55	2,034	0.03	0.08%
351291	26,151	54,187	80,338	25,984	54,431	80,415	77	1,751	0.04	0.10%
230491	952,802	1,095,784	2,048,586	1,023,460	1,029,691	2,053,151	4,565	101,609	0.04	0.22%
351228	3,665	12,735	16,400	3,647	12,764	16,412	11	253	0.05	0.07%
351118	25,812	37,568	63,380	25,525	37,962	63,486	106	1,801	0.06	0.17%
320796	13,932	16,065	29,998	13,762	16,299	30,060	63	991	0.06	0.21%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
361443	134,211	136,770	270,981	129,516	142,440	271,955	974	11,925	0.08	0.36%
100015	130,176	143,095	273,271	126,742	147,503	274,245	974	10,882	0.09	0.36%
351113	18,896	24,880	43,776	18,532	25,378	43,910	134	1,499	0.09	0.31%
200258	18,038	32,701	50,739	17,709	33,211	50,920	181	1,419	0.13	0.36%
330900	37,662	78,280	115,943	37,444	78,917	116,362	419	3,186	0.13	0.36%
220387	213,837	166,391	380,228	222,307	160,711	383,018	2,790	20,999	0.13	0.73%
260398	233,245	261,551	494,795	252,576	245,727	498,303	3,508	24,994	0.14	0.71%
361373	128,125	95,099	223,225	126,505	98,224	224,729	1,504	9,627	0.16	0.67%
482252	42,697	0	42,697	43,266	0	43,266	569	3,425	0.17	1.33%
351139	23,259	36,593	59,852	23,133	36,966	60,099	246	1,473	0.17	0.41%
351331	68,517	87,776	156,293	67,826	89,278	157,105	812	4,765	0.17	0.52%
391677	69,817	118,115	187,931	68,949	119,968	188,917	986	5,000	0.20	0.52%
351303	9,623	22,594	32,216	9,576	22,762	32,338	122	609	0.20	0.38%
170191	142,701	215,490	358,191	137,851	222,863	360,714	2,523	11,923	0.21	0.70%
351205	22,033	45,804	67,837	21,801	46,392	68,192	355	1,596	0.22	0.52%
351220	22,934	33,682	56,616	22,651	34,395	57,045	430	1,785	0.24	0.76%
351098	4,823	15,586	20,409	4,795	15,698	20,493	84	338	0.25	0.41%
351251	34,279	51,407	85,686	33,952	52,311	86,263	577	2,309	0.25	0.67%
330914	76,956	63,931	140,887	75,786	66,722	142,509	1,622	5,895	0.28	1.15%
300588	13,662	55,872	69,534	13,452	56,396	69,848	314	1,112	0.28	0.45%
340983	20,463	22,619	43,083	20,248	23,313	43,561	478	1,599	0.30	1.11%
170161	2,616,947	2,457,773	5,074,721	2,857,385	2,307,708	5,165,093	90,373	286,378	0.32	1.78%
361347	45,484	37,314	82,797	44,785	39,184	83,969	1,172	3,529	0.33	1.41%
310692	9,511	17,827	27,338	9,416	18,165	27,580	242	715	0.34	0.89%
341017	16,341	25,197	41,538	16,112	25,833	41,945	407	1,164	0.35	0.98%
330962	58,737	68,036	126,773	57,860	70,512	128,372	1,599	4,551	0.35	1.26%
361390	33,986	62,223	96,209	33,824	63,189	97,013	804	2,118	0.38	0.84%
310688	18,924	50,506	69,430	18,642	51,294	69,936	506	1,304	0.39	0.73%
170151	189,860	121,417	311,278	197,507	121,986	319,493	8,215	19,978	0.41	2.64%
330880	72,191	69,116	141,308	70,784	73,031	143,814	2,507	6,020	0.42	1.77%
391653	5,116	13,968	19,085	5,086	14,151	19,237	152	360	0.42	0.80%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
361396	43,990	37,118	81,108	43,532	38,942	82,474	1,366	3,167	0.43	1.68%
260396	82,947	103,538	186,485	82,046	107,036	189,082	2,597	5,923	0.44	1.39%
260419	97,932	151,261	249,193	96,277	156,357	252,634	3,441	7,740	0.44	1.38%
330945	35,664	37,099	72,763	35,122	38,793	73,915	1,152	2,555	0.45	1.58%
613026	2,641	8,524	11,165	2,630	8,616	11,246	82	180	0.45	0.73%
220395	48,335	73,710	122,046	47,397	76,643	124,040	1,994	4,144	0.48	1.63%
361425	18,611	28,827	47,438	18,409	29,803	48,212	774	1,561	0.50	1.63%
170162	458,176	358,903	817,079	506,403	336,503	842,906	25,827	51,264	0.50	3.16%
340990	4,228	8,531	12,759	4,206	8,702	12,908	149	294	0.51	1.17%
351319	40,576	56,914	97,491	40,307	58,617	98,924	1,434	2,743	0.52	1.47%
351277	6,522	15,304	21,826	6,475	15,608	22,083	257	468	0.55	1.18%
361358	89,895	112,048	201,943	88,801	116,768	205,569	3,626	6,605	0.55	1.80%
361450	62,387	77,090	139,477	61,800	80,134	141,934	2,457	4,343	0.57	1.76%
170204	34,277	70,577	104,853	33,645	72,844	106,489	1,636	2,776	0.59	1.56%
340976	60,474	100,390	160,864	60,168	103,051	163,219	2,355	3,975	0.59	1.46%
351126	2,712	9,967	12,679	2,703	10,085	12,788	109	182	0.60	0.86%
361356	65,108	51,467	116,574	64,314	55,150	119,464	2,890	4,757	0.61	2.48%
361507	18,578	23,991	42,568	18,251	25,240	43,491	923	1,515	0.61	2.17%
351334	56,777	94,308	151,085	56,428	96,851	153,278	2,193	3,599	0.61	1.45%
320809	25,782	30,759	56,541	25,590	31,994	57,584	1,043	1,699	0.61	1.84%
330905	31,551	28,844	60,396	31,030	30,904	61,934	1,538	2,503	0.61	2.55%
190243	35,422	39,079	74,501	34,777	41,454	76,232	1,731	2,808	0.62	2.32%
230505	42,883	42,104	84,988	42,270	44,780	87,050	2,062	3,285	0.63	2.43%
351222	11,482	22,789	34,271	11,373	23,383	34,756	485	771	0.63	1.42%
351245	5,787	13,029	18,816	5,750	13,325	19,075	259	411	0.63	1.38%
341029	19,748	22,137	41,885	19,564	23,218	42,781	896	1,399	0.64	2.14%
361431	38,184	44,927	83,111	37,837	47,010	84,846	1,735	2,703	0.64	2.09%
220380	74,089	68,327	142,416	73,208	72,741	145,949	3,534	5,464	0.65	2.48%
361423	11,398	14,996	26,394	11,258	15,711	26,970	576	886	0.65	2.18%
351276	17,655	17,619	35,275	17,515	18,545	36,060	785	1,195	0.66	2.23%
361409	108,370	116,667	225,037	113,405	119,165	232,570	7,533	11,347	0.66	3.35%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
330843	57,794	51,717	109,511	57,954	54,837	112,790	3,279	4,935	0.66	2.99%
361475	65,618	61,901	127,519	65,161	65,309	130,469	2,951	4,438	0.66	2.31%
351336	20,468	27,137	47,605	21,116	27,693	48,809	1,204	1,807	0.67	2.53%
330970	81,023	77,488	158,511	79,765	82,845	162,609	4,099	6,136	0.67	2.59%
361476	6,661	9,578	16,239	6,613	9,952	16,565	325	479	0.68	2.00%
351302	14,192	24,020	38,211	13,961	25,045	39,006	795	1,169	0.68	2.08%
230497	35,997	28,546	64,543	35,349	31,259	66,609	2,066	3,032	0.68	3.20%
351112	15,322	39,086	54,408	15,231	39,914	55,145	737	1,078	0.68	1.36%
240532	8,398	8,066	16,465	8,324	8,566	16,890	425	620	0.69	2.58%
361427	289,960	0	289,960	310,241	0	310,241	20,281	29,486	0.69	6.99%
330966	98,843	85,564	184,408	97,650	91,852	189,502	5,094	7,353	0.69	2.76%
351175	5,328	14,227	19,556	5,296	14,525	19,820	264	376	0.70	1.35%
361412	53,501	36,594	90,096	52,482	40,675	93,157	3,061	4,332	0.71	3.40%
421876	2,811	10,609	13,421	2,800	10,757	13,556	136	192	0.71	1.01%
330960	56,945	60,496	117,441	56,444	63,838	120,283	2,842	3,964	0.72	2.42%
361419	4,527	9,550	14,076	4,502	9,802	14,304	228	316	0.72	1.62%
391684	24,792	36,715	61,507	24,519	38,248	62,768	1,261	1,747	0.72	2.05%
351328	72,631	119,648	192,279	72,292	123,315	195,607	3,328	4,570	0.73	1.73%
502282	36,803	46,455	83,258	36,324	49,188	85,512	2,255	3,095	0.73	2.71%
170197	16,834	15,626	32,460	16,535	16,909	33,443	983	1,348	0.73	3.03%
260414	155,567	252,962	408,529	165,315	254,995	420,310	11,781	16,147	0.73	2.88%
431968	21,209	33,624	54,834	21,808	34,347	56,155	1,322	1,795	0.74	2.41%
230511	293,040	0	293,040	314,656	0	314,656	21,616	29,208	0.74	7.38%
230501	327,572	0	327,572	353,765	0	353,765	26,193	35,252	0.74	8.00%
361413	27,600	21,571	49,171	27,410	23,185	50,596	1,425	1,890	0.75	2.90%
391650	120,786	173,846	294,631	127,214	176,967	304,181	9,550	12,646	0.76	3.24%
351329	16,977	22,079	39,056	16,706	23,316	40,022	966	1,278	0.76	2.47%
100019	82,773	86,230	169,004	81,678	92,093	173,771	4,768	6,170	0.77	2.82%
300604	19,422	16,722	36,144	19,508	17,923	37,431	1,287	1,655	0.78	3.56%
361487	18,598	17,199	35,797	18,994	18,164	37,158	1,361	1,743	0.78	3.80%
330943	41,693	44,725	86,419	42,434	46,708	89,142	2,724	3,472	0.78	3.15%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
330930	50,466	40,668	91,134	49,968	44,061	94,029	2,895	3,656	0.79	3.18%
290570	72,738	91,199	163,937	71,671	96,714	168,385	4,448	5,604	0.79	2.71%
190226	308,147	0	308,147	333,380	0	333,380	25,233	31,581	0.80	8.19%
351298	135,310	190,095	325,405	143,728	192,794	336,523	11,118	13,890	0.80	3.42%
320744	24,135	27,095	51,230	23,958	28,567	52,525	1,295	1,617	0.80	2.53%
371581	22,360	35,468	57,828	22,092	37,123	59,214	1,386	1,731	0.80	2.40%
361505	96,160	124,635	220,795	95,620	130,348	225,968	5,174	6,418	0.81	2.34%
361448	20,003	25,110	45,113	20,835	25,771	46,607	1,494	1,851	0.81	3.31%
300639	16,242	15,483	31,725	15,969	16,795	32,764	1,039	1,283	0.81	3.28%
401712	99,468	152,452	251,920	98,376	159,253	257,629	5,709	6,999	0.82	2.27%
120042	6,458	10,206	16,664	6,412	10,631	17,043	379	463	0.82	2.28%
351125	63,711	118,275	181,985	66,083	120,449	186,532	4,546	5,524	0.82	2.50%
280460	67,546	61,789	129,335	66,365	67,382	133,747	4,412	5,355	0.82	3.41%
260408	65,524	0	65,524	70,870	0	70,870	5,347	6,477	0.83	8.16%
240546	155,605	203,587	359,191	165,483	207,383	372,866	13,675	16,251	0.84	3.81%
320830	45,900	48,991	94,891	45,459	52,113	97,571	2,681	3,101	0.86	2.83%
351130	9,626	20,284	29,910	9,528	21,012	30,539	629	725	0.87	2.10%
310675	61,791	64,861	126,651	60,824	70,007	130,831	4,180	4,800	0.87	3.30%
240536	132,154	152,503	284,658	140,840	156,168	297,008	12,350	14,104	0.88	4.34%
351101	11,785	25,057	36,843	11,642	25,989	37,631	788	899	0.88	2.14%
421932	19,186	25,618	44,804	18,827	27,280	46,107	1,303	1,486	0.88	2.91%
351107	4,527	14,207	18,734	4,502	14,509	19,011	277	316	0.88	1.48%
330896	22,770	23,627	46,397	22,521	25,352	47,873	1,476	1,662	0.89	3.18%
351097	5,169	11,502	16,671	5,138	11,857	16,996	324	364	0.89	1.94%
351203	11,631	20,317	31,948	11,515	21,143	32,659	711	795	0.89	2.23%
351335	4,890	12,039	16,929	4,861	12,376	17,237	308	343	0.90	1.82%
351217	15,474	34,648	50,122	15,399	35,582	50,980	859	955	0.90	1.71%
351136	8,410	14,904	23,314	8,335	15,538	23,873	559	621	0.90	2.40%
320827	19,944	32,754	52,698	20,198	34,035	54,233	1,535	1,704	0.90	2.91%
351257	12,231	18,776	31,008	12,099	19,687	31,787	779	858	0.91	2.51%
351241	9,932	16,493	26,425	9,828	17,285	27,113	688	752	0.91	2.60%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
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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
330892	18,961	23,001	41,962	18,960	24,494	43,454	1,492	1,628	0.92	3.56%
391660	88,161	85,731	173,891	87,238	92,503	179,741	5,850	6,362	0.92	3.36%
522430	56,932	54,098	111,031	55,938	59,028	114,966	3,936	4,275	0.92	3.54%
351147	11,859	24,049	35,909	11,707	25,061	36,768	860	930	0.92	2.39%
341024	30,941	44,139	75,080	30,774	46,324	77,098	2,018	2,157	0.94	2.69%
280451	21,460	25,268	46,729	22,165	26,282	48,447	1,719	1,821	0.94	3.68%
351199	6,368	14,248	20,617	6,324	14,724	21,048	431	456	0.95	2.09%
330849	17,642	15,823	33,465	17,325	17,466	34,791	1,326	1,391	0.95	3.96%
381631	73,872	115,132	189,005	73,493	119,902	193,395	4,391	4,556	0.96	2.32%
310676	65,880	59,871	125,751	66,491	65,807	132,299	6,548	6,733	0.97	5.21%
351332	43,110	91,670	134,780	45,236	93,261	138,497	3,716	3,806	0.98	2.76%
351149	4,278	14,543	18,820	4,259	14,822	19,081	261	265	0.98	1.38%
351146	4,916	13,310	18,226	4,888	13,678	18,566	340	345	0.99	1.87%
351191	9,251	18,469	27,721	9,181	19,133	28,314	593	598	0.99	2.14%
320816	5,644	13,956	19,600	5,608	14,391	19,999	399	400	1.00	2.04%
500758	38,657	54,579	93,237	38,384	57,429	95,814	2,577	2,573	1.00	2.76%
190238	23,916	36,646	60,563	23,791	38,373	62,164	1,602	1,591	1.01	2.64%
190220	2,470	9,242	11,712	2,460	9,421	11,882	170	168	1.01	1.45%
361422	20,315	19,300	39,615	20,967	20,483	41,450	1,834	1,808	1.01	4.63%
351137	8,551	23,490	32,041	8,506	24,149	32,655	614	595	1.03	1.92%
401722	59,574	86,818	146,392	59,154	91,448	150,602	4,211	4,023	1.05	2.88%
361408	27,710	29,719	57,429	27,467	32,005	59,471	2,042	1,949	1.05	3.56%
361474	7,659	16,902	24,561	7,597	17,550	25,147	586	559	1.05	2.39%
270428	16,238	21,852	38,090	15,984	23,400	39,384	1,294	1,232	1.05	3.40%
351271	21,881	38,157	60,038	23,041	39,019	62,060	2,022	1,924	1.05	3.37%
361440	29,173	38,860	68,033	28,968	41,157	70,125	2,092	1,982	1.06	3.08%
330868	32,384	38,464	70,848	32,049	41,287	73,336	2,488	2,340	1.06	3.51%
351242	11,038	18,692	29,730	10,937	19,581	30,519	788	736	1.07	2.65%
351263	21,221	28,800	50,021	21,713	30,214	51,927	1,906	1,768	1.08	3.81%
351212	36,227	0	36,227	39,844	0	39,844	3,617	3,319	1.09	9.98%
230503	135,432	118,988	254,420	144,265	125,660	269,925	15,505	14,221	1.09	6.09%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
310703	31,841	36,253	68,094	31,582	39,069	70,652	2,558	2,344	1.09	3.76%
472227	20,887	44,169	65,056	20,787	45,862	66,649	1,593	1,444	1.10	2.45%
442043	10,749	15,631	26,380	10,683	16,551	27,234	854	759	1.13	3.24%
330848	3,063	13,292	16,356	3,053	13,535	16,588	233	206	1.13	1.42%
330955	94,052	114,695	208,747	98,066	121,854	219,920	11,173	9,874	1.13	5.35%
341016	72,317	0	72,317	80,537	0	80,537	8,220	7,262	1.13	11.37%
330879	43,835	53,084	96,919	43,186	57,572	100,757	3,838	3,389	1.13	3.96%
351176	8,637	14,075	22,711	8,558	14,888	23,445	734	640	1.15	3.23%
250311	34,895	37,437	72,331	34,635	40,342	74,977	2,646	2,280	1.16	3.66%
330851	23,573	24,265	47,838	24,682	25,380	50,062	2,224	1,913	1.16	4.65%
351171	22,704	32,393	55,097	23,945	33,418	57,363	2,266	1,941	1.17	4.11%
230478	21,674	27,938	49,613	23,517	28,666	52,183	2,570	2,197	1.17	5.18%
290598	24,764	35,050	59,813	24,618	37,082	61,700	1,887	1,612	1.17	3.15%
361654	24,516	34,617	59,133	24,339	36,690	61,029	1,897	1,613	1.18	3.21%
150076	16,771	19,254	36,025	16,471	21,143	37,615	1,590	1,349	1.18	4.41%
170156	43,970	0	43,970	49,282	0	49,282	5,312	4,391	1.21	12.08%
351280	5,130	15,609	20,738	5,099	16,078	21,177	439	361	1.22	2.12%
240516	159,707	274,670	434,377	179,310	274,930	454,240	19,862	16,288	1.22	4.57%
320751	28,538	44,957	73,495	28,072	48,302	76,374	2,879	2,355	1.22	3.92%
421759	34,958	55,218	90,177	34,736	58,443	93,179	3,002	2,441	1.23	3.33%
220364	75,927	108,195	184,122	76,905	115,601	192,506	8,384	6,805	1.23	4.55%
341050	32,354	56,772	89,125	35,727	57,322	93,049	3,924	3,165	1.24	4.40%
170175	49,863	0	49,863	56,224	0	56,224	6,362	5,128	1.24	12.76%
371555	85,799	130,287	216,085	85,070	138,264	223,334	7,249	5,842	1.24	3.35%
190236	13,174	12,474	25,648	12,981	13,993	26,974	1,326	1,061	1.25	5.17%
240515	50,975	0	50,975	57,263	0	57,263	6,288	5,019	1.25	12.34%
300585	9,223	17,311	26,534	9,133	18,269	27,402	869	690	1.26	3.27%
361426	8,360	15,480	23,841	8,317	16,256	24,573	732	581	1.26	3.07%
341087	8,814	17,685	26,499	8,732	18,597	27,328	829	655	1.27	3.13%
260412	17,566	26,951	44,517	17,283	28,899	46,182	1,665	1,310	1.27	3.74%
421942	27,111	45,341	72,452	26,905	47,816	74,721	2,269	1,772	1.28	3.13%



APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
280467	13,101	17,160	30,262	12,946	18,524	31,469	1,208	942	1.28	3.99%
150112	46,172	47,496	93,668	49,476	49,529	99,004	5,336	4,153	1.28	5.70%
330902	30,273	39,677	69,950	29,803	43,186	72,989	3,039	2,363	1.29	4.34%
351177	23,352	43,211	66,563	23,215	45,345	68,560	1,997	1,547	1.29	3.00%
351322	6,026	11,189	17,215	5,981	11,876	17,857	642	494	1.30	3.73%
371530	25,194	71,542	96,736	25,075	73,660	98,735	1,999	1,537	1.30	2.07%
100020	69,127	103,962	173,089	74,325	107,177	181,502	8,413	6,383	1.32	4.86%
381615	29,321	41,027	70,347	29,123	43,805	72,929	2,581	1,940	1.33	3.67%
532386	21,942	30,952	52,894	22,928	32,477	55,405	2,511	1,886	1.33	4.75%
391640	23,830	43,837	67,667	23,661	46,104	69,765	2,098	1,572	1.33	3.10%
361494	15,180	16,236	31,416	14,965	17,960	32,925	1,509	1,125	1.34	4.80%
361479	168,730	121,483	290,213	188,815	124,937	313,753	23,540	17,479	1.35	8.11%
351114	6,306	15,384	21,690	6,269	15,978	22,246	556	412	1.35	2.56%
330865	18,768	27,698	46,466	18,674	29,950	48,624	2,158	1,598	1.35	4.64%
140064	52,248	84,570	136,818	51,818	89,914	141,732	4,914	3,627	1.35	3.59%
351162	19,078	29,726	48,804	18,919	31,630	50,550	1,745	1,282	1.36	3.58%
290554	135,670	169,755	305,425	147,181	175,219	322,400	16,975	12,439	1.36	5.56%
351168	29,906	70,783	100,690	29,781	73,359	103,140	2,451	1,789	1.37	2.43%
330847	11,003	16,401	27,404	10,873	17,702	28,575	1,171	849	1.38	4.27%
351237	23,339	48,768	72,107	23,210	50,956	74,166	2,060	1,491	1.38	2.86%
381509	4,912	14,327	19,239	4,893	14,809	19,701	462	334	1.38	2.40%
351179	4,608	14,331	18,939	4,582	14,803	19,385	447	322	1.39	2.36%
230494	20,444	39,431	59,875	21,003	41,387	62,390	2,515	1,785	1.41	4.20%
351304	13,076	24,578	37,654	12,926	26,032	38,959	1,305	922	1.42	3.46%
351247	13,228	27,143	40,370	13,167	28,492	41,659	1,289	909	1.42	3.19%
361510	20,683	28,787	49,470	20,590	30,743	51,333	1,864	1,311	1.42	3.77%
361508	14,297	15,506	29,803	14,092	17,272	31,365	1,562	1,096	1.43	5.24%
341075	6,763	15,298	22,060	6,713	16,049	22,762	702	487	1.44	3.18%
190239	12,491	15,494	27,985	12,347	16,948	29,295	1,310	902	1.45	4.68%
351115	34,013	51,946	85,960	33,661	56,615	90,275	4,316	2,958	1.46	5.02%
330872	20,048	27,667	47,714	20,579	29,758	50,337	2,623	1,778	1.48	5.50%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
351153	9,808	19,658	29,466	9,706	20,866	30,572	1,106	741	1.49	3.75%
351188	7,413	18,496	25,909	7,354	19,368	26,722	813	539	1.51	3.14%
170210	16,482	26,203	42,685	16,199	28,471	44,671	1,985	1,308	1.52	4.65%
421893	7,794	17,420	25,214	7,729	18,360	26,089	875	570	1.53	3.47%
351195	29,252	45,450	74,702	29,060	48,573	77,633	2,930	1,908	1.54	3.92%
300662	9,511	11,014	20,526	9,416	12,210	21,626	1,100	715	1.54	5.36%
330968	66,021	61,873	127,893	72,687	66,297	138,984	11,091	7,203	1.54	8.67%
361515	23,276	22,169	45,445	25,045	23,717	48,762	3,318	2,151	1.54	7.30%
341053	41,677	46,918	88,595	43,538	50,840	94,377	5,782	3,747	1.54	6.53%
320778	22,659	24,171	46,830	24,275	25,758	50,033	3,204	2,054	1.56	6.84%
361380	4,214	9,941	14,156	4,192	10,420	14,613	457	293	1.56	3.23%
120043	20,534	30,234	50,768	20,817	32,627	53,443	2,675	1,712	1.56	5.27%
351293	17,009	28,909	45,919	16,884	30,783	47,668	1,749	1,115	1.57	3.81%
351157	9,886	23,815	33,701	9,829	24,964	34,793	1,092	694	1.57	3.24%
351250	8,255	19,356	27,610	8,182	20,387	28,570	959	608	1.58	3.47%
170145	32,539	25,516	58,054	35,303	27,147	62,450	4,396	2,780	1.58	7.57%
330842	72,383	111,031	183,413	78,400	115,990	194,390	10,976	6,901	1.59	5.98%
320837	10,937	18,226	29,164	10,832	19,534	30,366	1,202	756	1.59	4.12%
502279	20,318	28,274	48,592	20,444	30,806	51,250	2,658	1,667	1.59	5.47%
351307	2,670	12,618	15,288	2,659	12,920	15,578	290	182	1.59	1.90%
442107	75,080	87,900	162,980	81,549	93,609	175,158	12,178	7,637	1.59	7.47%
351246	11,581	22,655	34,236	11,515	23,923	35,438	1,202	754	1.59	3.51%
391671	26,095	57,958	84,053	28,231	59,665	87,896	3,843	2,383	1.61	4.57%
421900	20,239	32,709	52,948	20,119	35,144	55,264	2,315	1,423	1.63	4.37%
170179	55,554	56,913	112,468	61,184	60,467	121,651	9,184	5,624	1.63	8.17%
351284	10,998	20,310	31,308	10,894	21,645	32,538	1,231	751	1.64	3.93%
351133	10,806	39,967	50,773	10,761	41,228	51,989	1,217	737	1.65	2.40%
351264	9,752	22,340	32,093	9,696	23,534	33,230	1,138	684	1.66	3.54%
330938	92,909	86,631	179,540	100,082	93,950	194,033	14,493	8,664	1.67	8.07%
320750	23,409	26,373	49,782	25,094	28,217	53,311	3,528	2,097	1.68	7.09%
170171	16,665	20,882	37,547	16,370	23,439	39,809	2,262	1,339	1.69	6.02%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
220375	79,242	104,954	184,196	85,908	110,724	196,632	12,436	7,311	1.70	6.75%
351285	14,267	29,649	43,916	14,157	31,521	45,678	1,763	1,033	1.71	4.01%
351282	18,821	23,923	42,744	18,727	26,113	44,840	2,096	1,225	1.71	4.90%
320839	12,412	23,246	35,658	12,243	25,108	37,351	1,693	984	1.72	4.75%
190237	21,415	33,773	55,189	21,271	36,388	57,659	2,470	1,434	1.72	4.48%
100022	92,380	130,375	222,755	101,215	136,612	237,827	15,072	8,683	1.74	6.77%
361381	3,317	15,254	18,571	3,302	15,665	18,967	396	228	1.74	2.13%
361499	26,375	26,755	53,130	28,626	28,773	57,398	4,268	2,455	1.74	8.03%
170196	113,815	96,679	210,494	124,488	104,920	229,408	18,914	10,877	1.74	8.99%
310669	49,156	63,344	112,500	54,827	65,740	120,567	8,066	4,618	1.75	7.17%
371532	46,882	142,753	189,635	46,706	147,986	194,692	5,057	2,875	1.76	2.67%
330967	38,599	63,402	102,001	42,866	65,724	108,590	6,588	3,730	1.77	6.46%
341062	7,659	16,008	23,668	7,597	17,061	24,657	990	559	1.77	4.18%
361362	72,059	126,914	198,974	81,125	131,744	212,869	13,896	7,797	1.78	6.98%
300594	99,224	89,415	188,639	111,869	94,842	206,712	18,072	10,138	1.78	9.58%
330856	41,986	49,954	91,940	42,657	55,440	98,097	6,157	3,453	1.78	6.70%
351166	10,877	20,570	31,447	10,764	22,103	32,866	1,419	786	1.81	4.51%
351262	21,098	33,968	55,066	20,970	36,515	57,485	2,419	1,334	1.81	4.39%
330875	15,471	16,864	32,335	15,244	19,201	34,444	2,109	1,162	1.82	6.52%
442038	15,046	16,249	31,295	14,780	18,818	33,598	2,303	1,265	1.82	7.36%
320826	12,553	21,084	33,637	12,380	23,087	35,466	1,830	998	1.83	5.44%
330925	24,364	23,705	48,069	26,419	25,934	52,353	4,284	2,332	1.84	8.91%
330850	32,478	39,242	71,720	35,942	41,707	77,649	5,928	3,222	1.84	8.27%
230495	43,068	52,711	95,779	48,280	55,537	103,818	8,039	4,328	1.86	8.39%
320829	44,798	56,830	101,627	49,932	59,673	109,606	7,978	4,279	1.86	7.85%
330889	26,152	36,555	62,707	25,820	40,536	66,356	3,649	1,952	1.87	5.82%
361424	12,055	22,558	34,613	11,988	24,052	36,040	1,427	763	1.87	4.12%
351141	10,034	21,259	31,292	9,927	22,795	32,722	1,429	761	1.88	4.57%
351239	8,796	19,665	28,460	8,749	20,872	29,620	1,160	613	1.89	4.08%
250283	123,948	194,262	318,209	136,643	202,638	339,281	21,072	11,124	1.89	6.62%
300659	91,193	92,799	183,991	102,432	98,941	201,372	17,381	9,171	1.90	9.45%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
351169	7,115	16,190	23,305	7,060	17,223	24,283	978	515	1.90	4.20%
220389	69,586	81,842	151,428	75,154	88,869	164,023	12,596	6,617	1.90	8.32%
351273	10,402	17,878	28,280	10,287	19,506	29,793	1,513	794	1.91	5.35%
150125	76,694	108,464	185,158	85,540	114,222	199,762	14,605	7,658	1.91	7.89%
330949	27,620	42,277	69,897	30,212	44,876	75,089	5,192	2,671	1.94	7.43%
371563	16,412	24,095	40,507	16,293	26,323	42,616	2,110	1,083	1.95	5.21%
260417	22,958	27,813	50,771	24,566	30,205	54,771	4,000	2,049	1.95	7.88%
351310	8,135	20,271	28,406	8,076	21,378	29,455	1,049	536	1.96	3.69%
190253	24,771	53,709	78,480	26,604	56,163	82,767	4,287	2,191	1.96	5.46%
300609	35,329	30,033	65,362	39,230	32,993	72,222	6,861	3,499	1.96	10.50%
341086	7,202	15,757	22,959	7,146	16,838	23,984	1,025	522	1.96	4.47%
320792	28,385	38,987	67,372	31,066	41,692	72,759	5,387	2,729	1.97	8.00%
330846	46,125	74,972	121,096	49,697	79,971	129,668	8,572	4,323	1.98	7.08%
100005	10,479	11,532	22,011	10,362	13,299	23,661	1,650	801	2.06	7.50%
361439	13,133	24,388	37,520	13,062	26,347	39,409	1,889	915	2.06	5.04%
351160	16,071	23,591	39,662	15,952	25,975	41,927	2,265	1,083	2.09	5.71%
170200	23,683	31,742	55,425	25,577	34,598	60,176	4,751	2,230	2.13	8.57%
351202	9,442	17,986	27,428	9,348	19,594	28,943	1,514	709	2.14	5.52%
330915	48,975	56,787	105,762	55,193	61,412	116,605	10,843	4,964	2.18	10.25%
532396	8,637	18,606	27,243	8,558	20,092	28,650	1,407	640	2.20	5.16%
320777	28,216	26,817	55,033	30,693	30,058	60,751	5,718	2,598	2.20	10.39%
300664	12,884	22,434	35,318	12,732	24,637	37,369	2,052	929	2.21	5.81%
361372	2,896	12,693	15,589	2,884	13,143	16,026	438	198	2.21	2.81%
310678	17,381	23,345	40,726	17,075	26,689	43,764	3,038	1,364	2.23	7.46%
351119	5,982	15,985	21,967	5,942	16,982	22,925	958	426	2.25	4.36%
330944	93,067	137,126	230,193	103,646	146,292	249,938	19,745	8,754	2.26	8.58%
320756	14,896	25,675	40,571	14,696	28,329	43,024	2,454	1,083	2.27	6.05%
351189	13,583	25,607	39,190	13,497	27,708	41,205	2,015	889	2.27	5.14%
351344	13,674	31,179	44,853	13,599	33,431	47,030	2,177	955	2.28	4.85%
330951	29,904	46,077	75,981	32,905	49,780	82,685	6,704	2,930	2.29	8.82%
351174	16,718	35,727	52,445	16,627	38,296	54,923	2,478	1,081	2.29	4.72%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 SETTLEMENTS DATA

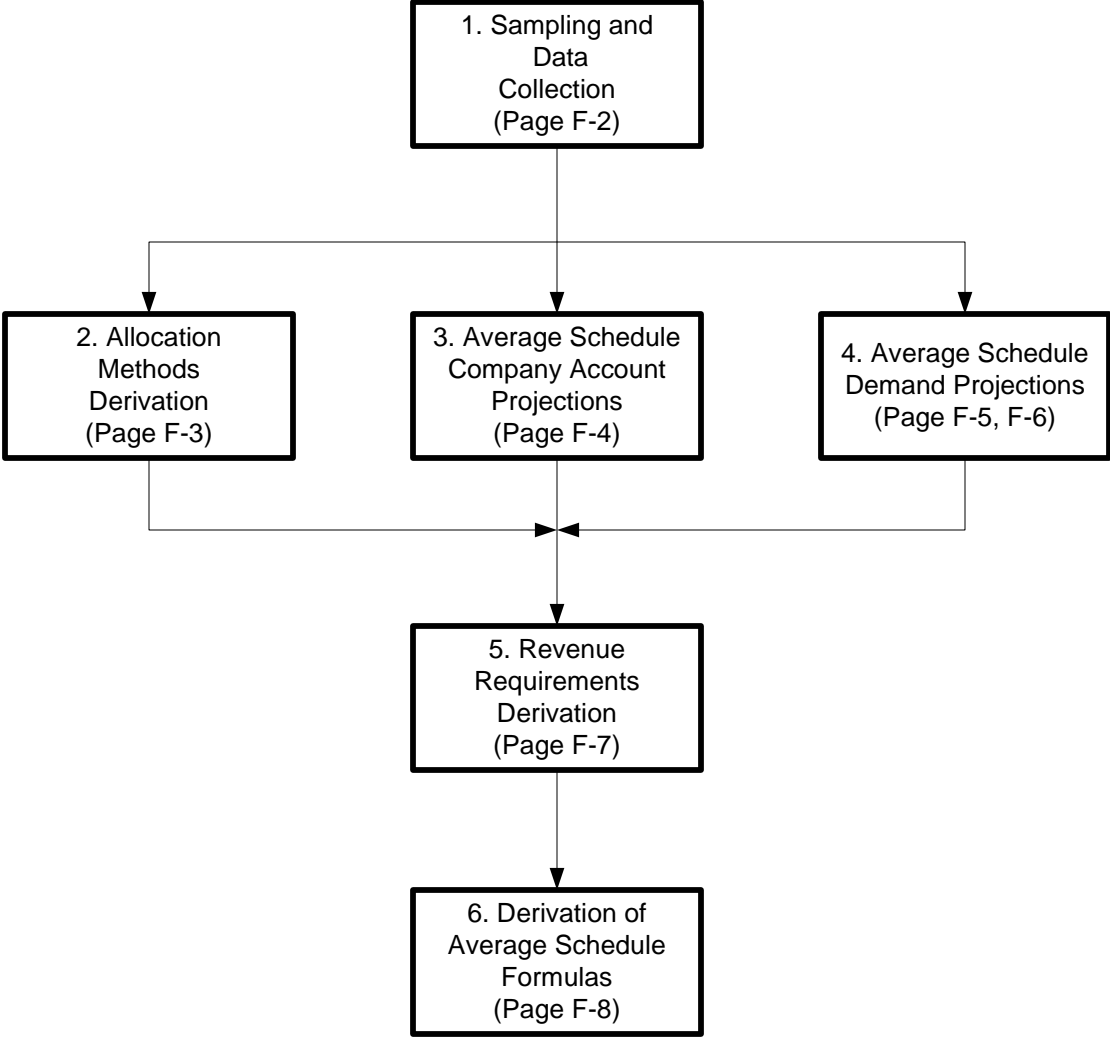
Study Area Code	Current Common Line Settlement	Current Traffic Sensitive Settlement	Current Total Settlement	Proposed Common Line Settlement	Proposed Traffic Sensitive Settlement	Proposed Total Settlement	Total Settlement Difference	Access Lines	Total Settlement Difference Per Line	Total Settlement Percent Difference
300634	31,703	47,162	78,865	35,012	51,078	86,090	7,225	3,125	2.31	9.16%
361353	15,369	24,628	39,996	15,125	27,668	42,793	2,797	1,205	2.32	6.99%
320771	6,876	21,535	28,411	6,825	22,742	29,567	1,156	496	2.33	4.07%
250312	69,649	91,504	161,154	76,348	101,365	177,713	16,559	7,105	2.33	10.28%
361403	10,666	21,048	31,714	10,545	23,091	33,636	1,922	818	2.35	6.06%
300651	5,552	11,670	17,222	5,517	12,634	18,151	929	393	2.36	5.39%
351235	9,146	18,794	27,941	9,075	20,298	29,373	1,433	604	2.37	5.13%
361485	18,326	26,631	44,957	18,164	29,906	48,070	3,113	1,296	2.40	6.92%
401710	13,727	22,070	35,797	13,625	24,552	38,177	2,379	990	2.40	6.65%
351324	14,937	20,473	35,410	14,818	23,279	38,097	2,687	1,087	2.47	7.59%
351326	10,742	21,559	32,301	10,640	23,508	34,148	1,847	741	2.49	5.72%
351252	52,267	82,977	135,244	58,701	89,706	148,407	13,162	5,245	2.51	9.73%
240541	23,476	47,107	70,583	25,326	50,807	76,133	5,550	2,202	2.52	7.86%
240535	10,146	17,906	28,052	10,037	19,968	30,005	1,953	771	2.53	6.96%
330866	18,181	30,393	48,573	18,022	33,807	51,829	3,256	1,284	2.54	6.70%
190219	47,185	70,038	117,223	50,568	77,336	127,904	10,681	4,203	2.54	9.11%
330946	16,171	28,851	45,021	16,043	31,846	47,889	2,868	1,128	2.54	6.37%
351206	5,938	23,565	29,502	5,914	24,565	30,479	976	384	2.54	3.31%
421936	7,413	13,975	21,388	7,354	15,407	22,761	1,373	539	2.55	6.42%
310725	13,784	21,599	35,383	13,569	24,681	38,250	2,867	1,125	2.55	8.10%
220324	39,790	42,391	82,181	44,337	47,858	92,195	10,014	3,907	2.56	12.19%
351261	18,551	36,360	54,911	18,448	39,824	58,272	3,361	1,297	2.59	6.12%
462198	12,331	22,267	34,598	12,165	24,977	37,141	2,544	976	2.61	7.35%
340993	7,573	17,762	25,335	7,512	19,272	26,784	1,449	552	2.63	5.72%
351294	7,177	19,293	26,470	7,122	20,717	27,839	1,369	520	2.63	5.17%
140053	11,419	18,764	30,184	11,279	21,260	32,539	2,356	888	2.65	7.80%
361365	4,418	11,455	15,873	4,394	12,298	16,692	819	308	2.66	5.16%
361404	13,336	24,241	37,576	13,239	26,898	40,137	2,561	959	2.67	6.81%
287449	10,413	16,349	26,762	10,297	18,590	28,887	2,125	795	2.67	7.94%
351343	8,327	20,483	28,810	8,253	22,212	30,465	1,655	614	2.70	5.74%
351301	10,050	34,336	44,386	10,004	36,272	46,276	1,890	691	2.73	4.26%

APPENDIX E

2008 MODIFICATION OF AVERAGE SCHEDULES  
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2008 USING 9/07 VIEW OF 7/07 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
230500	15,346	22,341	37,687	15,110	25,921	41,032	3,345	1,184	2.83	8.88%
170215	10,905	24,015	34,920	10,778	26,561	37,339	2,418	840	2.88	6.93%
381622	14,520	27,896	42,417	14,426	30,728	45,154	2,738	943	2.90	6.45%
340998	7,610	14,995	22,605	7,548	16,686	24,235	1,630	555	2.94	7.21%
361405	10,288	29,702	39,990	10,251	31,539	41,790	1,799	603	2.98	4.50%
431704	16,413	23,993	40,406	16,157	28,012	44,169	3,763	1,237	3.04	9.31%
351269	7,364	25,425	32,789	7,305	27,123	34,428	1,639	535	3.06	5.00%
421206	16,079	41,816	57,895	16,005	45,157	61,162	3,267	1,048	3.12	5.64%
371562	18,088	35,335	53,424	17,987	39,034	57,021	3,597	1,153	3.12	6.73%
371565	9,269	20,627	29,896	9,217	22,750	31,968	2,072	648	3.20	6.93%
300645	14,902	16,867	31,769	14,677	20,796	35,473	3,704	1,156	3.20	11.66%
432141	11,645	25,950	37,594	11,589	28,644	40,233	2,639	787	3.35	7.02%
361389	16,707	32,190	48,897	16,629	35,889	52,518	3,622	1,080	3.35	7.41%
250285	12,014	22,314	34,328	11,858	25,728	37,586	3,258	945	3.45	9.49%
351320	7,721	25,695	33,416	7,657	27,728	35,385	1,970	564	3.49	5.89%
381638	16,052	38,486	54,538	15,965	42,277	58,241	3,703	1,048	3.53	6.79%
170195	7,002	18,119	25,121	6,949	19,989	26,938	1,817	506	3.59	7.23%
351308	5,447	18,548	23,995	5,413	20,006	25,419	1,424	385	3.70	5.93%
391405	7,801	21,960	29,761	7,771	23,954	31,725	1,964	517	3.80	6.60%
310694	8,908	18,834	27,742	8,824	21,535	30,359	2,618	663	3.95	9.44%
351424	13,688	23,030	36,717	13,612	27,207	40,819	4,102	956	4.29	11.17%
<b>TOTAL</b>	<b>22,314,204</b>	<b>26,768,487</b>	<b>49,082,697</b>	<b>23,230,518</b>	<b>26,967,946</b>	<b>50,198,462</b>	<b>1,115,798</b>	<b>2,037,234</b>	<b>\$0.55</b>	<b>2.27%</b>

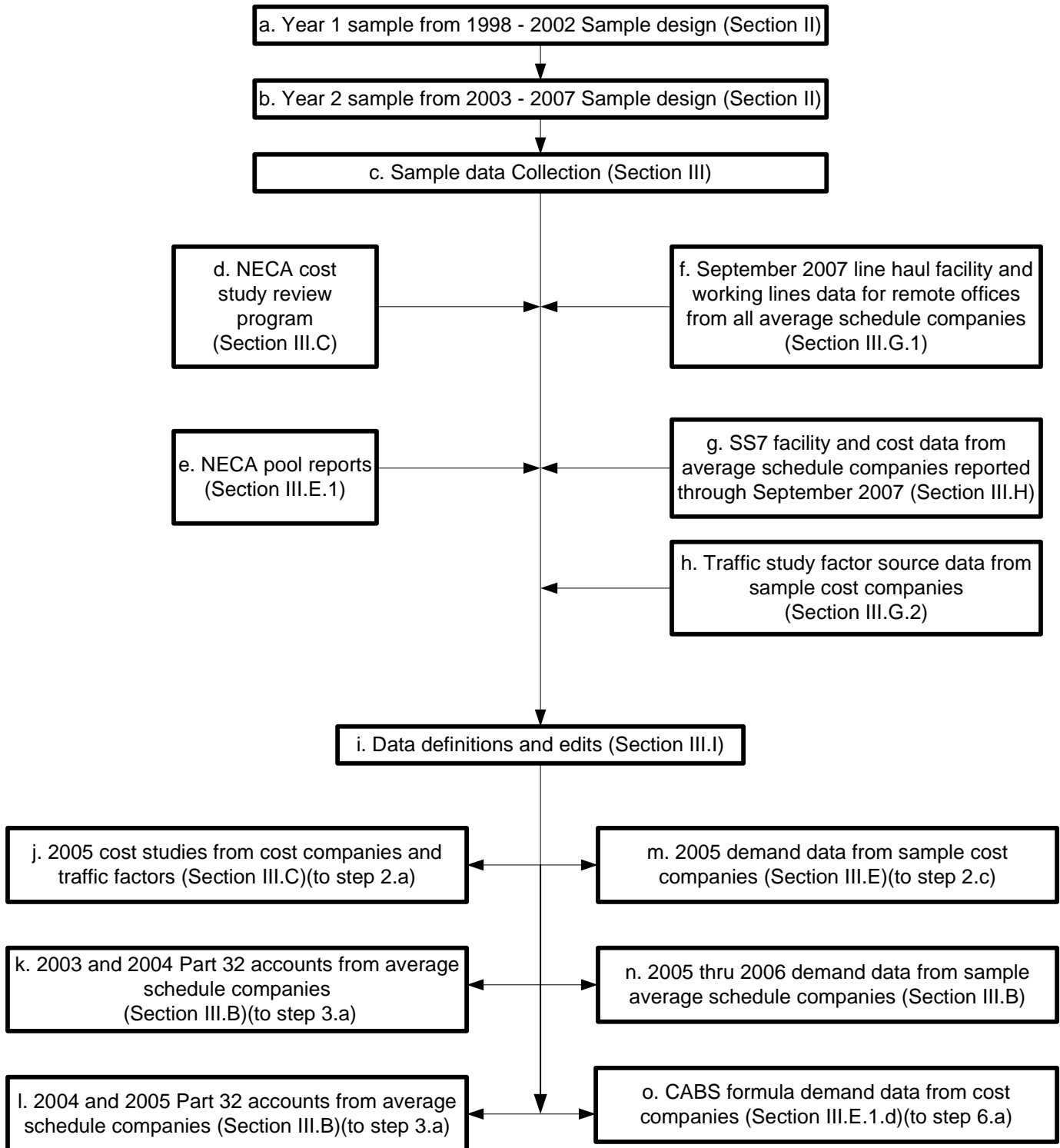
**APPENDIX F**  
**2008 MODIFICATIONS OF AVERAGE SCHEDULES**  
**FLOW CHARTS OF SETTLEMENT FORMULA**  
**DEVELOPMENT STEPS**



The numbered step references, used in this Appendix, refer to other steps within this Appendix

**APPENDIX F**  
**2008 MODIFICATIONS OF AVERAGE SCHEDULES**  
**FLOW CHARTS OF SETTLEMENT FORMULA**  
**DEVELOPMENT STEPS**

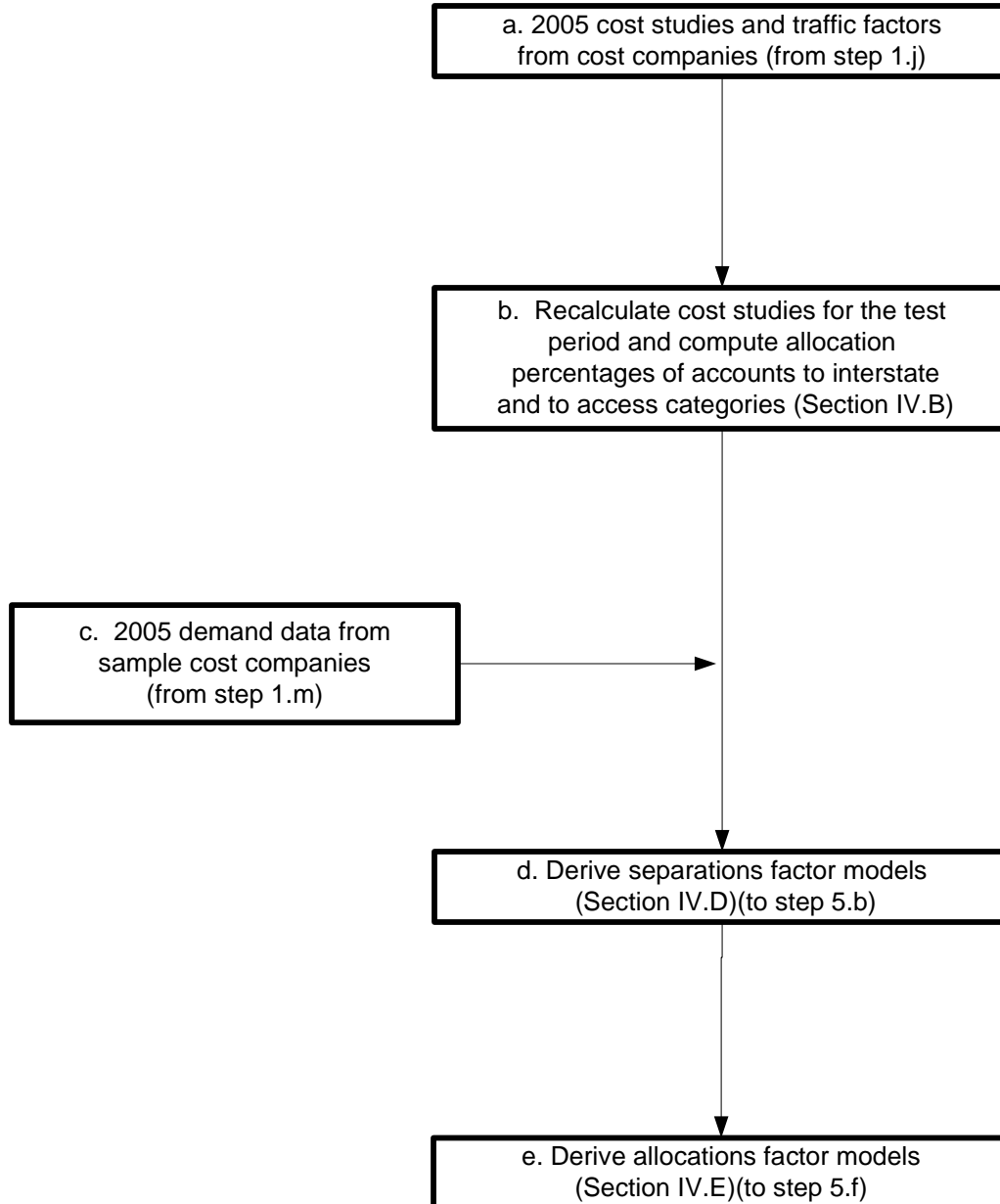
**1. Sampling and Data Collection**





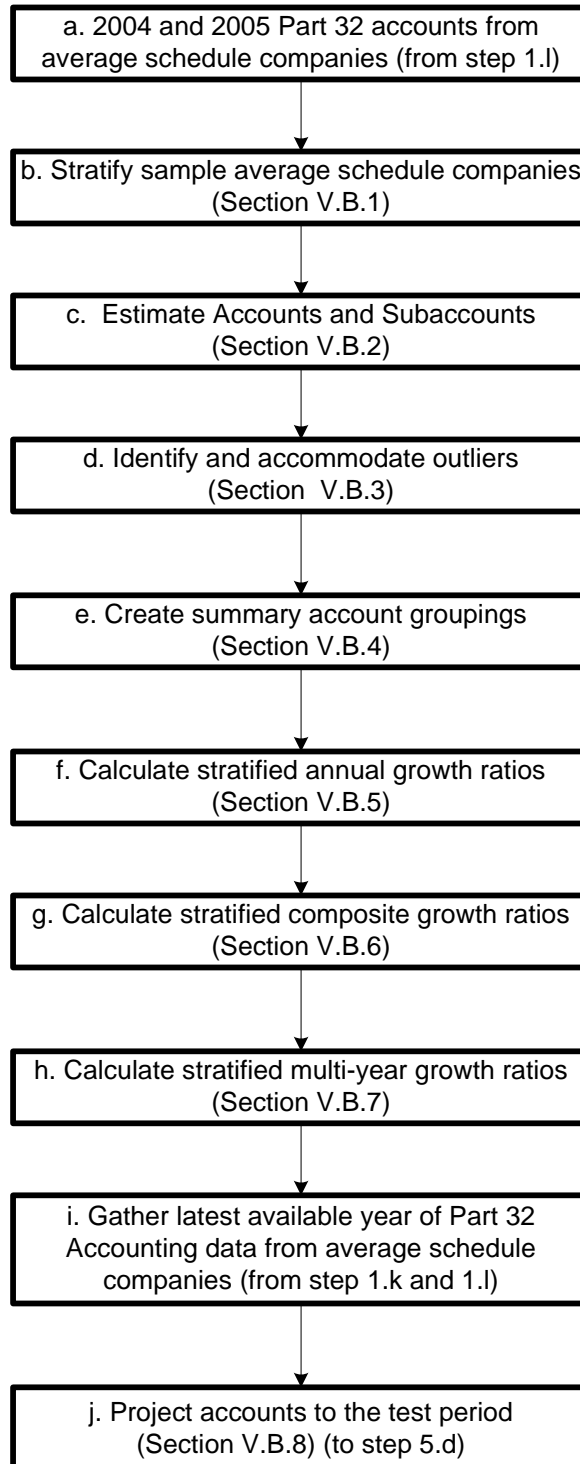
**APPENDIX F**  
**2008 MODIFICATIONS OF AVERAGE SCHEDULES**  
**FLOW CHARTS OF SETTLEMENT FORMULA**  
**DEVELOPMENT STEPS**

**2. Allocation Methods Derivation**



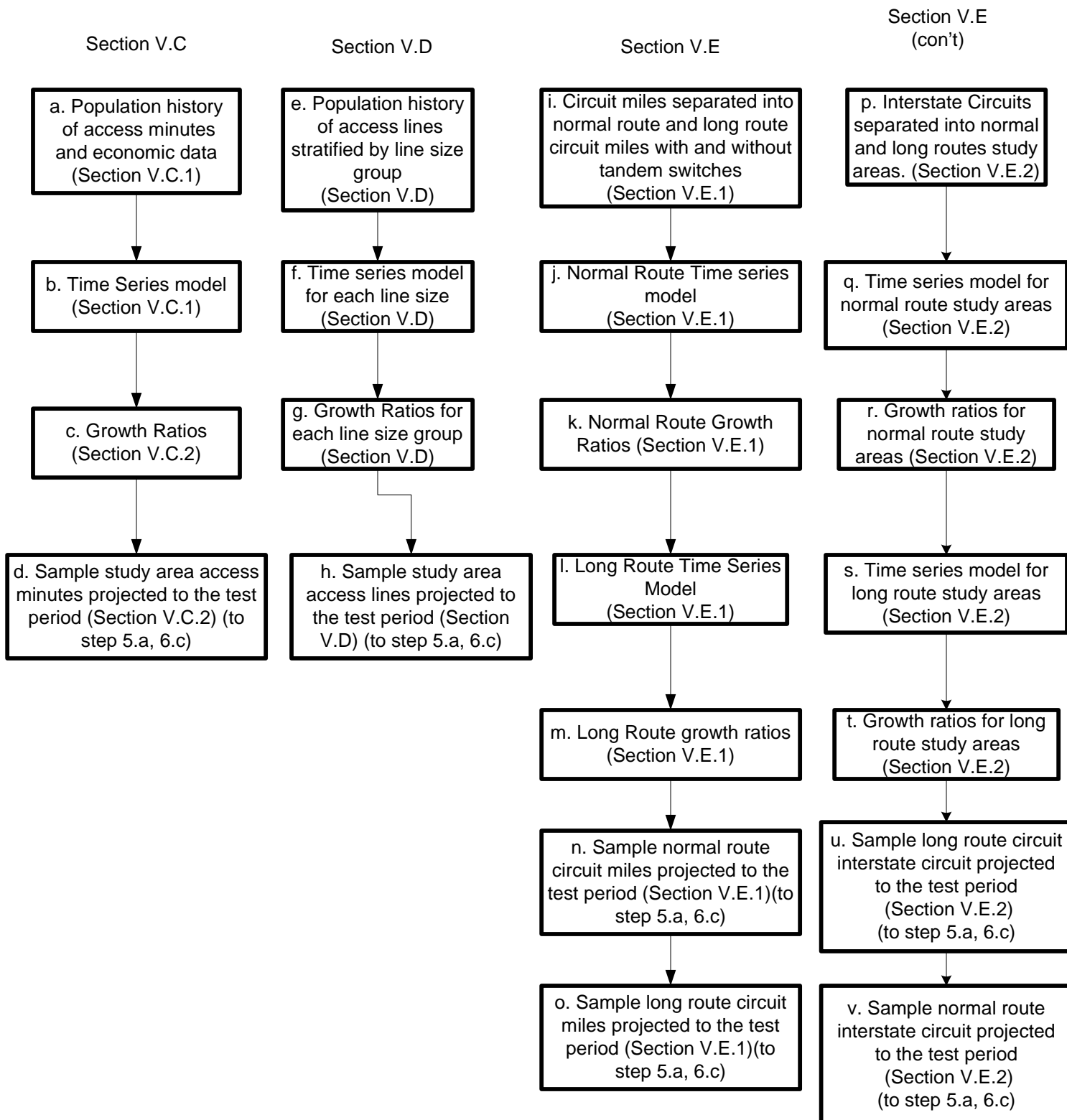
**APPENDIX F**  
**2008 MODIFICATIONS OF AVERAGE SCHEDULES**  
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**DEVELOPMENT STEPS**

**3. Average Schedule Company Account Projections**



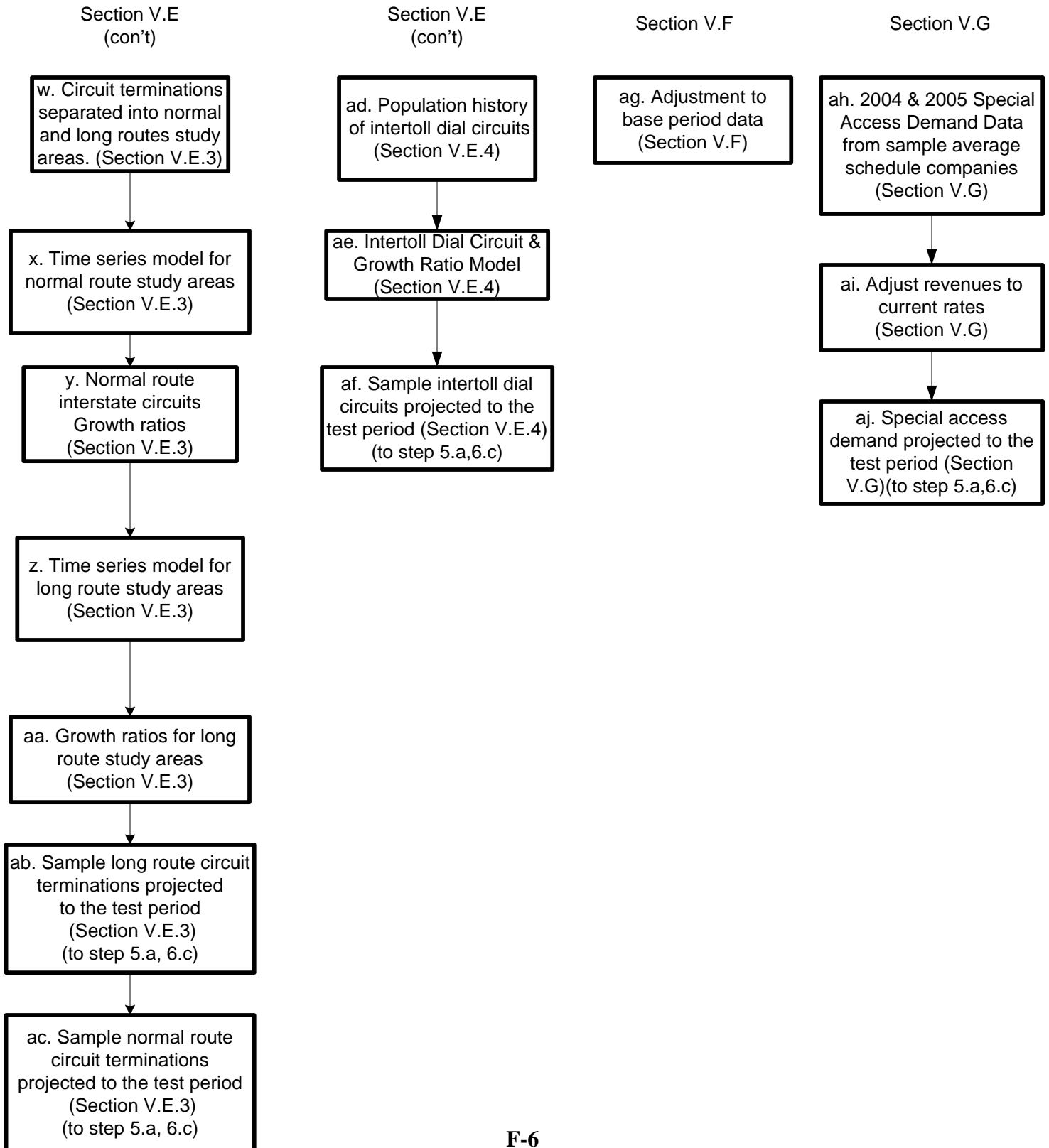
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**4. Average Schedule Demand Projections**



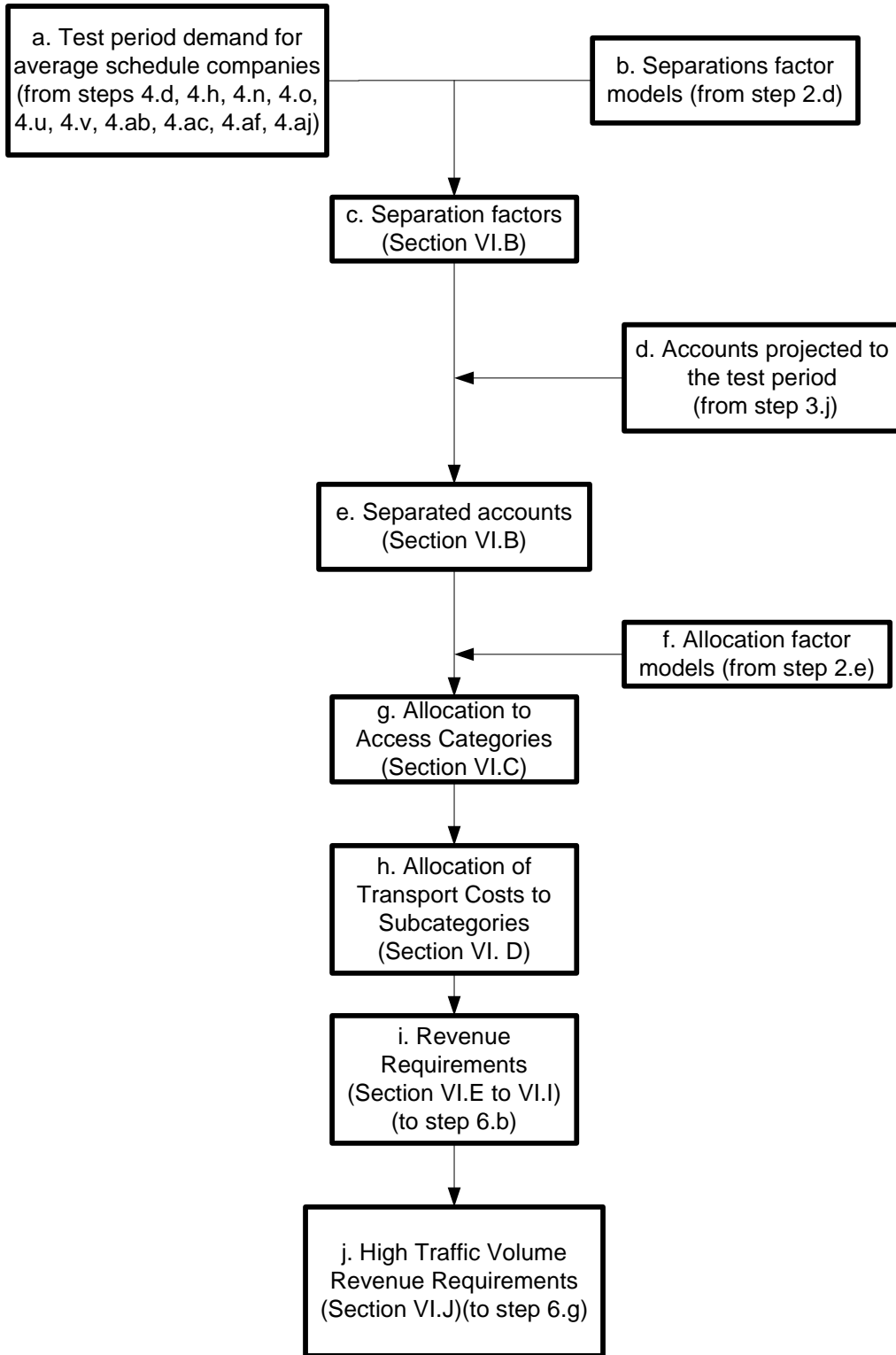
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**FLOW CHARTS OF SETTLEMENT FORMULA**  
**DEVELOPMENT STEPS**

**4. Average Schedule Demand Projections**



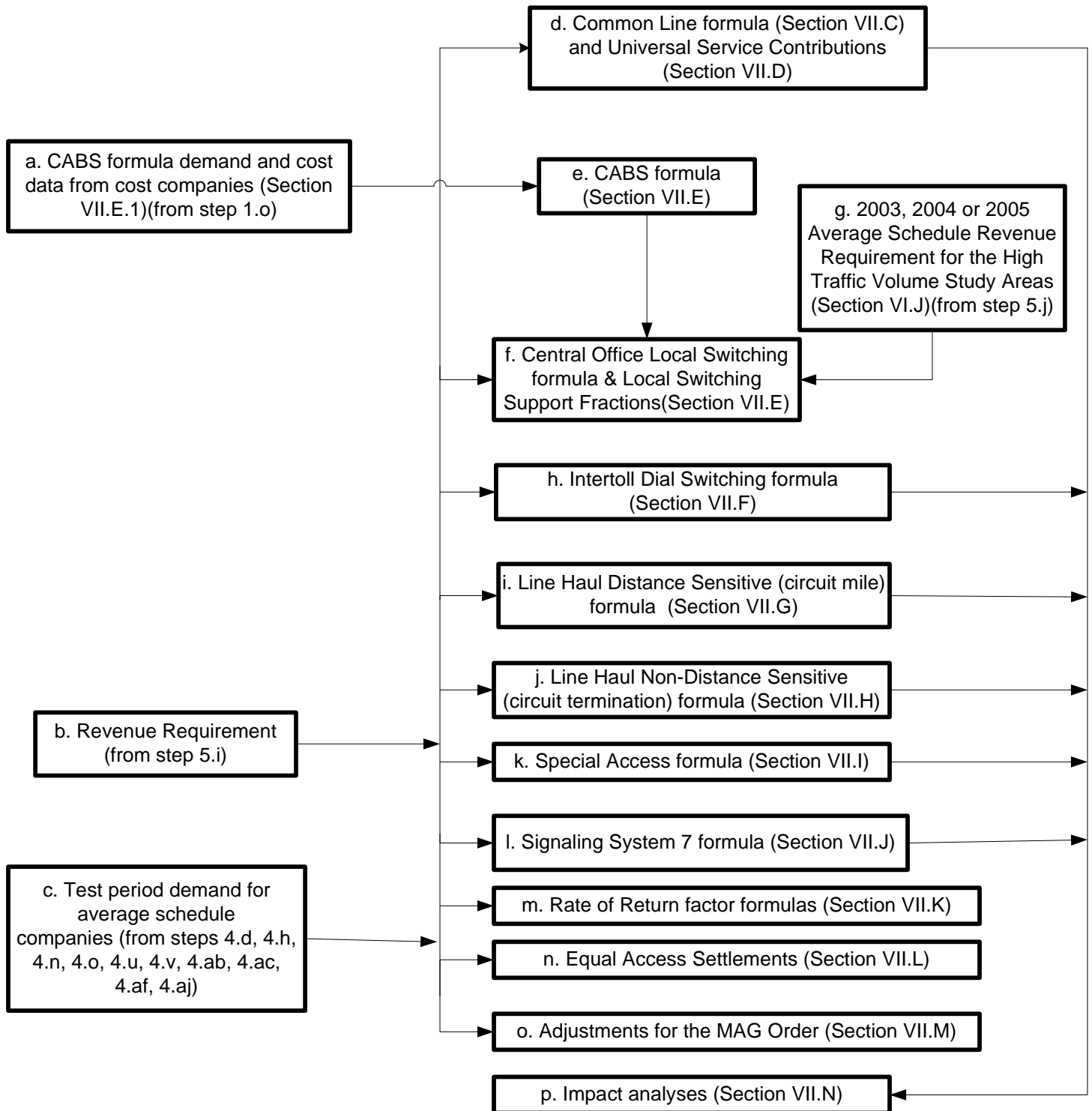
**APPENDIX F**  
**2008 MODIFICATIONS OF AVERAGE SCHEDULES**  
**FLOW CHARTS OF SETTLEMENT FORMULA**  
**DEVELOPMENT STEPS**

**5. Revenue Requirements Derivation**



**APPENDIX F**  
**2008 MODIFICATIONS OF AVERAGE SCHEDULES**  
**FLOW CHARTS OF SETTLEMENT FORMULA**  
**DEVELOPMENT STEPS**

**6. Derivation of Average Schedule Formulas**



APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
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 PENNSYLVANIA TELEPHONE CO.
170193	NORTH PITTSBURGH TEL. CO.
170195	ARMSTRONG TEL. CO. NORTH
170196	PALMERTON TELEPHONE COMPANY
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
190243	PEMBROKE TEL. COOP.

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
260417	SALEM TEL. CO.



APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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	BLEDSON TEL. COOP.
290559	CONCORD TEL. EXCHANGE, INC.
290565	HIGHLAND TEL. COOP., INC.-TN
290570	LORETTO TEL. CO., INC.
290598	WEST KENTUCKY RURAL TELEPHONE COOP. CORP.-TN
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.
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 TELEPHONE COMPANY
310676	BARRY COUNTY TEL. CO.
310678	BLANCHARD TEL. ASSOC., INC.
310688	CLIMAX TEL. CO.

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
320792	MULBERRY COOP. TEL. CO., INC.
320796	NEW LISBON TEL. CO., INC.
320809	COMM. CORP. OF SOUTHERN INDIANA
320816	S & W TEL. CO., INC.
320818	SMITHVILLE 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.
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.
330879	FARMERS IND. TEL. CO.-WI
330880	FARMERS TEL. CO.-WI
330881	MID-PLAINS TEL., INC.

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
330889	HAGER TELECOM, INC.
330892	HILLSBORO TEL. CO., INC.
330896	LAKEFIELD TEL. CO.
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
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.
341050	MARSEILLES TEL. CO. OF MARS.
341053	METAMORA TEL. CO.
341062	NEW WINDSOR TEL. CO.
341075	REYNOLDS TEL. CO.
341086	TONICA TEL. CO.

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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	F&B COMMUNICATIONS, INC.
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
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

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
351177	FARMERS TEL. CO.-RICEVILLE
351179	FENTON COOP. TEL. CO.
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.
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

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
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.

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
351332	WEST LIBERTY TEL. CO.
351334	WESTERN IOWA TEL. ASSN.
351335	WESTSIDE INDP. TEL. CO.
351336	WILTON TEL. CO.
351337	WINNEBAGO COOPERATIVE TELECOM ASSOCIATION-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
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
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.

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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 COMMUNICATIONS
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.
371561	HERSHEY COOPERATIVE TELEPHONE CO
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 COMMUNICATIONS MUTUAL AID CORP (A)



APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
381615	GRIGGS COUNTY TELEPHONE COMPANY
381622	MOORE & LIBERTY 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
421876	FARBER TELEPHONE COMPANY
421893	CHOCTAW TELEPHONE COMPANY
421900	KLM TEL. CO.
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.

APPENDIX G

2008 MODIFICATION OF AVERAGE SCHEDULES  
AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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 H  
 2007 MODIFICATION OF AVERAGE SCHEDULES  
 STUDY AREAS WITH LOW COST FACILITIES

<u>Study Area Code</u>	<u>Circuit Miles for Long Route Facilities</u>	<u>Monthly Cost of Long Route Facilities</u>
240535	36,072	\$1,205.64
351112	766,747	\$4,832.64
351113	24,048	\$620.16
351129	57,946	\$1,403.52
351130	202,810	\$967.68
351133	18,551	\$427.68
351134	10,542	\$214.20
351136	18,036	\$642.60
351141	13,626	\$263.16
351146	32,952	\$350.88
351147	50,702	\$856.80
351157	27,082	\$241.92
351160	43,459	\$1,591.20
351166	21,730	\$391.68
351168	49,962	\$964.92
351169	21,730	\$477.36
351173	30,060	\$1,071.00
351174	32,952	\$391.68
351175	28,973	\$701.76
351176	24,714	\$403.92
351187	14,759	\$442.68
351188	60,120	\$1,774.80
351195	32,952	\$350.88
351202	18,551	\$427.68
351203	27,082	\$241.92
351205	18,976	\$385.56
351206	41,190	\$673.20
351209	136,752	\$326.40
351217	18,036	\$642.60
351225	54,163	\$483.84
351237	13,626	\$263.16
351239	41,190	\$438.60
351246	40,622	\$362.88
351248	66,132	\$1,099.56
351250	28,973	\$350.88
351251	86,918	\$1,052.64
351252	80,387	\$1,853.28
351259	61,836	\$1,425.60
351260	470,131	\$725.76
351261	23,218	\$399.84
351263	30,060	\$306.00
351271	156,710	\$1,179.36
351277	13,541	\$120.96
351285	33,581	\$991.44
351291	22,387	\$742.56
351292	168,336	\$1,481.76
351294	18,168	\$350.88
351297	90,180	\$1,693.44
351298	168,336	\$3,175.20
351301	172,998	\$2,056.32
351303	27,082	\$302.40
351305	33,852	\$241.92

APPENDIX H  
 2007 MODIFICATION OF AVERAGE SCHEDULES  
 STUDY AREAS WITH LOW COST FACILITIES

<u>Study Area Code</u>	<u>Circuit Miles for Long Route Facilities</u>	<u>Monthly Cost of Long Route Facilities</u>
351306	206,623	\$1,822.80
351308	18,168	\$350.88
351319	43,459	\$1,346.40
351324	24,714	\$293.76
351326	32,952	\$334.56
351328	72,144	\$1,421.28
351331	55,652	\$1,283.04
351334	66,132	\$514.08
351337	96,192	\$3,326.40
351342	18,036	\$342.72
351405	55,652	\$1,283.04
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Total:	4,473,262	\$56,703.36
Average:		\$0.0127